



## Better Energy Asset Management A/S

Gammel Kongevej 60, 14.  
1850 Frederiksberg C  
CVR No. 40085645

## Annual report 2019

The annual general meeting adopted the annual  
report on 28.04.2020

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**Ho Kei Au**

Chairman of the general meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2019	8
Balance sheet at 31.12.2019	9
Statement of changes in equity for 2019	11
Notes	12
Accounting policies	15

# Entity details

## Entity

Better Energy Asset Management A/S

Gammel Kongevej 60, 14.

1850 Frederiksberg C

CVR No.: 40085645

Registered office: Frederiksberg

Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

Rasmus Lildholdt Kjær, Chairman

Annette Egede Nylander, Board member

Ho Kei Au, Board member

## Executive Board

Peter Munck Søre-Jensen, Director

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Better Energy Asset Management A/S for the financial year 01.01.2019 - 31.12.2019.

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 entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the annual general meeting.

Frederiksberg, 15.04.2020

## Executive Board

**Peter Munck Søre-Jensen**

Director

## Board of Directors

**Rasmus Lildholdt Kjær**

Chairman

**Annette Egede Nylander**

Board member

**Ho Kei Au**

Board member

# Independent auditor's report

## To the shareholders of Better Energy Asset Management A/S

### Opinion

We have audited the financial statements of Better Energy Asset Management A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities 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 as 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 applicable in Denmark will always detect a material misstatement when it exists. Misstatements can 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 taken 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 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Kolding, 15.04.2020

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Lars Ørum Nielsen**

State Authorised Public Accountant  
Identification No (MNE) mne26771

# Management commentary

## Primary activities

The main activity of the entity is to conduct business within all aspects relating to, directly or indirectly, operate and maintain infrastructure for renewable energy and related activities.

## Development in activities and finances

This years result is DKK 679,316. Equity amounts to DKK 1,079,295 by the end of 2019.



# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>4,294,133</b>	<b>0</b>
Administrative expenses		(3,336,694)	0
<b>Operating profit/loss</b>		<b>957,439</b>	<b>0</b>
Other financial income		1,056	0
Other financial expenses	3	(87,577)	(27)
<b>Profit/loss before tax</b>		<b>870,918</b>	<b>(27)</b>
Tax on profit/loss for the year	4	(191,602)	6
<b>Profit/loss for the year</b>		<b>679,316</b>	<b>(21)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		679,316	(21)
<b>Proposed distribution of profit and loss</b>		<b>679,316</b>	<b>(21)</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Acquired intangible assets		0	310,255
<b>Intangible assets</b>	5	<b>0</b>	<b>310,255</b>
Other fixtures and fittings, tools and equipment		232,500	0
<b>Property, plant and equipment</b>	6	<b>232,500</b>	<b>0</b>
<b>Fixed assets</b>		<b>232,500</b>	<b>310,255</b>
Work in progress		732,358	0
<b>Inventories</b>		<b>732,358</b>	<b>0</b>
Trade receivables		3,523,170	0
Receivables from group enterprises		486,172	0
Deferred tax		1,650	0
Other receivables		21,190	0
Income tax receivable		0	6
<b>Receivables</b>		<b>4,032,182</b>	<b>6</b>
<b>Cash</b>		<b>814,250</b>	<b>99,973</b>
<b>Current assets</b>		<b>5,578,790</b>	<b>99,979</b>
<b>Assets</b>		<b>5,811,290</b>	<b>410,234</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		400,000	400,000
Unpaid contributed capital		0	(300,000)
Reserve for non-paid contributed capital		0	300,000
Retained earnings		679,295	(300,021)
<b>Equity</b>		<b>1,079,295</b>	<b>99,979</b>
Other payables		120,345	0
<b>Non-current liabilities other than provisions</b>	<b>7</b>	<b>120,345</b>	<b>0</b>
Trade payables		348,529	0
Payables to group enterprises		2,898,890	310,255
Joint taxation contribution payable		193,252	0
Other payables		1,170,979	0
<b>Current liabilities other than provisions</b>		<b>4,611,650</b>	<b>310,255</b>
<b>Liabilities other than provisions</b>		<b>4,731,995</b>	<b>310,255</b>
<b>Equity and liabilities</b>		<b>5,811,290</b>	<b>410,234</b>
Events after the balance sheet date	1		
Staff costs	2		
Contingent liabilities	8		
Assets charged and collateral	9		

# Statement of changes in equity for 2019

	Contributed capital DKK	Unpaid contributed capital DKK	Reserve for non-paid contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	400,000	(300,000)	300,000	(300,021)	99,979
Share capital receivable, paid	0	300,000	0	0	300,000
Dissolution of reserves	0	0	(300,000)	300,000	0
Profit/loss for the year	0	0	0	679,316	679,316
<b>Equity end of year</b>	<b>400,000</b>	<b>0</b>	<b>0</b>	<b>679,295</b>	<b>1,079,295</b>

# Notes

## 1 Events after the balance sheet date

The Executive Board believes that in the short term, the coronavirus (COVID-19) will not have a material adverse effect on Better Energy.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## 2 Staff costs

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	3,855,469	0
Pension costs	250,935	0
Other social security costs	45,999	0
Other staff costs	22,321	0
	<b>4,174,724</b>	<b>0</b>
Staff costs classified as assets	(1,145,303)	0
	<b>3,029,421</b>	<b>0</b>
Average number of full-time employees	<b>6</b>	<b>0</b>

## 3 Other financial expenses

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	76,387	0
Other interest expenses	2,238	27
Exchange rate adjustments	8,620	0
Other financial expenses	332	0
	<b>87,577</b>	<b>27</b>

## 4 Tax on profit/loss for the year

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Change in deferred tax	(1,650)	0
Refund in joint taxation arrangement	193,252	(6)
	<b>191,602</b>	<b>(6)</b>

## 5 Intangible assets

	<b>Acquired intangible assets DKK</b>
Cost beginning of year	620,510
Disposals	(620,510)
<b>Cost end of year</b>	<b>0</b>
Amortisation and impairment losses beginning of year	(310,255)
Impairment losses for the year	(271,473)
Amortisation for the year	(38,782)
Reversal regarding disposals	620,510
<b>Amortisation and impairment losses end of year</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>0</b>

## 6 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>
Additions	240,000
<b>Cost end of year</b>	<b>240,000</b>
Depreciation for the year	(7,500)
<b>Depreciation and impairment losses end of year</b>	<b>(7,500)</b>
<b>Carrying amount end of year</b>	<b>232,500</b>

## 7 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2019 DKK</b>
Other payables	120,345
	<b>120,345</b>

## 8 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.

### **9 Assets charged and collateral**

The entity has guaranteed group enterprises' debt with Proventus Capital Partners IV AB, Proventus Capital Partners IV B AB and Proventus Capital Partners IV C KB. The guarantee amounts to EUR 39.1 million 31.12.2019.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Changes in accounting policies

In previous years the statement of profit or loss was presented on basis of the principle of costs by category. Management have assessed that presentation on basis of function is more relevant in light of the business. Comparative figures are adjusted accordingly. The change to presentation did not have any effect on the result for the year or equity.

## 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 entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the entity 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 entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected 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.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, production costs and other operating income.

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.



**Production costs**

Production costs comprise cost of sales for the financial year, including ordinary writedown of inventories and other costs incurred to earn revenue for the financial year, including wages and salaries and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment.

**Administrative expenses**

Administrative expenses comprise expenses incurred for the entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the entity.

**Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss 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 entity is jointly taxed with all Danish group enterprises. 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****Intellectual property rights etc.**

Intellectual property rights etc. comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

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:

Other fixtures and fittings, tools and equipment

8 years

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.

### **Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables and direct labour costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

### **Receivables**

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

### **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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

### **Income tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

### **Cash**

Cash comprises bank deposits.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### **Joint taxation contributions payable or receivable**

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.