

Better Energy Poland Estate A/S

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

CVR No. 40180591

Annual report 3 Jan. - 31 Dec. 2019

1. financial year

The annual report was presented and adopted at the annual general meeting of the company on 10 June 2020

Ho Kei Au
Chairman of the general meeting

Better Energy Poland Estate A/S

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Management's Statement

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Poland Estate A/S for the financial year 3 January 2019 - 31 December 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 assets, liabilities and financial position of the company at 31 December 2019 and of the results of the company's operations for the financial year 3 January 2019 - 31 December 2019.

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 statement have been met.

We recommend the annual report be adopted at the annual general meeting.

Frederiksberg, 10 June 2020

Executive Board

Christoffer Fruergaard Larsen
Man. director

Board of Directors

Rasmus Lildholdt Kjær
Chairman

Peter Munck Søre-Jensen
Board member

Ho Kei Au
Board member

Better Energy Poland Estate A/S

Company details

Company	Better Energy Poland Estate A/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C
CVR No.	40180591
Date of formation	3 January 2019
Board of Directors	Rasmus Lildholdt Kjær Peter Munck Søre-Jensen Ho Kei Au
Executive Board	Christoffer Fruergaard Larsen, Man. director

Management's Review

The company's principal activities

The primary purpose of the company is to conduct holding activities with project development, construction, financing, purchase and sale of energy projects and related activities.

Development in activities and financial matters

The company's income statement of the financial year 3 January 2019 - 31 December 2019 shows a result of DKK -49.711 and the balance sheet at 31 December 2019 a balance sheet total of DKK 79.622 and an equity of DKK 50.019.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting class

The annual report of Better Energy Poland Estate A/S for 3 Jan. - 31 Dec. 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

As the financial year 3 Jan. - 31 Dec. 2019 is the company's first financial year, the financial statements with associated notes have been prepared without comparative figures from the previous year.

Consolidated financial statements

With reference to § 112 of the Danish Financial Statements Act, no consolidated financial statement has been prepared because the group's enterprises are subsidiaries of a higher-ranking group.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement has been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the annual report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income statement

Income from investments in group enterprises and associates

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortisation of consolidated goodwill.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts that concern the financial year. Financial income and expenses include interest revenues and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Tax on profit/loss for the year

Tax on profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Equity investments in group enterprises and associates

Investments in group enterprises and associates are recognised in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parents accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at kr. 0, and any amounts receivable from those enterprises are written down by the parents share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad 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.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual obligation as a result of a past event, and it is likely that settlement will result in the company spending financial resources.

Accounting Policies

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.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

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

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the balance sheet but appear only in the notes.

Income Statement

	Note	3 Jan. - 31 Dec. 2019 kr.
Gross profit		0
Income from investments in group enterprises		-52.191
Financial income	1	3.245
Financial expenses	2	-66
Profit from ordinary activities before tax		-49.012
Tax on profit/loss for the year	3	-699
Profit for the year		-49.711
 Proposed distribution of results		
Retained earnings		-49.711
Distribution of profit		-49.711

Better Energy Poland Estate A/S

Balance Sheet as of 31 December

	Note	2019 kr.
Assets		
Investments in group enterprises	4, 5	0
Investments		<u>0</u>
Fixed assets		<u>0</u>
Short-term receivables from group enterprises		79.588
Receivables		<u>79.588</u>
Cash and cash equivalents		<u>34</u>
Current assets		<u>79.622</u>
Assets		<u>79.622</u>

Balance Sheet as of 31 December

	Note	2019 kr.
Liabilities and equity		
Contributed capital		400.000
Unpaid contributed capital		-300.000
Reserve for unpaid contributed capital		300.000
Retained earnings		-349.981
Equity		50.019
Provisions for investments in group enterprises	6	28.904
Provisions		28.904
Tax payables		699
Short-term liabilities other than provisions		699
Liabilities other than provisions		699
Liabilities and equity		79.622
Contingent liabilities	7	
Related parties	8	

Better Energy Poland Estate A/S

Statement of changes in Equity

	Contributed capital	Unpaid Contributed capital	Reserve for unpaid contributed capital	Reserve for net revaluation according to equity method	Retained earnings	Total
Establishment of the company 3 January 2019	400.000	-300.000				100.000
Exchange rate adjustments		0		-270		-270
Equity transfers to reserves		0	-300.000	52.461	247.539	0
Profit (loss)		0	0	-52.191	2.480	-49.711
Equity 31 December 2019	400.000	-300.000	-300.000	0	250.019	50.019

The company was established 3 January 2019 with a share capital of DKK 400.000.

Notes

3 Jan. - 31 Dec.
2019

1. Financial income

Financial income from group enterprises	3.245
	<u>3.245</u>

2. Financial expenses

Other financial expenses	66
	<u>66</u>

3. Tax on profit/loss for the year

Corporation tax - Denmark	-699
	<u>-699</u>

4. Investments in group enterprises

Additions during the year	23.557
Cost at the end of the year	<u>23.557</u>

Exchange rate adjustments	-270
Revaluations for the year	-52.191
Negative investment value transferred to provisions	28.904
Revaluations at the end of the year	<u>-23.557</u>

Carrying amount at the end of the year	<u>0</u>
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5. Name, registered office and ownership group enterprises

Group

Name	Registered office	Share held in %
Better Energy Sadlogosz Estate Sp..z.o.o.	Poland	100,00

6. Provisions for investments in group enterprises

Provision for negative investment in Better Energy Sadlogosz Estate Sp..z.o.o.	28.904
Balance at the end of the year	<u>28.904</u>

7. 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.

Notes

**3 Jan. - 31 Dec.
2019**

8. Related parties

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

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Christoffer Fruergaard Larsen

Adm. direktør

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Ho Kei Au

Bestyrelsesmedlem

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IP: 217.74.xxx.xxx

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Ho Kei Au

Dirigent

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Peter Munck Sør-Jensen

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Rasmus Lildholdt Kjær

Bestyrelsesformand

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