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# ***MFT Energy 5 ApS***

Margrethepladsen 4, 3, DK-8000 Aarhus C

## **Annual Report for 1 January - 31 December 2020**

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CVR No 40 37 45 58

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
20/5 2021

Tore Høffner Andersen  
Chairman of the General  
Meeting



**pwc**

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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of MFT Energy 5 ApS for the financial year 1 January - 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus, 14 April 2021

## Executive Board

Cagdas Ozan Ates

## Board of Directors

Bo Palmgren  
Chairman

Cagdas Ozan Ates

Lars Kristensen

# Independent Auditor's Report

To the Shareholders of MFT Energy 5 ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of MFT Energy 5 ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

## 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 misstate-

# Independent Auditor's Report

ment, 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 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 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

# Independent Auditor's Report

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.

Trekantområdet, 14 April 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Lasse Berg

statsautoriseret revisor

mne35811

## **Company Information**

### **The Company**

MFT Energy 5 ApS  
Margrethepladsen 4, 3  
DK-8000 Aarhus C

CVR No: 40 37 45 58  
Financial period: 1 January - 31 December  
Municipality of reg. office: Aarhus

### **Board of Directors**

Bo Palmgren, Chairman  
Cagdas Ozan Ates  
Lars Kristensen

### **Executive Board**

Cagdas Ozan Ates

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Herredsvej 32  
DK-7100 Vejle

## **Management's Review**

Financial Statements of MFT Energy 5 ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

### **Key activities**

The principal activity of the company is trading with energy.

### **Development in the year**

The income statement of the Company for 2020 shows a loss of TEUR 172, and at 31 December 2020 the balance sheet of the Company shows negative equity of TEUR 164.

The company has changed accounting policies on investment in subsidiaries from equity method to cost. This as it is assessed to give a better picture of the company's operations.

The change in accounting policies has increased last years earnings with TEUR 9 and the equity of 31 December 2019 with TEUR 10.

### **Financial resources**

The company has lost more than 50% of its share capital and hence covered by the capital loss provisions in the Danish Companies Act.

Management expects the share capital will be restored by future earnings.

To ensure continued operations the parent company has issued a statement of support covering the period until 30 June 2022.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

	Note	2020 TEUR	2019 TEUR
<b>Gross profit/loss</b>		<b>-33</b>	<b>1</b>
Staff expenses	2	-152	0
<b>Profit/loss before financial income and expenses</b>		<b>-185</b>	<b>1</b>
Financial expenses	3	-35	-1
<b>Profit/loss before tax</b>		<b>-220</b>	<b>0</b>
Tax on profit/loss for the year	4	48	0
<b>Net profit/loss for the year</b>		<b>-172</b>	<b>0</b>

## Distribution of profit

### Proposed distribution of profit

Reserve for net revaluation under the equity method	0	1
Retained earnings	-172	-1
	<b>-172</b>	<b>0</b>

## Balance Sheet 31 December

	Note	2020 TEUR	2019 TEUR
<b>Assets</b>			
Investments in subsidiaries	5	106	106
<b>Fixed asset investments</b>		<b>106</b>	<b>106</b>
<b>Fixed assets</b>		<b>106</b>	<b>106</b>
Other receivables		130	0
Corporation tax		48	0
<b>Receivables</b>		<b>178</b>	<b>0</b>
<b>Cash at bank and in hand</b>		<b>10</b>	<b>10</b>
<b>Currents assets</b>		<b>188</b>	<b>10</b>
<b>Assets</b>		<b>294</b>	<b>116</b>
<b>Liabilities and equity</b>			
Share capital		7	7
Retained earnings		-171	1
<b>Equity</b>		<b>-164</b>	<b>8</b>
Payables to group enterprises		453	108
Other payables		5	0
<b>Short-term debt</b>		<b>458</b>	<b>108</b>
<b>Debt</b>		<b>458</b>	<b>108</b>
<b>Liabilities and equity</b>		<b>294</b>	<b>116</b>
Going concern	1		
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## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TEUR	TEUR	TEUR
Equity at 1 January	7	-10	-3
Net effect from change of accounting policy	0	11	11
Adjusted equity at 1 January	7	1	8
Net profit/loss for the year	0	-172	-172
<b>Equity at 31 December</b>	<b>7</b>	<b>-171</b>	<b>-164</b>

# Notes to the Financial Statements

## 1 Going concern

The company has lost more than 50% of its share capital and hence covered by the capital loss provisions in the Danish Companies Act.

Management expects the share capital will be restored by future earnings.

To ensure continued operations the parent company has issued a statement of support covering the period until 30 June 2022.

	<u>2020</u> TEUR	<u>2019</u> TEUR
<b>2 Staff expenses</b>		
Wages and salaries	152	0
	<u>152</u>	<u>0</u>
<b>Average number of employees</b>	<u>1</u>	<u>0</u>
<b>3 Financial expenses</b>		
Interest paid to group enterprises	34	0
Other financial expenses	1	1
	<u>35</u>	<u>1</u>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	-48	0
	<u>-48</u>	<u>0</u>

## Notes to the Financial Statements

	2020 <u>TEUR</u>	2019 <u>TEUR</u>
<b>5 Investments in subsidiaries</b>		
Cost at 1 January	106	0
Additions for the year	<u>0</u>	<u>106</u>
Cost at 31 December	<u>106</u>	<u>106</u>
Value adjustments at 1 January	<u>0</u>	<u>0</u>
Value adjustments at 31 December	<u>0</u>	<u>0</u>
<b>Carrying amount at 31 December</b>	<b><u>106</u></b>	<b><u>106</u></b>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Place of registered office</u>	<u>Share capital</u>	<u>Votes and ownership</u>
MFT Energy See Enerji A.S.	Istanbul	TRY 692.941	100%

## 6 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of ARK Holding ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 7 Related parties

The company is included in the consolidated financial statement of the following company:

<u>Name</u>	<u>Place of registered office</u>
ARK Holding ApS	Margrethepladsen 4,3. 8000 Aarhus C
MFT Energy A/S	Margrethepladsen 4,3. 8000 Aarhus C

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of MFT Energy 5 ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Financial Statements for 2020 are presented in TEUR.

### Changes in accounting policies

#### *Change in presentation currency*

The Company changed its presentation currency from DKK to EUR at 1 January 2020. The Financial Statements for 2020 have been presented in EUR. The comparative figures of the income statement have been translated into EUR at the average exchange rate for EUR/DKK 0.13387. The comparatives of the balance sheet have been translated into EUR at the year-end rate for EUR/DKK of 0.13387 at 31 December 2019.

#### *Change in measurement of investments in subsidiaries*

The company has changed accounting policies on investment in subsidiaries from equity method to cost. This as it is assessed to give a better picture of the company's operations.

The change in accounting policies has increased last years earnings with TEUR 9 and the equity of 31 December 2019 with TEUR 10.

#### *Reclassifications and textual update of accounting policies*

Some reclassifications have been made in the Financial Statements. In these cases comparatives are adjusted to reflect the new classifications. The reclassifications have not affected the profit for the year nor the equity as of 31 December 2019. There has been a textual update of the accounting policies. The textual update has not affected the recognition and measurement of the accounting items.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Income Statement

#### Revenue

Revenue from the sale of electricity is recognised in the income statement if delivery and passing of risk to the buyer has taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

#### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

#### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

#### Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance Sheet

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.