Better Energy Poland Estate A/S

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 40180591

Annual Report 2021

The annual report was presented and
adopted at the Annual General Meeting
on 25 May 2022

Ho Kei Au
Chair of the Annual General Meeting

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Company information

Company	Better Energy Poland Estate A/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C Business Registration No.: 40180591 Date of formation: 3 January 2019
Board of Directors	Rasmus Lildholdt Kjær Annette Egede Nylander Ho Kei Au
Executive Board	Christoffer Fruergaard Larsen, Director

Better Energy Poland Estate A/S

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 1 January 2021 - 31 December 2021.

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 Poland Estate A/S at 31 December 2021 and of the results of the company's operations for the financial year 1 January 2021 - 31 December 2021.

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, 25 May 2022

Executive Board

Christoffer Fruergaard Larsen
Director

Board of Directors

Rasmus Lildholdt Kjær
Chairman

Annette Egede Nylander
Board member

Ho Kei Au
Board member

Management's review

The company's principal activities
The purpose of Better Energy Poland Estate A/S is to carry out holding activities with project development, construction, financing, purchase and sale of solar parks and related activities.

Development in activities and financial matters
Better Energy Poland Estate A/S's income statement of the financial year 1 January 2021 - 31 December 2021 shows a result of DKK -216.999 and the balance sheet at 31 December 2021 a balance sheet total of DKK 2.809.388 and an equity of DKK 60.589.

Material changes in the Company's operations and financial matters
Better Energy Poland Estate A/S has lost more than 50% of its contributed capital. The Executive Board and the Board of Directors expect that the contributed capital can be reestablished through operational profit.

Income statement

	Note	2021 DKK	2020 DKK
Gross profit		**-10.000**	**-1**
Profit from ordinary operating activities		**-10.000**	**-1**
Income from investments in group enterprises and associates		-184.708	-83.666
Financial income	1	106.888	15.085
Financial expenses	2	-138.287	-12.206
Profit from ordinary activities before tax		**-226.107**	**-80.788**
Tax on profit/loss for the year	3	9.108	4.550
Profit for the year		**-216.999**	**-76.238**
Proposed distribution of results			
Retained earnings		-216.999	-76.238
Distribution of profit		**-216.999**	**-76.238**

Balance sheet as of 31 December

	Note	2021 DKK	2020 DKK
Assets			
Investments in group enterprises	4, 5	0	0
Investments		**0**	**0**
Fixed assets		**0**	**0**
Short-term receivables from group enterprises		2.495.697	2.610.850
Tax receivables from group enterprises		13.658	4.550
Other short-term receivables		300.000	300.000
Receivables		**2.809.355**	**2.915.400**
Cash and cash equivalents		**33**	**33**
Current assets		**2.809.388**	**2.915.433**
Assets		**2.809.388**	**2.915.433**

Balance sheet as of 31 December

	Note	2021 DKK	2020 DKK
Liabilities and equity			
Contributed capital		400.000	400.000
Reserve for unpaid contributed capital		300.000	300.000
Retained earnings		-639.411	-426.219
Equity		**60.589**	**273.781**
Payables to group enterprises		2.748.799	2.641.652
Short-term liabilities other than provisions		**2.748.799**	**2.641.652**
Liabilities other than provisions		**2.748.799**	**2.641.652**
Liabilities and equity		**2.809.388**	**2.915.433**

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Statement of changes in Equity

	Contributed capital	Reserve for unpaid contributed capital	Reserve for net revaluation according to equity method	Retained earnings	Total
Equity 1 January 2021	400.000	300.000		-426.219	273.781
Exchange rate adjustments	0	0	3.807		3.807
Profit (loss)	0	0		-216.999	-216.999
Equity 31 December 2021	**400.000**	**300.000**	**3.807**	**-643.218**	**60.589**

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

Notes

1. Financial income

	2021	2020
Financial income from group enterprises	106.788	15.085
Exchange gains	100	0
	106.888	**15.085**

2. Financial expenses

	2021	2020
Financial expenses from group enterprises	105.338	12.206
Exchange losses	32.949	0
	138.287	**12.206**

3. Tax on profit for the year

	2021	2020
Current tax for the year	-9.108	-4.550
	-9.108	**-4.550**

4. Investments in group enterprises

	2021	2020
Cost at the beginning of the year	31.747	23.557
Additions for the year	0	8.190
Cost at the end of the year	**31.747**	**31.747**
Revaluations at the beginning of the year	-31.747	-23.557
Change due to a foreign currency translation adjustment	490	1
Revaluations for the year	-184.708	-83.666
Negative investment value transfered to receivables	184.218	104.379
Negative investment value transfered to provisions	0	-28.904
Revaluations at the end of the year	**-31.747**	**-31.747**
Carrying amount at the end of the year	**0**	**0**

5. Disclosure of investments in group enterprises and associates

Group enterprises

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

6. 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.

Notes

7. 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.

8. Group relations

Name and registered office of the parent company preparing consolidated statements for the smallest group: Better Energy Holding A/S, Business Registration No. 31865883, Frederiksberg

Accounting policies

Reporting class
The annual report of Better Energy Poland Estate A/S for 2021 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.

Income from investments in group enterprises and associates
Income from investments in group enterprises and associates in the income statement include the proportionate share of the profit or loss for the year and amortisation of goodwill on consolidation.

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

Equity investments in group enterprises and associates
Enterprises in which the company, directly or indirectly, holds more than 50% of the voting rights and exercises controlling influence are regarded as subsidiaries. Enterprises in which the company, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Investments in subsidiaries and associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the company has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in subsidiaries and associates is transferred to reserve for net revaluation according to the equity method under equity.

Investments in subsidiaries and associates are written down to the lower of recoverable amount and carrying amount.

The right for selling parties to receive dividends in subsidiaries and associates is measured at fair value and recognised as a part of investments in the subsidiaries/associates. Changes in fair value of selling parties' right to receive dividends are recognised in the income statement.

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.

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.

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.

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