

Better Energy Estate A/S

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business registration no. 39607441

Annual Report 2022

The annual report was presented and
adopted at the Annual General Meeting
on 31 May 2023

Ho Kei Au
Chair of the Annual General Meeting

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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 2022 - 31 December 2022.

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 2022 and of the results of the company's operations for the financial year 1 January 2022 - 31 December 2022.

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, 31 May 2023

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 main activities

The main activities of Better Energy Estate A/S are 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' income statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -677.485 and the balance sheet at 31 December 2022 a balance sheet total of DKK 27.861.857 and an equity of DKK 1.033.938.

Income statement

	Note	2022 DKK	2021 DKK
Gross profit		-72.512	-29.000
Operating profit		<u>-72.512</u>	<u>-29.000</u>
Income from investments in group enterprises and associates		-602.670	-62.016
Financial income	1	944.214	895.249
Financial expenses	2	<u>-967.749</u>	<u>-809.714</u>
Profit from ordinary activities before tax		-698.717	-5.481
Tax on profit for the year	3	<u>21.232</u>	<u>-12.438</u>
Profit		<u>-677.485</u>	<u>-17.919</u>
Proposed distribution of results			
Retained earnings		<u>-677.485</u>	<u>-17.919</u>
Distribution of profit		<u>-677.485</u>	<u>-17.919</u>

Balance sheet as of 31 December

	Note	2022 DKK	2021 DKK
Assets			
Investments in group enterprises	4, 5	3.376.052	3.424.770
Investments		3.376.052	3.424.770
Fixed assets		3.376.052	3.424.770
Receivables from group enterprises		22.099.724	21.685.106
Joint taxation receivables		17.648	181
Other receivables		0	2.500
Receivables		22.117.372	21.687.787
Cash and cash equivalents		2.368.433	1.839.584
Current assets		24.485.805	23.527.371
Assets		27.861.857	26.952.141

Balance sheet as of 31 December

	Note	2022 DKK	2021 DKK
Equity and liabilities			
Contributed capital		500.000	500.000
Reserve for net revaluation according to equity method		2.265.367	2.314.085
Reserve for unpaid contributed capital		375.000	375.000
Retained earnings		-2.106.429	-1.477.662
Equity		1.033.938	1.711.423
Debt to other credit institutions		9.345.012	9.804.045
Long-term liabilities other than provisions	6	9.345.012	9.804.045
Current portion of mortgage debt		480.000	480.000
Payables to group enterprises		17.002.907	14.956.673
Short-term liabilities other than provisions		17.482.907	15.436.673
Liabilities other than provisions		26.827.919	25.240.718
Equity and liabilities		27.861.857	26.952.141
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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 2022	500.000	375.000	2.314.085	-1.477.662	1.711.423
Other adjustments of equity	0	0	553.952	-553.952	0
Profit (loss)	0	0	-602.670	-74.815	-677.485
Equity 31 December 2022	500.000	375.000	2.265.367	-2.106.429	1.033.938

The company was established 23 May 2018 with a contributed capital of DKK 500,000.

Notes

	2022	2021
1. Financial income		
Financial income from group enterprises	944.210	895.249
Other financial income	4	0
	944.214	895.249
2. Financial expenses		
Financial expenses from group enterprises	635.589	540.786
Other financial expenses	332.160	268.928
	967.749	809.714
3. Tax on profit for the year		
Current tax for the year	-17.648	12.438
Adjustment of corporation tax, previous years	-3.584	0
	-21.232	12.438
4. Investments in group enterprises		
Cost at the beginning of the year	1.110.685	990.688
Additions for the year	0	119.997
Cost at the end of the year	1.110.685	1.110.685
Revaluations at the beginning of the year	2.314.085	2.068.050
Revaluations for the year	-602.670	-62.016
Negative investment value transferred to receivables	553.952	308.051
Revaluations at the end of the year	2.265.367	2.314.085
Carrying amount at the end of the year	3.376.052	3.424.770

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	9.345.012	1.920.000	7.425.012
	9.345.012	1.920.000	7.425.012

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. Assets charged and collateral

Assets with a carrying amount of DKK 983.6 thousand 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 2022 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.

Consolidated Financial Statements

With reference to § 110 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises do not exceed the amount limits.

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 operation and 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

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.

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.

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.

Equity

Proposed dividends

Proposed dividends for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

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.