

Better Energy Poland Development A/S


Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 39157934

Annual Report 2020

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



Ho Kei Au
Chair of the Annual General Meeting

Better Energy Poland Development A/S

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Better Energy Poland Development A/S

Company information

Company	Better Energy Poland Development A/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C Business Registration No.: 39157934 Date of formation: 6 December 2017
Board of Directors	Ho Kei Au Rasmus Lildholdt Kjær Annette Egede Nylander
Executive Board	Christoffer Fruergaard Larsen, Managing director

Management's statement

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Poland Development 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 Development 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, 28 May 2021

Executive Board




Christoffer Fruergaard Larsen
Managing director


Board of Directors



Ho Kei Au
Board member



Rasmus Lildholdt Kjær
Board member



Annette Egede Nylander
Board member

Better Energy Poland Development A/S

Management's review

The company's principal activities

The purpose of Better Energy Poland Development A/S is to purchase, construct and develop Polish solar parks and related activities.

Development in activities and financial matters

Better Energy Poland Development A/S's income statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -202.428 and the balance sheet at 31 December 2020 a balance sheet total of DKK 13.953.867 and an equity of DKK -1.356.204.

Material changes in the company's operations and financial matters

Better Energy Poland Development A/S has lost its share equity. The Executive Board and the Board of Directors expect that the share capital can be reestablished through operational profits or capital increases from the owners.

Better Energy Poland Development A/S

Income statement

	Note	2020 kr.	2019 kr.
Gross profit		154.382	-1.741.838
Profit from ordinary operating activities		154.382	-1.741.838
Financial income	1	1.143	0
Financial expenses	2	-400.547	-174.295
Profit from ordinary activities before tax		-245.022	-1.916.133
Tax on profit/loss for the year	3	42.594	416.469
Profit for the year		-202.428	-1.499.664
Proposed distribution of results			
Retained earnings		-202.428	-1.499.664
Distribution of profit		-202.428	-1.499.664

Better Energy Poland Development A/S

Balance sheet as of 31 December

	Note	2020 kr.	2019 kr.
Assets			
Work in progress		12.546.158	5.073.568
Inventories		12.546.158	5.073.568
Deferred tax		0	327.428
Tax receivables from group enterprises		363.509	89.041
Other short-term receivables		380.005	379.893
Receivables		743.514	796.362
Cash and cash equivalents		664.195	265
Current assets		13.953.867	5.870.195
Assets		13.953.867	5.870.195

Better Energy Poland Development A/S

Balance sheet as of 31 December

	Note	2020 kr.	2019 kr.
Liabilities and equity			
Contributed capital		500.000	500.000
Reserve for unpaid contributed capital		-375.000	375.000
Retained earnings		-1.481.204	-2.028.776
Equity		-1.356.204	-1.153.776
Provisions for deferred tax		47.646	0
Provisions		47.646	0
Trade payables		744.366	1.217.580
Payables to group enterprises		14.518.059	5.806.391
Short-term liabilities other than provisions		15.262.425	7.023.971
Liabilities other than provisions		15.262.425	7.023.971
Liabilities and equity		13.953.867	5.870.195
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Better Energy Poland Development A/S

Statement of changes in equity

	Contributed capital	Unpaid Contributed capital	Reserve for unpaid contributed capital	Retained earnings	Total
Equity 1 January 2020	500.000	-375.000	375.000	-2.028.776	-1.528.776
Changes of equity through changes in accounting policies		375.000			375.000
Adjusted equity 1 January 2020	500.000	0	375.000	-2.028.776	-1.153.776
Profit (loss)				-202.428	-202.428
Equity 31 December 2020	500.000	0	375.000	-2.231.204	-1.356.204

The company was established 6 December 2017 with a share capital of DKK 500.000.

Notes

	2020	2019
1. Financial income		
Other financial income	1	0
Exchange gains	1.142	0
	<u>1.143</u>	<u>0</u>
2. Financial expenses		
Financial expenses from group enterprises	390.552	171.562
Other financial expenses	360	346
Exchange losses	9.635	2.387
	<u>400.547</u>	<u>174.295</u>
3. Tax on profit for the year		
Current tax for the year	-363.509	-89.041
Deferred tax for the year	325.996	-327.428
Adjustment of tax concerning previous years	-54.159	0
Adjustment of deferred tax concerning previous years	49.078	0
	<u>-42.594</u>	<u>-416.469</u>

4. 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.

5. 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.

6. 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 Development 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.

Comparative figures have been restated to reflect the change in accountion 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.

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.

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.

Accounting policies

Gross profit or loss comprises revenue and other external expenses.

Revenue

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

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

Current assets

Inventories

The cost of work in progress and manufactured goods are the cost of raw materials, consumables, direct payroll, and direct and indirect production costs. Indirect production costs include indirect materials, wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment, factory administration and management, and capitalised product development costs.

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.

Provisions

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the

Accounting policies

planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets within each legal entity.

Other payables

Other payables are measured at amortised cost, which usually corresponds to the nominal value