

Better Energy Navnsø P/S

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 40391126

Annual Report 2020

The annual report was presented and
adopted at the Annual General Meeting
on 28 April 2021.



Ho Kei Au
Chair of the Annual General Meeting

Contents

| | |
|--------------------------------|----|
| Company information | 3 |
| Management's statement | 4 |
| Management's review | 5 |
| Income statement | 6 |
| Balance sheet | 7 |
| Statement of changes in equity | 9 |
| Notes | 10 |
| Accounting policies | 11 |

Better Energy Navnsø P/S

Company information

| | |
|---------------------------|---|
| Company | Better Energy Navnsø P/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C Business Registration No.: 40391126 Date of formation: 29 March 2019 |
| Board of Directors | Mark Augustenborg Ødum Ho Kei Au Rasmus Lildholdt Kjær |
| Executive Board | Anders Knokgaard Nielsen, Director |
| General Partner | Better Energy Komplementar DK I ApS, Denmark |

Management's statement

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Navnsø P/S 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 Navnsø P/S 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.

We recommend that the annual report be adopted at the Annual General Meeting.

Frederiksberg, 28 April 2021

Executive Board



Anders Knokgaard Nielsen
Director

Board of Directors



Mark Augustenborg Ødum
Chairman



Ho Kei Au
Board member



Rasmus Lildholdt Kjær
Board member

Management's review

The company's principal activities

The purpose of Better Energy Navnsø P/S is directly or indirectly to acquire own and operate solar parks as well as related activities.

Development in activities and financial matters

Better Energy Navnsø P/S's income statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -9.976 and the balance sheet at 31 December 2020 a balance sheet total of DKK 5.903.584 and an equity of DKK 400.024.

The company was transformed into a private limited company by resolution adopted 16 December 2020. The registration was completed 17 December 2020. In connection with this, the share capital was increased to DKK 40.000 and the name was changed from Better Energy Navnsø IVS to Better Energy Navnsø ApS.

The company was transformed into a public limited company by resolution adopted 17 December 2020. The registration was completed 21 December 2020. In connection with this, the share capital was increased to DKK 400.000 and the name was changed from Better Energy Navnsø ApS to Better Energy Navnsø A/S.

The company was transformed into a partner company by resolution adopted 4 February 2021. The registration was completed 4 February 2021. As a result, the name was changed from Better Energy Navnsø A/S to Better Energy Navnsø P/S.

Better Energy Navnsø P/S**Income statement**

| | Note | 2020 kr. | 2019 kr. |
|---|------|----------------|-------------|
| Gross profit | | -12.625 | 0 |
| Profit from ordinary operating activities | | -12.625 | 0 |
| Financial expences | 1 | -143 | 0 |
| Profit from ordinary activities before tax | | -12.768 | 0 |
| Tax on profit/loss for the year | 2 | 2.792 | 0 |
| Profit for the year | | -9.976 | 0 |
| Proposed distribution of results | | | |
| Retained earnings | | -9.976 | 0 |
| Distribution of profit | | -9.976 | 0 |

Better Energy Navnsø P/S

Balance sheet as of 31 December

| | Note | 2020 kr. | 2019 kr. |
|---|------|------------------|-------------|
| Assets | | | |
| Property, plant and equipment in progress | 3 | 5.500.000 | 0 |
| Property, plant and equipment | | <u>5.500.000</u> | <u>0</u> |
| Fixed assets | | <u>5.500.000</u> | <u>0</u> |
| Short-term receivables from group enterprises | | 0 | 1 |
| Short-term tax receivables from group enterprises | | 2.792 | 0 |
| Receivables | | <u>2.792</u> | <u>1</u> |
| Cash and cash equivalents | | <u>400.792</u> | <u>0</u> |
| Current assets | | <u>403.584</u> | <u>1</u> |
| Assets | | <u>5.903.584</u> | <u>1</u> |

Balance sheet as of 31 December

| | Note | 2020 kr. | 2019 kr. |
|--|------|------------------|-------------|
| Liabilities and equity | | | |
| Contributed capital | | 400.000 | 1 |
| Retained earnings | | 24 | 0 |
| Equity | | 400.024 | 1 |
| Trade payables | | 5.502.500 | 0 |
| Payables to group enterprises | | 1.060 | 0 |
| Short-term liabilities other than provisions | | 5.503.560 | 0 |
| Liabilities other than provisions within the business | | 5.503.560 | 0 |
| Liabilities and equity | | 5.903.584 | 1 |
| Significant events occurring after end of reporting period | 4 | | |
| Contingent liabilities | 5 | | |
| Group relations | 6 | | |
| Unrecognised rental and lease commitments | 7 | | |

Better Energy Navnsø P/S

Statement of changes in equity

| | Contributed capital | Retained earnings | Total |
|--------------------------------|------------------------|----------------------|----------------|
| Equity 1 January 2020 | 1 | 0 | 1 |
| Increase of capital | 399.999 | 0 | 399.999 |
| Profit (loss) | 0 | -9.976 | -9.976 |
| Contribution from group | 0 | 10.000 | 10.000 |
| Equity 31 December 2020 | 400.000 | 24 | 400.024 |

Notes

| | 2020 | 2019 |
|---|------------|----------|
| 1. Financial expenses | | |
| Financial expenses from group enterprises | 61 | 0 |
| Other financial expenses | 82 | 0 |
| | <u>143</u> | <u>0</u> |

| | 2020 | 2019 |
|--------------------------------------|---------------|----------|
| 2. Tax on profit for the year | | |
| Current tax for the year | -2.792 | 0 |
| | <u>-2.792</u> | <u>0</u> |

| | 2020 | 2019 |
|---|------------------|----------|
| 3. Property, plant and equipment in progress | | |
| Additions for the year | 5.500.000 | 0 |
| Cost at the end of the year | <u>5.500.000</u> | <u>0</u> |
| Carrying amount at the end of the year | <u>5.500.000</u> | <u>0</u> |

4. 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.

5. Contingent liabilities

The company participates in a Danish joint taxation arrangement where Better Energy Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

The entity has engaged in conditional agreements regarding VE bonus for a total of DKK 60.000. In addition, the entity is exposed to pay compensation or buy properties located within 200 meters of a solar park (Danish VE legislation).

6. Group relations

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

7. Unrecognised lease and rental commitments

| | 2020 | 2019 |
|--|------------|------|
| Liabilities under rental or lease agreements until maturity in total | 25.974.221 | 0 |

Accounting policies

Reporting class

The annual report of Better Energy Navnsø P/S 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 other external expenses.

Other external expenses

Other external expenses include expenses for operation and administration.

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

Accounting policies

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.

Receivables

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

Impairment of accounts receivables past due is established on individual assessment of receivables.

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.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Accounting policies

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