

Better Energy TS Sønderborg IVS

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 39962276

Annual Report 2020

The annual report was presented and
adopted at the Annual General Meeting
on 7 June 2021



Ho Kei Au
Chair of the Annual General Meeting

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Company information

Company

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Gammel Kongevej 60, 14th floor
1850 Frederiksberg C
Business Registration No.: 39962276
Date of formation: 19 October 2018

Executive Board

Ho Kei Au, Director
Rasmus Lildholdt Kjær, Director
Annette Egede Nylander, Director

Management's statement

Today, the Executive Board has considered and adopted the annual report of Better Energy TS Sønderborg IVS 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 TS Sønderborg IVS 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, 7 June 2021

Executive Board



Ho Kei Au
Director



Rasmus Lildholdt Kjær
Director



Annette Egede Nylander
Director

Management's review

The company's principal activities

The purpose of Better Energy TS Sønderborg IVS is to lease, purchase, own and manage real estate and other related activities.

Development in activities and financial matters

Better Energy TS Sønderborg IVS's income statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK 28.034 and the balance sheet at 31 December 2020 a balance sheet total of DKK 3.756.780 and an equity of DKK -149.079.

Material changes in the Company's operations and financial matters

The company has lost its share capital. The company expects that the share capital can be re-established through own profits or through increases from owners.

Income statement

	Note	2020 DKK	2019 DKK
Gross profit		203.722	-71.968
Profit from ordinary operating activities		203.722	-71.968
Financial income	1	4.430	0
Financial expenses	2	-162.292	-155.102
Profit from ordinary activities before tax		45.860	-227.070
Tax on profit/loss for the year	3	-17.826	49.956
Profit for the year		28.034	-177.114
Proposed distribution of results			
Retained earnings		28.034	-177.114
Distribution of profit		28.034	-177.114

Balance sheet as of 31 December

	Note	2020 DKK	2019 DKK
Assets			
Land and buildings	4	3.633.960	3.633.960
Property, plant and equipment		3.633.960	3.633.960
Fixed assets		3.633.960	3.633.960
Deferred tax		0	39.275
Tax receivables from group enterprises		15.160	10.681
Other receivables		101.865	101.396
Receivables		117.025	151.352
Cash and cash equivalents		5.795	13.611
Current assets		122.820	164.963
Assets		3.756.780	3.798.923

Balance sheet as of 31 December

	Note	2020 DKK	2019 DKK
Liabilities and equity			
Contributed capital		1	1
Retained earnings		-149.080	-177.114
Equity		-149.079	-177.113
Payables to group enterprises		3.905.859	3.976.036
Short-term liabilities other than provisions		3.905.859	3.976.036
Liabilities other than provisions		3.905.859	3.976.036
Liabilities and equity		3.756.780	3.798.923
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Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	1	-177.114	-177.113
Profit (loss)		28.034	28.034
Equity 31 December 2020	<u>1</u>	<u>-149.080</u>	<u>-149.079</u>

The company was established 19 October 2018 with a capital of DKK 1.

Notes

1. Financial income

	2020	2019
Financial income from group enterprises	4.430	0
	4.430	0

2. Financial expenses

	2020	2019
Financial expenses from group enterprises	162.212	155.077
Other financial expenses	80	25
	162.292	155.102

3. Tax on profit/loss for the year

	2020	2019
Current tax for the year	15.160	10.681
Deferred tax for the year	-32.986	39.275
Adjustment of tax concerning previous years	6.289	0
Adjustment of deferred tax concerning previous years	-6.289	0
	-17.826	49.956

4. Land and buildings

	2020	2019
Cost at the beginning of the year	3.633.960	0
Addition during the year, incl. improvements	0	3.633.960
Cost at the end of the year	3.633.960	3.633.960
 Carrying amount at the end of the year	 3.633.960	 3.633.960

5. 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.

6. 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.

7. Assets charged and Collateral

Bank debt in a group company is secured by a deposited mortgage deed on properties. The carrying amount of mortgaged properties is DKK 3.6 million.

Better Energy TS Sønderborg have transferred future rental income to the bank of Better Energy Estate A/S.

Notes

8. Group relations

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

Accounting policies

Reporting class

The annual report of Better Energy TS Sønderborg IVS 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.

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 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

Other external expenses include expenses for operation and administration.

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

Property, plant and equipment

Land and buildings, solar parks, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

For group-manufactured assets, cost comprises direct and indirect costs of materials, components, sub-suppliers and labor costs.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings:	50 years
Solar parks:	30 years
Tools and equipment:	3-8 years
Leasehold improvements	5 years

Land is not depreciated.

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period. Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Current assets

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

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.

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 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.

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

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.