

AVISTA Green ApS

Juelsmindevej 6
4400 Kalundborg

CVR no. 39 65 67 95

Annual report 2019

Date of the annual general meeting is outstanding.

The annual report was presented and approved at the
Company's annual general meeting on

7 July 2020

Leon Sloth Skovbo
chairman



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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of AVISTA Green ApS for the financial year 1 January – 31 December 2019.

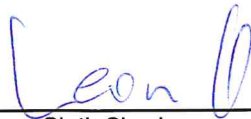
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

Further, in my opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

I recommend that the annual report be approved at the annual general meeting.

Kalundborg, 7 July 2020
Executive Board:



Leon Sloth Skovbo
CEO

Independent auditor's report

To the shareholders of AVISTA Green ApS

Opinion

We have audited the financial statements of AVISTA Green ApS for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may

Independent auditor's report

- involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
 - conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

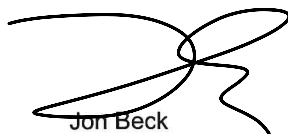
Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 7 July 2020

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Jon Beck
State Authorised
Public Accountant
mne32169

AVISTA Green ApS
Annual report 2019
CVR no. 39 65 67 95

Management's review

Company details

AVISTA Green ApS
Juelsmindevej 6
4400 Kalundborg

CVR no.: 39 65 67 95
Established: 1 January 2018
Financial year: 1 January – 31 December

Executive Board

Leon Sloth Skovbo, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Management's review

Financial highlights

DKK'000	2019	6/6-31/12 2018
Key figures		
Gross profit/loss	-31,481	-20,176
Operating profit/loss	-39,366	-25,158
Profit/loss for the year	-33,530	-20,502
Assets		
Total assets	532,689	318,569
Equity	341,104	236,564
Investment in property, plant and equipment	276,694	86,370
Ratios		
Return on equity	-11.6%	-8.7%
Solvency ratio	64.0%	74.3%
Average number of full-time employees	30	26

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". The financial ratios have been calculated as follows:

Return on equity
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio
$$\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$$

Management's review

Operating review

Principal activities

The Company was established 1 January 2018 by a non-cash contribution of the assets and liabilities of the used oil re-refinery business of AVISTA OIL Danmark A/S. The company is a joint venture between AVISTA OIL AG, Germany, and Greenbottle Limited, United Kingdom, with the purpose of operating a used oil re-refinery in Kalundborg. The re-refinery is currently being constructed and is expected to be operational in mid-2020. When constructed, the re-refinery will purchase used lubricating oils and re-refine them into base oil and fuels.

The base oil is re-utilised to produce new lubricating oil, and the Company hence considers itself a sustainable company with a great focus on the environment.

Until the re-refinery is operational, the Company supplies its customers in the United Kingdom with base oil from external suppliers.

Development in activities and financial position

The Company realised a loss of DKK 33.530 thousand for the financial year 2019 and a positive equity at 31 December 2019 of DKK 341.104 thousand, which is in accordance with the plans for the Company.

Profit/loss for the year and the balance sheet total are affected by the fact that the Company has changed its interpretation of leases to which the Company is the lessee from IAS 17 to IFRS 16.

In the income statement, EBITDA and EBIT for 2019 are affected, whereas profit/loss for the year remains substantially unchanged. This is due to the depreciation of the right-of-use assets and interest costs from the lease liability be substantially equal the operating lease costs previously recognised in the income statement.

During 2019, the activities of the Company has been focused on the re-building of the used oil re-refinery in Kalundborg after it was destroyed in a fire in July 2017. The operations and the construction of the refinery is financed by cash contributions and loans from the Company's owners.

The Company is expected to realise a small profit in 2020 after the start-up of the re-refinery.

Measurement of intangible assets and property, plant and equipment

Management has prepared an impairment test of the carrying amount of intangible assets and property, plant and equipment which shows that there is no need for an impairment write-down. The test is based on the net present value of Management's expected level of future cash flows when the re-refinery is operational and is therefore associated with uncertainty.

Events after the balance sheet date

At the beginning of 2020, the outbreak of the coronavirus, COVID-19, affected major parts of the world. As a result of the outbreak of COVID-19 a number of measures have been taken around the world to curtail the spread, which has impacted the demand for and pricing of BaseOil. A number of measures have been taken to mitigate the impact of the decline in revenues. The COVID-19 outbreak occurred during 2020 and did not exist on the balance sheet date at 31 December 2019. The Company is looking into how the Government's relief packages can help the Group through the economic crisis, and Management assesses that there is no uncertainty related to the Company's ability to continue as a going concern. The effect of the virus outbreak is considered a non-adjusting subsequent event and thus does not affect the financial reporting for the financial year ended 31 December 2019.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2019	6/6-31/12 2018
Gross loss	2	-31,480,960	-20,176,463
Distribution costs	2	-1,848,452	-1,994,965
Administrative expenses	2	<u>-6,036,979</u>	<u>-2,986,247</u>
Operating loss		-39,366,391	-25,157,675
Financial income		623,247	0
Financial expenses	3	<u>-2,848,677</u>	<u>-601,516</u>
Loss before tax		-41,591,821	-25,759,191
Tax on profit/loss for the year	4	<u>8,061,939</u>	<u>5,257,156</u>
Loss for the year	5	<u><u>-33,529,882</u></u>	<u><u>-20,502,035</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2019	2018
ASSETS			
Fixed assets			
Intangible assets	6		
Goodwill		34,951,488	39,320,423
Software		995,641	423,375
		<u>35,947,129</u>	<u>39,743,798</u>
Property, plant and equipment	7		
Land and buildings		3,056,626	3,137,063
Plant and machinery		124,494,126	86,072,230
Property, plant and equipment in progress		311,256,823	79,052,922
		<u>438,807,575</u>	<u>168,262,215</u>
Total fixed assets		<u>474,754,704</u>	<u>208,006,013</u>
Current assets			
Inventories	8		
Raw materials and consumables		9,932,411	7,269,166
Receivables			
Trade receivables		12,773,076	15,733,268
Other receivables		21,189,988	21,043,534
Prepayments	9	424,248	52,415
		<u>34,387,312</u>	<u>36,829,217</u>
Cash at bank and in hand		<u>13,615,034</u>	<u>66,464,240</u>
Total current assets		<u>57,934,757</u>	<u>110,562,623</u>
TOTAL ASSETS		<u>532,689,461</u>	<u>318,568,636</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2019	2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital	10	395,135,770	257,065,875
Retained earnings		<u>-54,031,917</u>	<u>-20,502,035</u>
Total equity		<u>341,103,853</u>	<u>236,563,840</u>
Provisions			
Provisions for deferred tax	11	2,466,758	10,528,697
Other provisions		<u>4,444,348</u>	<u>6,483,796</u>
Total provisions		<u>6,911,106</u>	<u>17,012,493</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Lease obligations	12	41,599,815	75,776
Payables to AVISTA OIL AG		0	15,089,073
Payables to Greenbottle Limited		0	4,496,132
Other payables		<u>709,378</u>	<u>0</u>
		<u>42,309,193</u>	<u>19,660,981</u>
Current liabilities other than provisions			
Current portion of non-current liabilities		1,557,243	23,671
Trade payables		32,452,422	21,257,514
Payables to group entities		104,772,240	17,504,100
Other payables		<u>3,583,404</u>	<u>6,546,037</u>
		<u>142,365,309</u>	<u>45,331,322</u>
Total liabilities other than provisions		<u>184,674,502</u>	<u>64,992,303</u>
TOTAL EQUITY AND LIABILITIES		<u>532,689,461</u>	<u>318,568,636</u>
Contractual obligations, contingencies, etc.	13		
Related party disclosures	14		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2019	257,065,875	-20,502,035	236,563,840
Cash capital increase	138,069,895	0	138,069,895
Transferred over the profit appropriation	<u>0</u>	<u>-33,529,882</u>	<u>-33,529,882</u>
Equity at 31 December 2019	<u><u>395,135,770</u></u>	<u><u>-54,031,917</u></u>	<u><u>341,103,853</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of AVISTA Green ApS for 2019 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year, with the exception of the implementation of IFRS 16.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Avista Oil AG.

Change in accounting policies

With effect from 1 January 2019, the Company has chosen to use IFRS 16 Leases as the basis of interpretation for recognising and measurement of leases to which the Company is the lessee.

Consequently, with effect from 1 January 2019, the Company recognises all finance and operating leases in the balance sheet as a right-of-use asset and a lease liability except from:

- Short-term leases with a maximum lease term of 12 months
- Leases for low-value assets.

For such leases, lease payments are recognised on a straight-line basis in the income statement over the lease term.

When changing its basis of interpretation, the Company has used the lessee accounting model under IFRS 16 from 1 January 2019 without restatement of comparative figures. The effect of the change as of 1 January 2019 has been recognised directly in equity. The Company has applied the following practical expedients for right-of-use assets and lease liabilities previously accounted for as operating leases:

- Applied a single discount rate to a portfolio of leased assets with reasonably similar characteristics.
- Not recognised leases for which the lease term ends within 12 months from the date of transition.
- Excluded initial direct costs from the measurement of the right-use-assets at 1 January 2019.
- At 1 January 2019, the right-of-use asset is measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.
- Not applied the new lease definition to contracts that were not previously identified as containing a lease applying IAS 17 and IFRIC 4.
- On 1 January 2019, not separated non-lease components from lease components, but considered them a single lease component.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Profit/loss for the year remains substantially unchanged. This is due to the depreciation of the right-of-use assets and interest costs from the lease liabilities being almost equal to the operating lease expense.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Business combinations

When acquiring new entities, the purchase method is applied under which identifiable assets and liabilities are measured at fair value at the date of acquisition. The tax effect of revaluations is recognised as deferred tax.

Positive differences (goodwill) between cost and the fair value of identifiable assets and liabilities acquired, including restructuring provisions, are recognised as intangible assets and amortised systematically in the income statement based on an individual assessment of the useful life. Goodwill and negative goodwill from acquired entities may be adjusted until 12 months after the acquisition date.

Income statement

Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue from the sale of goods for resale and finished goods, which comprise base oil, is recognised in the income statement when delivery and transfer of risk has been made before year end.

Revenue is recognised excluding VAT and net of discounts relating to sales.

Production costs

Production costs comprise costs, including depreciation, amortisation, wages and salaries incurred to generate revenue for the year. Commercial entities recognise their cost of sales, whereas production entities recognise production costs incurred to generate revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases and depreciation of production plant.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other operating income

Other operating income comprises items secondary to the activities of the entity.

Other operating costs

Other operating costs comprise items secondary to the activities of the entity.

Distribution costs

Distribution costs comprise costs incurred to distribute goods sold during the year.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, Management, office premises, office expenses and depreciation.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, receivables and payables and transactions denominated in foreign currencies, as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised on a straight-line basis over the estimated useful life. The amortisation period is assessed at 10 years.

Software is measured at cost less accumulated amortisation and impairment losses. Software is amortised on a straight-line basis over the useful life, which is assessed at 3 years.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are showed in the table below.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Production facilities	15-40 years
Production and administration buildings	15-40 years
Fixtures and fittings, tools and equipment	3-5 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Leased assets and lease liabilities

When entering into a contract, the Company assesses whether the contract is a lease or contains a lease component. A lease is defined as a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When assessing whether a contract contains a lease component, it must be considered whether, during the period of use, the lessee has the right to substantially all economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

The Company recognises a right-of-use asset and a lease liability at the commencement date.

The Company leases cars including a service component in the payments to the lessor. This service is separated from the lease payment when measuring the lease liability. If the Company is unable to reliably separate lease components and non-lease components, it is considered a single lease component.

Lease liabilities recognised as "Credit institutions and interest-bearing liabilities" are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease payments consist of fixed and variable lease payments that depend on an index or a rate, guaranteed residual values, purchase options and extension options if the Company is reasonably certain to exercise the option and termination penalties if the lease term reflects the Company exercising an option to terminate the lease. The lease liability is subsequently adjusted as follows if:

- The value of the index or rate on which the lease payments are based is changed.
- The exercise of options is changed in order to extend or terminate the lease due to significant events or a significant change in circumstances within the Company's control.
- The lease term is changed if the option is exercised in order to extend or terminate the lease.
- Estimated residual value guarantee is changed.
- The contract is renegotiated or modified.

Any subsequent adjustment of the future lease liability is recognised as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is DKK 0, a negative adjustment to the right-of-use asset is, however, recognised in the income statement.

The right-of-use asset is initially measured at cost comprising amount of initial measurement of the lease liability plus any initial direct costs and any estimated costs of dismantling and removal of the asset at the end of the lease term which the Company is under an obligation to incur and any prepaid lease payments and less any lease incentives received.

The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the right-of-use asset.

Short-term leases with a maximum lease term of 12 months and leases for low-value assets are not recognised in the balance sheet.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised write-downs are reversed when the basis for the write-down no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received.

Prepayments and deferred income

Deferred income comprises payments received regarding income in subsequent years.

Cash at bank and in hand

Cash at bank and cash in hand comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use

Provisions with an expected maturity exceeding 1 year from the balance sheet date are discounted at the average bond yield. Re-establishment obligations are recognised at net present value.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprises the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Financial statements 1 January – 31 December

Notes

DKK	2019	6/6-31/12 2018	
2 Staff costs			
Omission in accordance with ÅRL § 98 b, stk. 3 for remuneration of the board of directors.			
Wages and salaries	17,728,085	14,404,494	
Pensions	1,154,425	1,075,881	
Other social security costs	223,389	151,657	
	19,105,899	15,632,032	
 Average number of full-time employees	 30	 26	
3 Financial expenses			
Interest expense to group entities	1,045,972	197,635	
	1,045,972	197,635	
4 Tax on profit/loss for the year			
Deferred tax for the year	-8,061,939	-5,257,156	
	-8,061,939	-5,257,156	
5 Proposed distribution of loss			
Retained earnings	-33,529,882	-20,502,035	
6 Intangible assets			
DKK	Goodwill	Software	Total
Cost at 1 January 2019	43,689,359	444,746	44,134,105
Additions for the year	0	742,025	742,025
Cost at 31 December 2019	43,689,359	1,186,771	44,876,130
Amortisation and impairment losses at 1 January 2019	-4,368,936	-21,371	-4,390,307
Amortisation for the year	-4,368,935	-169,759	-4,538,694
Amortisation and impairment losses at 31 December 2019	-8,737,871	-191,130	-8,929,001
Carrying amount at 31 December 2019	34,951,488	995,641	35,947,129

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7 Property, plant and equipment

DKK	Land and buildings	Plant and machinery	Property, plant and equipment in progress	Total
Cost at 1 January 2019	3,217,500	89,228,796	79,052,922	171,499,218
Additions for the year	0	44,490,216	232,203,901	276,694,117
Cost at 31 December 2019	3,217,500	133,719,012	311,256,823	448,193,335
Depreciation and impairment losses at 1 January 2019	-80,437	-3,156,566	0	-3,237,003
Depreciation for the year	-80,437	-6,068,320	0	-6,148,757
Depreciation and impairment losses at 31 December 2019	-160,874	-9,224,886	0	-9,385,760
Carrying amount at 31 December 2019	3,056,626	124,494,126	311,256,823	438,807,575
Assets held under finance leases	0	42,715,082	0	0

8 Inventories

DKK	2019	2018
Raw materials and consumables	1,159,200	2,601,400
Finished goods and goods for resale	8,773,211	4,667,766
	9,932,411	7,269,166

9 Prepayments

Insurances	346,887	52,415
Prepaid rent	77,361	0
	424,248	52,415

10 Equity

The share capital consists of 3,951,357 shares of a nominal value of DKK 100.

No shares carry any special rights.

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DKK	2019	2018
11 Provisions		
Deferred tax		
1 January	10,528,697	15,785,853
Adjustment for the year	-8,061,939	-5,257,156
	2,466,758	10,528,697
Other provisions		
1 January	6,483,796	4,675,052
Adjustment for the year	-2,039,448	1,808,744
	4,444,348	6,483,796
The other provisions are expected to mature as follows:		
Over 5 years	4,444,348	6,483,796
	4,444,348	6,483,796

Deferred tax liability consists of the value of differences between the accounting and tax values of tax losses carried forward, property, plant and equipment and other provisions.

Other provisions comprise estimated costs for dismantling, removal operations, clean-up and disposal from the Company's locations.

12 Non-current liabilities other than provisions

Payments due within 1 year are recognised as current liabilities other than provisions. Other debt is recognised as non-current liabilities other than provisions.

Non-current liabilities other than provision can be specified as follows:

Leasing obligations more than 5 than	33,283,898	0
Leasing obligations between 1 and 5 years	8,315,916	75,776
Leasing obligations within 1 year	1,557,243	23,671
Payables to related parties between 1 and 5 years	0	19,585,205
Payables to related parties within 1 year	14,721,033	17,504,101
	57,878,090	37,188,753

13 Contractual obligations, contingencies, etc.

The company is part of a Danish joint taxation with Avista Oil Danmark A/S as a management company. Accordingly, the company is liable in accordance with the Companies Act's rules on income taxes, etc. for the jointly taxed companies.

14 Related party disclosures

AVISTA Green ApS' related parties comprise the following:

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Control

AVISTA OIL AG
Bahnhofstrasse 82
31311 Uetze
Germany

Greenbottle Limited
40 Queen Anne Street
Marylebone, London, W1G 8HG
Great Britian

AVISTA OIL AG and Greenbottle Limited holds the majority of the contributed capital in the Company.

AVISTA Green ApS is part of AVISTA OIL AG, which is the largest group and smallest group.

Related party transactions

	2019	6/6-31/12 2018
DKK		
Purchase of goods for resale	80,579,821	35,902,081
Interest expense	1,045,972	197,635
Income from administrative services	-	1,919,710
Purchase of services related to construction of assets	353,729	4,207,059
Receivables from and payables to related parties are included in the balance sheet	-	-

Consolidated financial statements

AVISTA Green ApS is part of the consolidated financial statements of AVISTA OIL AG, Germany, which is the largest and smallest group in which the company is included as a subsidiary.

The consolidated financial statements of AVISTA OIL AG can be obtained by contacting the Company.