

# **Better Energy Impact II K/S**

Gammel Kongevej 60

1850 Frederiksberg C

Business Registration No. 43710389

## **Annual Report 2024**

The annual report was presented and  
adopted at the Annual General Meeting  
on 11 July 2025

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Mark Augustenborg Ødum  
Chair of the Annual General Meeting

## Better Energy Impact II K/S

### Contents

Company information	3
Management's statement	4
Independent auditor's report	5
Management's review	8
Income statement	10
Balance sheet	11
Statement of changes in equity	13
Notes	14
Accounting policies	17

## Better Energy Impact II K/S

### Company information

<b>Company</b>	Better Energy Impact II K/S Gammel Kongevej 60 1850 Frederiksberg C Business Registration No.: 43710389 Date of formation: 15 December 2022
<b>Board of Directors</b>	Mark Augustenborg Ødum (Chairman) Jan Dybdahl Østergaard Rasmus Lildholdt Kjær Mikkel Allen Kjærsgaard
<b>Executive Board</b>	Rasmus Lildholdt Kjær, Managing Director
<b>General Partner</b>	Better Energy Impact II Komplementar ApS
<b>Auditors</b>	Deloitte Statsautoriseret Revisionspartnerselskab Egtved Allé 4 6000 Kolding Business Registration No.: 33963556
<b>1st Accounting period</b>	15 December 2022 - 31 December 2023

## **Management's statement**

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Impact II K/S for the financial year 1 January 2024 - 31 December 2024.

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 Impact II K/S at 31 December 2024 and of the results of the company's operations for the financial year 1 January 2024 - 31 December 2024.

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, 11 July 2025

### **Executive Board**

Rasmus Lildholdt Kjær  
Managing Director

### **Board of Directors**

Mark Augustenborg Ødum  
Chairman

Jan Dybdahl Østergaard  
Board member

Rasmus Lildholdt Kjær  
Board member

Mikkel Allen Kjærsgaard  
Board member

## **Independent auditor's report**

### **To the shareholders of Better Energy Impact II K/S**

#### **Opinion**

We have audited the financial statements of Better Energy Impact II K/S for the financial year 1 January 2024 - 31 December 2024, 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 December 2024 and of the results of its operations for the financial year 1 January 2024 - 31 December 2024 in accordance with the Danish Financial Statements Act.

#### **Basis of 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty relating to going concern**

We refer to note 6 in the financial statements, which states that there are unresolved final payments and related capital injections under the Joint Venture Agreements. Furthermore, there are conditions in the Joint Venture Agreements that may trigger a repayment event on the shareholder loans before 1 January 2026. If a repayment demand occurs it is most likely that Better Energy Impact II K/S will not be able to fulfill the repayment obligations. Due to this a material uncertainty relating to going concern exists.

Our opinion has not been modified with respect to this matter.

#### **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:

## **Independent auditor's report**

- \* 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.
- \* Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

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 Management's review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the Management's Review 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's review provides the information required by the relevant law and regulations.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the Management's Review.

**Better Energy Impact II K/S**

**Independent auditor's report**

Kolding, 11 July 2025

**Deloitte Statsautoriseret Revisionspartnerselskab**  
Business Registration No. 33963556

Lars Ørum Nielsen  
State Authorised Public Accountant  
mne26771

### Management's review

#### The company's principal activities

The purpose of Better Energy Impact II K/S is to be a holding company engaged in acquisition, ownership, development, operation and financing of solar parks and related activities.

#### Uncertainty relating to recognition and measurement

As a holding company for subsidiaries operating solar parks the value of these subsidiaries is influenced by weather conditions and electricity price fluctuations. In 2024 production from solar power plants has been suffering from both lower irradiation and an increased events of negative spot prices, leading to curtailed production.

The entire portfolio of projects has undergone an impairment test, consequently, the company recognized an impairment charge relating to solar parks held in subsidiaries.

#### Development in activities and financial matters

Better Energy Impact II K/S's income statement for the financial year 1 January 2024 - 31 December 2024 shows a result of DKK -480,980,205 and the balance sheet at 31 December 2024 shows a balance sheet total of DKK 1,255,203,719 and an equity of DKK -220,381,852.

In 2024, the company's subsidiaries expanded its operational portfolio in Denmark, Poland, and Sweden, successfully connecting five large-scale solar projects to the grid:

- In Denmark, the Fraugde solar park on Funen (79 MWp) was successfully grid connected.
- In Poland, the Chelmno and Resko projects (totaling 57 MWp) were brought online.
- In Sweden, Studsvik and Lidköping Airport projects (totaling 102 MWp) were connected to the grid.

At year-end, construction in subsidiaries was ongoing on four additional sites:

- Denmark: Viuf and Skælskør (301 MWp total)
- Poland: Chociwel and Wagrowiec (83 MWp total)

These projects were largely mechanically completed but had not yet been grid connected as of 31 December 2024. All projects except for Viuf have been fully grid connected in 2025. Bridge financing solution is close to completion for the last remaining project, Viuf (DK), amounting to approx. MDKK 200 to cover remaining capital expenditure and land acquisitions. Note the project is fully constructed and the projects has received grid connection approval (ION). Full operation is expected during Q3 2025.

As of the balance sheet date, the company has lost more than 50% of its share capital. The share capital is expected to be reestablished through future operating profits, capital injections, or conversion of intra-group debt to equity.

#### Going concern

As of 31 December 2024, the final payments and related capital injections under the Joint Venture Agreements include shareholders agreement and share purchase agreements for all projects except Hoby and Badskær had not been finally agreed between the owners nor settled. These potential obligations and a potential repurchase remain outstanding after the reporting date and if not agreed it can trigger a repurchase scenario.

A standstill letter regarding shareholder loans totaling DKK 1,383,827,371 has been received from both owners, Better Energy Partnerships II P/S (CVR-no. 43709127) and Industriens Pensionsforsikring A/S (CVR-no. 16614130). The stand still letters are effective until 1 January 2026. However, the standstill letter contains certain conditions which includes the sale of subsidiary shares, sale of solar PV assets, repurchase of shares in subsidiaries from a shareholder, which may trigger a repayment claim on shareholder loans before 1 January 2026.

However, the unresolved nature of final payments and related capital injections under the Joint Venture Agreements and the uncertainty of the repurchase scenario represents a material uncertainty beyond management's control, which could in worst case lead to a default event. This is considered a material uncertainty related to the company's ability to continue as a going concern.

## **Management's review**

Due to the uncertainty concerning the timing and resolution of the settlements, management has assessed that the related shareholder loans should be classified as current liabilities.

### **Post-Balance Sheet Events**

Since the balance sheet date, the following projects in subsidiaries have been successfully grid connected and are now delivering electricity to the grid:

- Skælskør (DK)
- Chociwel (PL)
- Wagrowiec (PL)

Bridge financing to secure completion of grid connection and settlement of construction liabilities in the project companies has been secured for Skælskør (Denmark), Fraugde (Denmark), Lidköping (Sweden), and Studsvik (Sweden).

As mentioned above, bridge financing solution is close to completion for the last remaining project, Viuf (DK).

On 19 December 2024, Better Energy A/S, the EPC supplier to subsidiaries, entered reconstruction proceedings and was declared bankrupt on 27 February 2025. Construction milestones invoiced to subsidiaries by Better Energy A/S remain unpaid, totaling DKK 717 million.

No other events have occurred after the balance sheet date that would affect the evaluation of this annual report.

## Better Energy Impact II K/S

### Income statement

	Note	2024 DKK	2022/23 DKK
Gross profit (loss)		-279,133	-1,778,027
Operating profit (loss)		<u>-279,133</u>	<u>-1,778,027</u>
Income from investments in group enterprises and associates		-499,331,940	-12,538,635
Financial income	1	39,321,700	8,012,487
Financial expenses	2	-20,690,832	-2,655,871
Profit (loss) from ordinary activities before tax		<u>-480,980,205</u>	<u>-8,960,046</u>
Profit (loss)		<u>-480,980,205</u>	<u>-8,960,046</u>
<b>Proposed distribution of results</b>			
Reserve for net revaluation according to equity method		-499,331,940	0
Retained earnings		<u>18,351,735</u>	<u>-8,960,046</u>
Distribution of profit (loss)		<u>-480,980,205</u>	<u>-8,960,046</u>

Better Energy Impact II K/S

Balance sheet as of 31 December

	Note	2024 DKK	2023 DKK
<b>Assets</b>			
Investments in group enterprises	3, 4	568,699,189	793,507,963
Long-term receivables from group enterprises	5	676,773,372	719,978,921
<b>Investments</b>		<b>1,245,472,561</b>	<b>1,513,486,884</b>
<b>Fixed assets</b>		<b>1,245,472,561</b>	<b>1,513,486,884</b>
Receivables from group enterprises		5,577	0
Other receivables		8,964,000	50,298,000
<b>Receivables</b>		<b>8,969,577</b>	<b>50,298,000</b>
<b>Cash</b>		<b>761,581</b>	<b>5,675,510</b>
<b>Current assets</b>		<b>9,731,158</b>	<b>55,973,510</b>
<b>Assets</b>		<b>1,255,203,719</b>	<b>1,569,460,394</b>

## Better Energy Impact II K/S

### Balance sheet as of 31 December

	Note	2024 DKK	2023 DKK
<b>Equity and liabilities</b>			
Contributed capital		5,000	5,000
Retained earnings		-220,386,852	252,600,135
<b>Equity</b>		<b>-220,381,852</b>	<b>252,605,135</b>
Trade payables		132,841	147,161
Payables to group enterprises		2,019	0
Other payables		91,623,340	75,908,865
Payables to shareholders and management		1,383,827,371	1,240,799,233
<b>Short-term liabilities other than provisions</b>		<b>1,475,585,571</b>	<b>1,316,855,259</b>
<b>Liabilities other than provisions</b>		<b>1,475,585,571</b>	<b>1,316,855,259</b>
<b>Equity and liabilities</b>		<b>1,255,203,719</b>	<b>1,569,460,394</b>
Material uncertainty related to going concern	6		
Significant events occurring after end of reporting period	7		
Uncertainty relating to recognition and measurement	8		
Assets charged and collateral	9		
Staff cost	10		

## Better Energy Impact II K/S

### Statement of changes in equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Reserve for net re- valuation ac- cording to equity method</b>	<b>Total</b>
Equity 1 January 2024	5,000	252,600,135	0	252,605,135
Change of investments through net exchange differences	0	0	7,993,218	7,993,218
Other adjustments of equity	0	-491,338,722	491,338,722	0
Profit (loss)	0	18,351,735	-499,331,940	-480,980,205
<b>Equity 31 December 2024</b>	<b>5,000</b>	<b>-220,386,852</b>	<b>0</b>	<b>-220,381,852</b>

At the balance sheet date, the company has lost more than 50% of its share capital.

Reference is made to note 6.

## Better Energy Impact II K/S

### Notes

	2024 DKK	2022/23 DKK
<b>1. Financial income</b>		
Financial income from group enterprises	39,053,912	8,005,220
Other financial income	267,788	7,267
	<b>39,321,700</b>	<b>8,012,487</b>
<b>2. Financial expenses</b>		
Other financial expenses	20,694,447	2,654,148
Exchange rate losses	-3,615	1,723
	<b>20,690,832</b>	<b>2,655,871</b>
<b>3. Investments in group enterprises</b>		
Cost at the beginning of the year	804,793,133	0
Additions for the year	73,234,155	804,793,133
<b>Cost at the end of the year</b>	<b>878,027,288</b>	<b>804,793,133</b>
Revaluations at the beginning of the year	-11,285,170	0
Change due to foreign currency translation adjustment	7,993,218	1,253,465
Revaluations recognised in equity	-499,331,940	-12,538,635
Investment with negative equity value depreciated over receivables	193,295,793	0
<b>Revaluations at the end of the year</b>	<b>-309,328,099</b>	<b>-11,285,170</b>
<b>Carrying amount at the end of the year</b>	<b>568,699,189</b>	<b>793,507,963</b>

Additional purchase price of DKK 21.341.847 is recognised during the financial year. The carrying amount of additional purchase price is DKK 53.521.264 as of 31 December 2024.

### 4. Disclosure of investments in group enterprises

#### Group enterprises

Name	Registered office	Share held in %
Better Energy Impact II Komplementar I ApS	Frederiksberg C	100.00
Better Energy Impact II Komplementar II ApS	Frederiksberg C	100.00
Better Energy Impact II Komplementar III ApS	Frederiksberg C	100.00
Better Energy Hoby P/S	Frederiksberg C	100.00
Better Energy Badskær P/S	Frederiksberg C	100.00
Better Energy Viuf P/S	Frederiksberg C	100.00
Better Energy Fraugde P/S	Frederiksberg C	100.00
Better Energy Impact II International A/S	Frederiksberg C	100.00
Better Energy Skælskør P/S	Frederiksberg C	100.00
Better Energy Chelmino sp. z o.o.	Gdansk, Poland	100.00
Better Energy Solar Park 213	Gdansk, Poland	100.00
Better Energy Swedish Solar 254 AB	Stockholm, Sweden	100.00
Better Energy Solar Park 215	Gdansk, Poland	100.00
Better Energy Wagrowiec	Gdansk, Poland	100.00
Better Energy Swedish Solar 260 AB	Stockholm, Sweden	100.00

Notes

	2024 DKK	2023 DKK
<b>5. Long-term receivables from group enterprises</b>		
Cost at the beginning of the year	719,978,921	0
Addition during the year	150,090,244	719,978,921
<b>Cost at the end of the year</b>	<b>870,069,165</b>	<b>719,978,921</b>
Profit for the year	-193,295,793	0
<b>Revaluations at the end of the year</b>	<b>-193,295,793</b>	<b>0</b>
<b>Carrying amount at the end of the year</b>	<b>676,773,372</b>	<b>719,978,921</b>

**6. Material uncertainty related to going concern**

As of 31 December 2024, the final payments and related capital injections under the Joint Venture Agreements include shareholders agreement and share purchase agreements for all projects—except Hoby and Badskær—had not been finally agreed between the owners nor settled. These potential obligations and a potential repurchase remain outstanding after the reporting date and if not agreed it can trigger a repurchase scenario.

A standstill letter regarding shareholder loans totaling DKK 1,383,827,371 has been received from both owners, Better Energy Partnerships II P/S (CVR-no. 43709127) and Industriens Pensionsforsikring A/S (CVR-no. 16614130). The stand still letters are effective until 1 January 2026. However, the standstill letter contains certain conditions which includes the sale of subsidiary shares, sale of solar PV assets, repurchase of shares in subsidiaries from a shareholder, which may trigger a repayment claim on shareholder loans before 1 January 2026.

Considerations and negotiations are ongoing between shareholders regarding the overall financing solutions for the company. Based on these negotiations management assesses that the going concern assumption is appropriate. Accordingly, the financial statements are prepared on a going concern basis.

However, the unresolved nature of final payments and related capital injections under the Joint Venture Agreements and the uncertainty of the repurchase scenario represents a material uncertainty beyond management's control, which could in worst case lead to a default event. This is considered a material uncertainty related to the company's ability to continue as a going concern.

## **Notes**

### **7. Significant events occurring after end of reporting period**

Since the balance sheet date, the following projects in subsidiaries have been successfully grid connected and are now delivering electricity to the grid:

- Skælskør (DK)
- Chociwel (PL)
- Wagrowiec (PL)

Final payments and related capital injections under the share purchase agreements for the acquisition of all projects except Hoby and Badskær have not been agreed and settled in 2024 and remains open in the period after 31 December 2024.

Bridge financing to secure completion of grid connection and settlement of construction liabilities in the project companies has been secured for Skælskør (DK), Fraugde (DK), Lidköping (SE), and Studsvik (SE). Bridge financing solution is close to completion for the last remaining project, Viuf (DK), amounting to approx. MDKK 200.

The EPC supplier Better Energy A/S entered reconstruction on 19 December 2024 and was declared bankrupt on 27 February 2025. Invoiced milestones on construction contracts to Better Energy A/S remain unpaid with a total of MDKK 717.

Grid connection works are ongoing at Viuf (DK), which is expected to be grid connected during Q3 2025.

No other events have occurred after the balance sheet date that would affect the evaluation of this annual report.

### **8. Uncertainty relating to recognition and measurement**

As a holding company for subsidiaries operating solar parks the value of these subsidiaries is influenced by weather conditions and electricity price fluctuations. In 2024 production from solar power plants has been suffering from both lower irradiation and an increased events of negative spot prices, leading to curtailed production.

The entire portfolio of projects has undergone an impairment test, consequently, the company recognized an impairment charge relating to solar parks held in subsidiaries.

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

The company's shares in Better Energy Badskær P/S, Better Energy Hoby P/S and Better Energy Skælskør P/S have been pledged as collateral to the lenders in the mentioned subsidiaries. The carrying amount of pledged shares is DKK 153 million at 31 December 2024.

In the event that one of the abovementioned subsidiaries defaults on its obligations regarding its mortgage loans, the right to receiveables and dividends from the individual subsidiary is transferred to the lender.

### **10. Staff cost**

The entity has no employees and the management has not received any remuneration.

## Better Energy Impact II K/S

### Accounting policies

#### Reporting class

The annual accounts of Better Energy Impact II K/S for 2024 has been prepared 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 accounts are presented in Danish kroner (DKK).

#### Consolidated financial statements

With reference to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

#### 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 administration.

## **Accounting policies**

### **Income from investments in group enterprises and associates**

The items '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 depreciation of the additional purchase price depreciated over a period of 30 years. Internal profits/losses are eliminated in full for subsidiaries and proportionately for associates.

### **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 as well as fair value adjustments of financial interests.

### **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 as well as fair value adjustments of financial interests.

## **Balance sheet**

### **Financial fixed assets**

#### **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 and additional purchase price 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.

### **Current assets**

#### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value, less write-downs 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.

## **Accounting policies**

### **Equity**

#### **Proposed dividends**

Proposed dividends for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

### **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.