

# **Better Energy Estate A/S**


Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 39607441

## **Annual Report 2021**

The annual report was presented and  
adopted at the Annual General Meeting  
on 25 May 2022

  
Ho Kei Au  
Chair of the Annual General Meeting

## Better Energy Estate A/S

### Contents

Company information	3
Management's statement	4
Management's review	5
Income statement	6
Balance sheet	7
Statement of changes in Equity	9
Notes	10
Accounting policies	12

## **Better Energy Estate A/S**

### **Company information**

#### **Company**

Better Energy Estate A/S  
Gammel Kongevej 60, 14th floor  
1850 Frederiksberg C  
Business Registration No.: 39607441  
Date of formation: 23 May 2018

#### **Board of Directors**

Mark Augustenborg Ødum  
Annette Egede Nylander  
Rasmus Lildholdt Kjær  
Ho Kei Au

#### **Executive Board**

Rasmus Lildholdt Kjær, Director

## **Management's statement**

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Estate A/S for the financial year 1 January 2021 - 31 December 2021.

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 Estate A/S at 31 December 2021 and of the results of the company's operations for the financial year 1 January 2021 - 31 December 2021.

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, 25 May 2022

### **Executive Board**



Rasmus Lildholdt Kjær  
Director

### **Board of Directors**



Mark Augustenborg Ødum  
Chairman



Annette Egede Nylander  
Board member



Rasmus Lildholdt Kjær  
Board member



Ho Kei Au  
Board member

## **Management's review**

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

The purpose of Better Energy Estate A/S is to carry out holding activities with project development, construction, financing, acquisition and sale of energy projects and related activities.

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

Better Energy Estate A/S's income statement of the financial year 1 January 2021 - 31 December 2021 shows a result of DKK -17.919 and the balance sheet at 31 December 2021 a balance sheet total of DKK 26.952.141 and an equity of DKK 1.711.423.

Better Energy Estate A/S

Income statement

	Note	2021 DKK	2020 DKK
Gross profit		-29.000	-9.371
Operating profit		<u>-29.000</u>	<u>-9.371</u>
Income from investments in group enterprises and associates		-62.016	51.160
Financial income	1	895.249	1.047.667
Financial expenses	2	<u>-809.714</u>	<u>-1.130.706</u>
Profit from ordinary activities before tax		-5.481	-41.250
Tax on profit for the year	3	<u>-12.438</u>	<u>12.619</u>
Profit		<u>-17.919</u>	<u>-28.631</u>
Proposed distribution of results			
Retained earnings		<u>-17.919</u>	<u>-28.631</u>
Distribution of profit		<u>-17.919</u>	<u>-28.631</u>

**Better Energy Estate A/S**

**Balance sheet as of 31 December**

	<b>Note</b>	<b>2021 DKK</b>	<b>2020 DKK</b>
<b>Assets</b>			
Investments in group enterprises	4, 5	3.424.770	3.058.738
<b>Investments</b>		<b>3.424.770</b>	<b>3.058.738</b>
<b>Fixed assets</b>		<b>3.424.770</b>	<b>3.058.738</b>
Receivables from group enterprises		21.685.106	21.679.504
Joint taxation receivables		181	12.619
Other receivables		2.500	376.500
<b>Receivables</b>		<b>21.687.787</b>	<b>22.068.623</b>
<b>Cash</b>		<b>1.839.584</b>	<b>684.943</b>
<b>Current assets</b>		<b>23.527.371</b>	<b>22.753.566</b>
<b>Assets</b>		<b>26.952.141</b>	<b>25.812.304</b>

Balance sheet as of 31 December

	Note	2021 DKK	2020 DKK
<b>Equity and liabilities</b>			
Contributed capital		500.000	500.000
Reserve for net revaluation according to equity method		2.314.085	2.068.050
Reserve for unpaid contributed capital		375.000	375.000
Retained earnings		-1.477.662	-1.213.708
<b>Equity</b>		<b>1.711.423</b>	<b>1.729.342</b>
Debt to other credit institutions		9.804.045	10.265.661
<b>Long-term liabilities other than provisions</b>	6	<b>9.804.045</b>	<b>10.265.661</b>
Current portion of long-term liabilities other than provisions		480.000	480.000
Payables to group enterprises		14.956.673	12.948.492
Other payables		0	388.809
<b>Short-term liabilities other than provisions</b>		<b>15.436.673</b>	<b>13.817.301</b>
<b>Liabilities other than provisions</b>		<b>25.240.718</b>	<b>24.082.962</b>
<b>Equity and liabilities</b>		<b>26.952.141</b>	<b>25.812.304</b>
Significant events occurring after end of reporting period	7		
Contingent liabilities	8		
Collaterals and assets pledges as security	9		
Group relations	10		



**Better Energy Estate A/S**

**Statement of changes in Equity**

	Contributed capital	Reserve for unpaid contributed capital	Reserve for net reval- uation ac- cording to equity method	Retained earnings	Total
Equity 1 January 2021	500.000	375.000	2.068.050	-1.213.708	1.729.342
Other adjustments of equity			308.051	-308.051	0
Profit (loss)			-62.016	44.097	-17.919
<b>Equity 31 December 2021</b>	<b>500.000</b>	<b>375.000</b>	<b>2.314.085</b>	<b>-1.477.662</b>	<b>1.711.423</b>

The company was established 23 May 2018 with a contributed capital of DKK 500.000.

## Notes

	2021	2020
<b>1. Financial income</b>		
Financial income from group enterprises	895.249	1.047.666
Other financial income	0	1
	<b>895.249</b>	<b>1.047.667</b>
<b>2. Financial expenses</b>		
Financial expenses from group enterprises	540.786	583.110
Other financial expenses	268.928	547.596
	<b>809.714</b>	<b>1.130.706</b>
<b>3. Tax on profit for the year</b>		
Current tax for the year	12.438	-12.619
	<b>12.438</b>	<b>-12.619</b>
<b>4. Investments in group enterprises</b>		
Cost at the beginning of the year	990.688	990.688
Additions for the year	119.997	0
<b>Cost at the end of the year</b>	<b>1.110.685</b>	<b>990.688</b>
Revaluations at the beginning of the year	2.068.050	2.100.292
Revaluations for the year	-62.016	51.160
Negative investment value transferred to receivables	308.051	-83.402
<b>Revaluations at the end of the year</b>	<b>2.314.085</b>	<b>2.068.050</b>
<b>Carrying amount at the end of the year</b>	<b>3.424.770</b>	<b>3.058.738</b>

## 5. Disclosure of investments in group enterprises and associates

### Group enterprises

Name	Registered office	Share held in %
Better Energy Fårvang Estate A/S	Denmark	100,00
Solpark Nees Estate ApS	Denmark	100,00
Better Energy Vollerup Estate ApS	Denmark	100,00
Better Energy Infrastructure Lolland ApS	Denmark	100,00
Better Energy Vemb Estate ApS	Denmark	100,00
Better Energy TS Sønderborg ApS	Denmark	100,00

## Notes

### 6. Long-term liabilities other than provisions

	Due after 1 year	Due within 1-5 years	Due after 5 years
Debt to other credit institutions	9.804.045	1.920.000	8.345.661
	<u>9.804.045</u>	<u>1.920.000</u>	<u>8.345.661</u>

### 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. Collaterals and securities

Assets with a carrying amount of DKK 926k has been pledged to one of the entity's banks as security for the debt of solar projects.

### 10. Group relations

Name and registered office of the parent company preparing consolidated statements for the smallest group: Better Energy Holding A/S, Business Registration No. 31865883, Frederiksberg.

## **Accounting policies**

### **Reporting class**

The annual report of Better Energy Estate A/S for 2021 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.

The accounting policies applied remain unchanged from last 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.

Gross profit or loss comprises other external expenses.

### **Other external expenses**

Other external expenses include expenses for administration.

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

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.

## **Accounting policies**

### **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**

### **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 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.

### **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.



## **Accounting policies**

### **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 amortized cost, corresponding to the capitalized 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 are measured at net realisable value.