

Better Energy Estate A/S

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

CVR No. 39607441

Annual report 2019

2. financial year

The annual report was presented and
adopted at the annual general meeting of
the company on 10 June 2020

Ho Kei Au
Chairman of the general meeting

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Better Energy Estate A/S

Management's Statement

Today, the Executive Board and the Board of Directors have considered and approved the annual report of Better Energy Estate A/S for the financial year 1 January 2019 - 31 December 2019.

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 the company at 31 December 2019 and of the results of the company's operations for the financial year 1 January 2019 - 31 December 2019.

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 statement have been met.

We recommend the annual report be adopted at the annual general meeting.

Frederiksberg, 10 June 2020

Executive Board

Rasmus Lildholdt Kjær
CEO

Board of Directors

Mark Augustenborg Ødum
Chairman

Ho Kei Au
Board member

Annette Egede Nylander
Board member

Rasmus Lildholdt Kjær
Board member

Company details

Company	Better Energy Estate A/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C
CVR No.	39607441
Date of formation	23 May 2018
Board of Directors	Mark Augustenborg Ødum Ho Kei Au Annette Egede Nylander Rasmus Lildholdt Kjær
Executive Board	Rasmus Lildholdt Kjær, CEO

Management's Review

The company's principal activities

The primary purpose of the company is to conduct holding activities with project development, construction, financing of purchase and sale of energy projects and related activities.

Development in activities and financial matters

The company's income statement of the financial year 1 January 2019 - 31 December 2019 shows a result of DKK 967.193 and the balance sheet at 31 December 2019 a balance sheet total of DKK 36.398.467 and an equity of DKK 1.382.972.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting class

The annual report of Better Energy Estate A/S for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement has been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the annual report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss

Gross profit/loss comprises revenue, production cost, other operating income, cost of raw materials and consumables and other external expenses.

Accounting Policies

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises. loss of debtors, operating leasing costs etc.

Income from investments in group enterprises and associates

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortisation of consolidated goodwill.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts that concern the financial year. Financial income and expenses include interest revenues and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Dividends from equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on profit/loss for the year

Tax on profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Equity investments in group enterprises and associates

Investments in group enterprises and associates are recognised in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parents accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at kr. 0, and any amounts receivable from those enterprises are written down by the parents share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

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

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.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Accounting Policies

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.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

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

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the balance sheet but appear only in the notes.

Income Statement

	Note	2019 kr.	2018 kr.
Gross profit		-10.428	-5.110
Profit from ordinary operating activities		-10.428	-5.110
Income from investments in group enterprises		623.112	212.073
Financial income	1	1.525.540	487.995
Financial expenses	2	-1.074.239	-380.361
Profit from ordinary activities before tax		1.063.985	314.597
Tax on profit/loss for the year	3	-96.792	-23.818
Profit for the year		967.193	290.779
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Proposed distribution of results			
Retained earnings		967.193	290.779
Distribution of profit		967.193	290.779

Better Energy Estate A/S

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Assets			
Long-term investments in group enterprises	4, 5	2.715.980	1.322.979
Investments		2.715.980	1.322.979
Fixed assets		2.715.980	1.322.979
Short-term receivables from group enterprises		33.273.063	27.253.002
Receivables		33.273.063	27.253.002
Cash and cash equivalents		409.424	574
Current assets		33.682.487	27.253.576
Assets		36.398.467	28.576.555

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Liabilities and equity			
Contributed capital		500.000	500.000
Unpaid contributed capital		-375.000	-375.000
Reserve for net revaluation according to equity method		2.100.292	212.073
Reserve for unpaid contributed capital		375.000	375.000
Retained earnings		-1.217.320	-296.294
Equity		1.382.972	415.779
Debt to banks		19.331.277	17.955.000
Long-term liabilities other than provisions	6	19.331.277	17.955.000
Current portion of long-term liabilities other than provisions		876.000	760.000
Debt to banks		0	172.728
Payables to group enterprises		14.697.416	9.234.682
Tax payables		96.992	24.556
Other payables		13.810	13.810
Short-term liabilities other than provisions		15.684.218	10.205.776
Liabilities other than provisions		35.015.495	28.160.776
Liabilities and equity		36.398.467	28.576.555
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Better Energy Estate A/S

Statement of changes in Equity

	Reserve for net reva- luation ac-						Reserve for unpaid contributed capital	Retained earnings	Total			
	Unpaid Contributed capital		cording to equity method		unpaid Contributed capital							
	Contributed capital	Contributed capital	equity	method	capital	earnings						
Equity 1 January 2019	500.000	-375.000	212.073		375.000	-296.294	415.779					
Equity transfers to reserves			1.265.107			-1.265.107	0					
Profit (loss)			623.112		0	344.081	967.193					
Equity 31 December 2019	500.000	-375.000	2.100.292		375.000	-1.217.320	1.382.972					

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

Notes

	2019	2018
1. Financial income		
Financial income from group enterprises	1.525.540	487.995
	1.525.540	487.995

2. Financial expenses

Financial expenses from group enterprises	559.468	301.214
Other financial expenses	514.771	79.147
	1.074.239	380.361

3. Tax on profit/loss for the year

Corporation tax	-96.992	-23.818
Adjustment of corporation tax, previous years	200	0
	-96.792	-23.818

4. Investments in group enterprises

Cost at the beginning of the year	632.865	0
Additions during the year	-17.177	632.865
Cost at the end of the year	615.688	632.865
Revaluations at the beginning of the year	690.114	0
Revaluations for the year	623.112	212.073
Write down negative investment values over receivables	787.066	478.041
Revaluations at the end of the year	2.100.292	690.114
Carrying amount at the end of the year	2.715.980	1.322.979

5. Name, registered office and ownership group enterprises*Group*

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

6. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Debt to banks	19.331.277	876.000	16.269.000
	19.331.277	876.000	16.269.000

Notes

	2019	2018
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7. Contingent liabilities

The entity participates in a Danish joint taxation arrangement where Better Energy A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the entity 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.

8. Collaterals and securities

Assets with a carrying amount of DKK 585k has been pledged to one of the entity's banks as security for the debt of solar projects.

9. Related parties

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

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Ho Kei Au

Bestyrelsesmedlem

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Ho Kei Au

Dirigent

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