

Better Energy Ukraine A/S

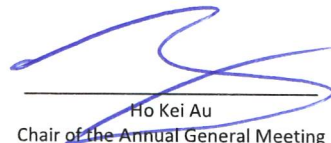
Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 38933523

Annual Report 2020

The annual report was presented and
adopted at the Annual General Meeting
on 7 June 2021



Ho Kei Au
Chair of the Annual General Meeting

Better Energy Ukraine A/S

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Better Energy Ukraine A/S

Company information

Company

Better Energy Ukraine A/S
Gammel Kongevej 60, 14th floor
1850 Frederiksberg C
Business Registration No.: 38933523
Date of formation: 11 September 2017

Board of Directors

Rasmus Lildholdt Kjær
Ho Kei Au
Annette Egede Nylander

Executive Board

Michael Vater, Managing director

Management's statement

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Ukraine 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 Ukraine 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.

The conditions for not conducting an audit of the financial statements have been met.

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

Frederiksberg, 7 June 2021

Executive Board

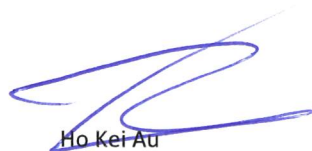


Michael Vater
Managing director

Board of Directors



Rasmus Lildholdt Kjær
Chairman



Ho Kei Au
Board member



Annette Egede Nylander
Board member

Better Energy Ukraine A/S

Management's review

The company's principal activities

The purpose of Better Energy Ukraine A/S is to carry out holding activities with project development, construction, financing of acquisition and divestment of Ukrainian solar parks and related activities.

Development in activities and financial matters

Better Energy Ukraine A/S's income statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -1.610.581 and the balance sheet at 31 December 2020 a balance sheet total of DKK 42.571.461 and an equity of DKK 1.454.487.

Better Energy Ukraine A/S

Income statement

	Note	2020 DKK	2019 DKK
Gross profit		-5.024	-316.976
Operating profit		-5.024	-316.976
Income from investments in group enterprises		-1.983.561	-259.296
Income from investments in associates		1.802.311	8.610.014
Financial income	1	91.549	48.273
Financial expenses	2	-1.664.055	-2.142.629
Profit from ordinary activities before tax		-1.758.780	5.939.386
Tax on profit for the year	3	148.199	-20.244
Profit		-1.610.581	5.919.142
Proposed distribution of results			
Retained earnings		-1.610.581	5.919.142
Distribution of profit		-1.610.581	5.919.142

Better Energy Ukraine A/S

Balance sheet as of 31 December

	Note	2020 DKK	2019 DKK
Assets			
Investments in group enterprises	4, 5	456.713	674.167
Investments in associates	5, 6	41.179.050	53.553.139
Investments		41.635.763	54.227.306
Fixed assets		41.635.763	54.227.306
Receivables from group enterprises		521.212	1.788.349
Other receivables		377.500	400.000
Receivables		898.712	2.188.349
Cash		36.986	112
Current assets		935.698	2.188.461
Assets		42.571.461	56.415.767

Better Energy Ukraine A/S

Balance sheet as of 31 December

	Note	2020 DKK	2019 DKK
Equity and liabilities			
Contributed capital		500.000	500.000
Reserve for net revaluation according to equity method		0	9.357.076
Reserve for unpaid contributed capital		375.000	375.000
Retained earnings		579.487	2.084.272
Equity		1.454.487	12.316.348
Payables to group enterprises		40.361.207	43.326.550
Joint taxation payables		3.142	20.244
Other payables		752.625	752.625
Short-term liabilities other than provisions		41.116.974	44.099.419
Liabilities other than provisions		41.116.974	44.099.419
Equity and liabilities		42.571.461	56.415.767
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Statement of changes in equity

	Contributed capital	Unpaid Contributed capital	Reserve for net revaluation according to equity method	Reserve for unpaid contributed capital	Retained earnings	Total
Equity 1 January 2020	500.000	-375.000	9.357.076	375.000	2.084.272	11.941.348
Changes of equity through changes in accounting policies		375.000				375.000
Adjusted equity 1 January 2020	500.000	0	9.357.076	375.000	2.084.272	12.316.348
Dividend			-4.841.429		4.841.429	0
Exchange rate adjustments			-9.251.280			-9.251.280
Other adjustments of equity			1.657.416		-1.657.416	0
Transfers to reserves			3.259.467		-3.259.467	0
Profit (loss)			-181.250		-1.429.331	-1.610.581
Equity 31 December 2020	500.000	0	0	375.000	579.487	1.454.487

Notes

	2020	2019
1. Financial income		
Financial income from group enterprises	91.549	48.273
	91.549	48.273

	2020	2019
2. Financial expenses		
Financial expenses from group enterprises	1.663.924	2.119.921
Other financial expenses	131	22.708
	1.664.055	2.142.629

	2020	2019
3. Tax on profit for the year		
Current tax for the year	3.142	20.244
Adjustment of tax concerning previous years	-151.341	0
	-148.199	20.244

	2020	2019
4. Investments in group enterprises		
Cost at the beginning of the year	760.000	760.000
Additions for the year	49.775	0
Cost at the end of the year	809.775	760.000
Revaluations at the beginning of the year	-85.833	2.430
Foreign currency translation adjustment	58.916	-24.438
Revaluations for the year	-1.983.561	-259.296
Reversal of revaluations of disposed assets	1.657.416	195.471
Revaluations at the end of the year	-353.062	-85.833
Carrying amount at the end of the year	456.713	674.167

5. Disclosure of investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %
Better Energy Energo I P/S	Denmark	90,00
Better Energy Energo II A/S	Denmark	100,00
Better Energy Energo Komplementar ApS	Denmark	100,00

Associates

Name	Registered office	Share held in %
Better Energy Energo P/S	Denmark	48,70

Notes

	2020	2019
6. Investments in associates		
Cost at the beginning of the year	44.110.230	44.110.230
Disposals for the year	-25.000	0
Cost at the end of the year	44.085.230	44.110.230
Revaluations at the beginning of the year	9.442.909	53.881
Foreign currency translation adjustment	-9.310.196	6.149.542
Revaluations for the year	1.802.311	8.610.014
Reversal of revaluations of disposed assets	225	0
Reversal of prior revaluations	-4.841.429	-5.370.528
Revaluations at the end of the year	-2.906.180	9.442.909
Carrying amount at the end of the year	41.179.050	53.553.139

7. 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.

8. 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.

9. Group relations

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

Better Energy Ukraine A/S

Accounting policies

Reporting class

The annual report of Better Energy Ukraine 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.
- Unpaid contributed capital to subsidiaries is recognised in other liabilities in accordance with the Danish Financial Statements Act.

Comparative figures have been restated to reflect the change in accounting policies in conformity with the Financial Statements Act.

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.

Consolidated Financial Statements

With reference to § 110 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared.

Reporting currency

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

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.

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.

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

Accounting policies

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.

Other payables

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