

# Better Energy Poland A/S

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 38929291

## Annual Report 2020

The annual report was presented and  
adopted at the Annual General Meeting  
on 28 April 2021.



Ho Kei Au  
Chair of the Annual General Meeting

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## Better Energy Poland A/S

### Company information

#### Company

Better Energy Poland A/S  
Gammel Kongevej 60, 14th floor  
1850 Frederiksberg C  
Business Registration No.: 38929291  
Date of formation: 11 September 2017

#### Board of Directors

Rasmus Lildholdt Kjær  
Annette Egede Nylander  
Ho Kei Au

#### Executive Board

Christoffer Fruergaard Larsen, Director

**Better Energy Poland A/S**

## **Management's statement**

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Poland A/S for the financial year 1 January 2020 - 31 December 2020.

The annual report is presented in accordance with the Danish Financial Statements Act.

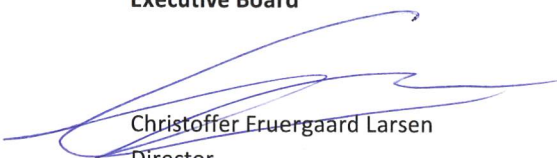
In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of Better Energy Poland A/S at 31 December 2020 and of the results of the company's operations for the financial year 1 January 2020 - 31 December 2020.

In our opinion, the management's review includes a true and fair account of the matters addressed in the review.

We recommend that the annual report be adopted at the Annual General Meeting.

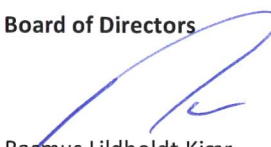
Frederiksberg, 28 April 2021

### **Executive Board**




Christoffer Fruergaard Larsen  
Director


### **Board of Directors**



Rasmus Lildholdt Kjær  
Chairman



Annette Egede Nylander  
Board member



Ho Kei Au  
Board member

## **Better Energy Poland A/S**

### **Management's review**

#### **The company's principal activities**

The primary purpose of the company is to carry out holding activities with project development, construction, financing and sale of Polish solar parks and related activities.

#### **Development in activities and financial matters**

The company's income statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -3.491.673 and the balance sheet at 31 December 2020 a balance sheet total of DKK 44.553.076 and an equity of DKK -10.424.431.

#### **Material changes in the company's operations and financial matters**

The company has lost its share equity. The company expects that the share equity can be reestablished through own profits or through capital increases from the owners.

**Better Energy Poland A/S****Income statement**

	Note	2020 kr.	2019 kr.
<b>Gross profit</b>		<b>-7.200</b>	<b>-10.397</b>
<b>Profit from ordinary operating activities</b>		<b>-7.200</b>	<b>-10.397</b>
Income from investments in group enterprises and associates		-1.693.269	-2.974.126
Financial income	1	1.194.870	1.455.016
Financial expences	2	-3.417.991	-2.105.498
<b>Profit from ordinary activities before tax</b>		<b>-3.923.590</b>	<b>-3.635.005</b>
Tax on profit/loss for the year	3	431.917	145.393
<b>Profit for the year</b>		<b>-3.491.673</b>	<b>-3.489.612</b>
<b>Proposed distribution of results</b>			
Retained earnings		-3.491.673	-3.489.612
<b>Distribution of profit</b>		<b>-3.491.673</b>	<b>-3.489.612</b>

Better Energy Poland A/S

Balance sheet as of 31 December

	Note	2020 kr.	2019 kr.
<b>Assets</b>			
Investments in group enterprises	4, 5	24.491	0
<b>Investments</b>		<b>24.491</b>	<b>0</b>
<b>Fixed assets</b>		<b>24.491</b>	<b>0</b>
Short-term trade receivables		496.508	533.607
Short-term receivables from group enterprises		43.313.707	11.208.133
Current deferred tax		0	114.308
Short-term tax receivables from group enterprises		527.920	31.085
Other short-term receivables		2.500	0
<b>Receivables</b>		<b>44.340.635</b>	<b>11.887.133</b>
<b>Cash and cash equivalents</b>		<b>187.950</b>	<b>9.311</b>
<b>Current assets</b>		<b>44.528.585</b>	<b>11.896.444</b>
<b>Assets</b>		<b>44.553.076</b>	<b>11.896.444</b>

Better Energy Poland A/S

Balance sheet as of 31 December

	Note	2020 kr.	2019 kr.
<b>Liabilities and equity</b>			
Contributed capital		568.182	568.182
Retained earnings		-10.992.613	-7.600.754
<b>Equity</b>		<b>-10.424.431</b>	<b>-7.032.572</b>
Trade payables		9	9
Payables to group enterprises		54.578.007	18.929.007
Other payables		399.491	0
<b>Short-term liabilities other than provisions</b>		<b>54.977.507</b>	<b>18.929.016</b>
<b>Liabilities other than provisions</b>		<b>54.977.507</b>	<b>18.929.016</b>
<b>Liabilities and equity</b>		<b>44.553.076</b>	<b>11.896.444</b>
Significant events occurring after end of reporting period	6		
Contingent liabilities	7		
Group relations	8		



## Better Energy Poland A/S

### Statement of changes in equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	568.182	-7.600.754	-7.032.572
Change of investments through net exchange differences	0	99.814	99.814
Profit (loss)	0	-3.491.673	-3.491.673
<b>Equity 31 December 2020</b>	<b>568.182</b>	<b>-10.992.613</b>	<b>-10.424.431</b>

The company was established 11 September 2017 with a share capital of DKK 500.000.  
A capital increase of DKK 68.182 was made 24 May 2018.

Notes

	2020	2019
<b>1. Financial income</b>		
Financial income from group enterprises	1.291.548	623.905
Other financial income	0	1.994
Exchange gains	-96.678	829.117
	<u>1.194.870</u>	<u>1.455.016</u>

	2020	2019
<b>2. Financial expenses</b>		
Financial expenses from group enterprises	1.694.561	1.811.778
Other financial expenses	582	646
Exchange losses	1.722.848	293.074
	<u>3.417.991</u>	<u>2.105.498</u>

	2020	2019
<b>3. Tax on profit for the year</b>		
Current tax for the year	-527.920	-31.085
Deferred tax for the year	96.003	-114.308
Adjustment of tax concerning previous years	-18.305	0
Adjustment of deferred tax concerning previous years	18.305	0
	<u>-431.917</u>	<u>-145.393</u>

	2020	2019
<b>4. Investments in group enterprises</b>		
Cost at the beginning of the year	236.578	201.422
Additions for the year	432.983	35.156
<b>Cost at the end of the year</b>	<u>669.561</u>	<u>236.578</u>

Revaluations at the beginning of the year	-236.579	-197.952
Change due to a foreign currency translation adjustment	99.813	-13.480
Revaluations for the year	-1.693.269	-2.473.597
Reversal of prior revaluations	1.184.965	2.448.451
<b>Revaluations at the end of the year</b>	<u>-645.070</u>	<u>-236.578</u>

<b>Carrying amount at the end of the year</b>	<u>24.491</u>	<u>0</u>
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**5. Disclosure of investments in group enterprises**

*Group enterprises*

Name	Registered office	Share held in
		%
Better Energy Poland Development A/S	Frederiksberg	100,00
Better Energy Solar Park 80 sp. z.o.o.	Poland	100,00
Better Energy Solar Park 81 sp. z.o.o.	Poland	100,00
Better Energy Solar Park 82 sp. z.o.o.	Poland	100,00
Better Energy Wagrowiec sp. z.o.o.	Poland	100,00
Better Energy Chelmno sp. z.o.o.	Poland	100,00

## Better Energy Poland A/S

### Notes

Better Energy Wierzchowo sp. z.o.o.	Poland	100,00
Better Energy Solar Development sp. z.o.o.	Poland	100,00
Better Energy Kleczew sp. z.o.o.	Poland	100,00
Better Energy Solar Park 213 sp. z.o.o.	Poland	100,00
Better Energy Solar Park 214 sp. z.o.o.	Poland	100,00
Better Energy Solar Park 215 sp. z.o.o.	Poland	100,00
Better Energy Solar Park 216 sp. z.o.o.	Poland	100,00

### 6. Significant events occurring after end of reporting period

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

### 7. Contingent liabilities

The company participates in a Danish joint taxation arrangement where Better Energy Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Better Energy Poland A/S has guaranteed group enterprises' debt to Proventus Capital Partners IV AB, Proventus Capital Partners IV B AB and Proventus Capital Partners IV C KB. The guarantee amounts to EUR 40 million as of 31 December 2020.

### 8. Group relations

Name and registered office of the parent company preparing consolidated statements for the smallest group: Better Energy Holding A/S, Frederiksberg.

## **Accounting policies**

### **Reporting class**

The annual report of Better Energy Poland A/S for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with addition of certain provisions for reporting class C.

### **Changed accounting policies, estimates and errors**

Accounting policies have been changed as follows:

- Unpaid contributed capital is recognised in other receivables in accordance with the Danish Financial Statements Act.
- Reserve for unpaid contributed capital has been dissolved and the balance transferred to retained earnings.

The accumulated effect of the change in accounting policies at the beginning of the year are recognised directly in the opening equity balance as detailed in the statement of changes to equity.

Apart from the above mentioned fields, the accounting policies are consistent with those of the previous year.

### **Reporting currency**

The annual report is presented in Danish kroner (DKK).

### **Consolidated financial statements**

With reference to section 110(1) the Danish Financial Statements Act, no consolidated financial statements have been prepared, because the group enterprises are subsidiaries of a higher-ranking group.

### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the company, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item. Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## **Accounting policies**

### **Income statement**

#### **Gross profit/loss**

The company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit or loss comprises other external expenses.

#### **Other external expenses**

Other external expenses include expenses for operation and administration.

#### **Income from investments in group enterprises and associates**

The items 'Income from investments in group enterprises and associates' in the income statement include the proportionate share of the profit or loss for the year and amortisation of goodwill on consolidation. Internal profits/losses are eliminated in full for subsidiaries and proportionately for associates.

#### **Financial income**

Financial income comprises interest income, including interest income on receivables from group enterprises, amortisation of financial assets, payables and transactions in foreign currencies, fair value adjustments of financial interests as well as tax relief under the Danish Tax Prepayment Scheme etc.

#### **Financial expenses**

Financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, amortisation of financial liabilities, payables and transactions in foreign currencies, fair value adjustments of financial interests as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

#### **Tax on profit for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is jointly taxed with all Danish group entities. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

### **Balance sheet**

#### **Financial fixed assets**

##### **Equity investments in group enterprises and associates**

Enterprises in which the company, directly or indirectly, holds more than 50% of the voting rights and exercises controlling influence are regarded as subsidiaries. Enterprises in which the company, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Investments in subsidiaries and associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the company has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in subsidiaries and associates is transferred to reserve for net revaluation according to the equity method under equity.

## **Accounting policies**

Investments in subsidiaries and associates are written down to the lower of recoverable amount and carrying amount.

The right for selling parties to receive dividends in subsidiaries and associates is measured at fair value and recognised as a part of investments in the subsidiaries/associates. Changes in fair value of selling parties' right to receive dividends are recognised in the income statement.

### **Current assets**

#### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

#### **Other receivables**

Other receivables comprise non-financial assets, which are measured at cost.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

#### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

#### **Liabilities**

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

#### **Other payables**

Other payables comprise non-financial liabilities, which are measured at cost.