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NORDIC SOLAR MANAGEMENT A/S
STRANDVEJEN 102E 3. 1., 2900 HELLERUP
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2019

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 6 March 2020**

Nikolaj Holtet Hoff

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COMPANY DETAILS

Company	Nordic Solar Management A/S Strandvejen 102E 3. 1. 2900 Hellerup CVR No.: 32 67 78 19 Established: 22 January 2010 Registered Office: Gentofte Financial Year: 1 January - 31 December
Board of Directors	Christian Dulong Hoff, chairman Anders Søgaard-Jensen Marinus Boogert
Board of Executives	Nikolaj Holtet Hoff Anders Søgaard-Jensen
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
Bank	Danske Bank
Law Firm	Seiffert Advokatpartnerselskab H.C. Andersens Boulevard 39 1553 Copenhagen V

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Nordic Solar Management A/S for the financial year 1 January - 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 Company's financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Gentofte, 6 February 2020

Board of Executives

Nikolaj Holtet Hoff

Anders Søgaard-Jensen

Board of Directors

Christian Dulong Hoff
Chairman

Anders Søgaard-Jensen

Marinus Boogert

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Nordic Solar Management A/S

Opinion

We have audited the Financial Statements of Nordic Solar Management A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, notes and 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 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 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 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 judgment and maintain professional skepticism 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.

INDEPENDENT AUDITOR'S REPORT

- 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 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.

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 Financial Statements Act.

Based on the work we have performed, we conclude that 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 of Management's Review.

Copenhagen, 6 February 2020

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Dan Bøøk Malmstrøm
State Authorised Public Accountant
MNE no. mne21330

MANAGEMENT'S REVIEW

Principal activities

The principal activities comprise to manage and facilitate investments in solar enterprises and solar parks.

Development in activities and financial position

The income statement of the Company for 2019 shows a profit of DKK ('000) 3,513 and at 31 December 2019 the balance sheet of the Company shows equity of DKK ('000) 9,504.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

Future expectations

For 2020, Management expects to realise a profit in line with 2019.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK	2018 DKK
GROSS PROFIT		19,263,808	16,000,151
Staff costs.....	1	-14,817,563	-11,142,435
Depreciation, amortisation and impairment losses.....		-259,593	-152,887
Other operating expenses.....		0	-7,202
OPERATING PROFIT		4,186,652	4,697,627
Income from other equity investments and securities.....		279,638	0
Other financial income.....		0	3,817
Other financial expenses.....		-46,349	-35,453
PROFIT BEFORE TAX		4,419,941	4,665,991
Tax on profit/loss for the year.....	2	-907,199	-1,042,270
PROFIT FOR THE YEAR		3,512,742	3,623,721
PROPOSED DISTRIBUTION OF DIVIDEND			
Proposed dividend for the year.....		1,000,000	1,000,000
Retained earnings.....		2,512,742	2,623,721
TOTAL		3,512,742	3,623,721

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 DKK	2018 DKK
Other plant, machinery tools and equipment.....		718,368	332,850
Leasehold improvements.....		244,874	93,740
Tangible fixed assets.....	3	963,242	426,590
Equity investments in group enterprises.....		0	1,600,000
Other investments.....		3,883,353	2,003,715
Rent deposit and other receivables.....		600,102	295,588
Fixed asset investments.....	4	4,483,455	3,899,303
FIXED ASSETS.....		5,446,697	4,325,893
Trade receivables.....		1,151,679	197,350
Contract work in progress.....	5	1,021,648	0
Receivables from group enterprises.....		0	321,983
Receivables from associated enterprises.....		1,057,846	0
Deferred tax assets.....		0	3,642
Other receivables.....		82,309	14,087
Receivables.....		3,313,482	537,062
Cash and cash equivalents.....		7,682,002	7,453,693
CURRENT ASSETS.....		10,995,484	7,990,755
ASSETS.....		16,442,181	12,316,648
EQUITY AND LIABILITIES			
Share capital.....		584,442	500,000
Retained earnings.....		7,919,225	5,406,483
Proposed dividend.....		1,000,000	1,000,000
EQUITY.....	6	9,503,667	6,906,483
Provision for deferred tax.....		221,557	0
PROVISION FOR LIABILITIES.....		221,557	0
Other liabilities.....		526,889	0
Long-term liabilities.....	7	526,889	0
Bank debt.....		79,318	0
Trade payables.....		910,579	49,875
Corporation tax.....		682,000	1,042,137
Other liabilities.....		4,518,171	4,318,153
Current liabilities.....		6,190,068	5,410,165
LIABILITIES.....		6,716,957	5,410,165
EQUITY AND LIABILITIES.....		16,442,181	12,316,648
Contingencies etc.	8		

NOTES

	2019 DKK	2018 DKK	Note
Staff costs			1
Average number of employees 15 (2018: 9)			
Wages and salaries.....	13,675,880	10,215,777	
Pensions.....	426,166	679,706	
Social security costs.....	58,474	67,963	
Other staff costs.....	657,043	178,989	
	14,817,563	11,142,435	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year.....	682,000	1,042,137	
Adjustment of tax in previous years.....	0	2,846	
Adjustment of deferred tax.....	225,199	-2,713	
	907,199	1,042,270	
Tangible fixed assets			3
	Other plant, machinery tools and equipment	Leasehold improvements	
Cost at 1 January 2019.....	523,285	120,277	
Transferred.....	73,454	-73,454	
Additions.....	554,217	242,028	
Cost at 31 December 2019.....	1,150,956	288,851	
Depreciation and impairment losses at 1 January 2019.....	190,435	26,537	
Transferred.....	5,787	-5,787	
Depreciation for the year.....	236,366	23,227	
Depreciation and impairment losses at 31 December 2019....	432,588	43,977	
Carrying amount at 31 December 2019.....	718,368	244,874	

NOTES

				Note	
Fixed asset investments				4	
	Equity investments in group enterprises	Other investments	Rent deposit and other receivables		
Cost at 1 January 2019.....	1,600,000	2,003,715	295,588		
Transferred.....	-1,600,000	1,600,000	0		
Additions.....	0	0	304,514		
Cost at 31 December 2019.....	0	3,603,715	600,102		
Revaluation and impairment losses for the year:	0	279,638	0		
Revaluation at 31 December 2019.....	0	279,638	0		
Carrying amount at 31 December 2019.....	0	3,883,353	600,102		
Contract work in progress				5	
Sales value of completed production.....		1,021,648	0		
Contract work in progress, net.....		1,021,648	0		
Recognised as follows:					
Contract work in progress (asset).....		1,021,648	0		
		1,021,648	0		
Equity				6	
	Share capital	Retained earnings	Proposed dividend	Total	
Equity at 1 January 2019.....	500,000	5,406,483	1,000,000	6,906,483	
Capital increase.....	84,442			84,442	
Dividend paid.....			-1,000,000	-1,000,000	
Proposed distribution of profit.....		2,512,742	1,000,000	3,512,742	
Equity at 31 December 2019.....	584,442	7,919,225	1,000,000	9,503,667	
Long-term liabilities				7	
	31/12 2019 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2018 total liabilities	Current portion at the beginning of the year
Other liabilities.....	526,889	0	0	0	0
	526,889	0	0	0	0

NOTES**Note****Contingencies etc.****8****Contingent liabilities**

The company has a rental commitment until 31 July 2023 corresponding to a total off DKK ('000) 3,311.

ACCOUNTING POLICIES

The Annual Report of Nordic Solar Management A/S for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Where products with a high degree of individual adjustments are delivered, recognition in net revenue is made as and when the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total costs and expenses regarding the contract and the degree of completion at the balance sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the company.

Other operating expenses

Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Investments in subsidiaries

Dividend from subsidiary is recognised in the financial year when the dividend is declared.

Income from other investments

Income from other securities include interest income, realised and unrealised exchange gains and losses.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets

Land and buildings, production plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment.....	3-5 years	0 %
Leasehold improvements.....	3-5 years	0 %

Fixed asset investments

Equity investments in subsidiaries are measured at fair value in the company's balance sheet.

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Impairment of fixed assets

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Contract work in progress

Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the balance sheet date and the total anticipated revenue related to the specific piece of work in progress.

ACCOUNTING POLICIES

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.