

DANISH SUN ENERGY ApS

Hjørringvej 184

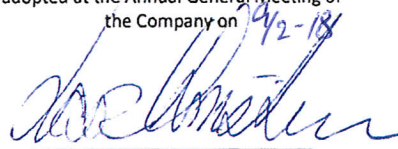
9400 Nørresundby

CVR No. 35408622

Annual Report 2016/17

4. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on ^{14/2-18}



Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of DANISH SUN ENERGY ApS for the financial year 1 October 2016 - 30 September 2017.

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 30 September 2017 and of the results of the Company's operations for the financial year 1 October 2016 - 30 September 2017.

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 that the Annual Report be adopted at the Annual General Meeting.

Aalborg, 9/2-18

Executive Board



Carsten Tilm
Manager

Supervisory Board



Lars Christensen
Chairman



Carsten Tilm



Lars Fogh

Auditor's Report on Compilation of Financial Statements

To the day-to-day management of DANISH SUN ENERGY ApS

We have compiled the Financial Statements of DANISH SUN ENERGY ApS for the financial year 1 October 2016 - 30 September 2017 based on the Company's bookkeeping and other information provided by it.

The Financial Statements comprise Accounting Policies, Income Statement, Balance Sheet and Notes.

We have completed the engagement of Compiling Financial Information in accordance with The International Standards on Related Services, ISRS 4410 (Revised), Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of these Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions in the Danish Act on Auditors and Audit Firms as well as Danish Auditors' (FSR) ethical rules for auditors, including principles of integrity, objectivity, professional competence and due care.

The Financial Statement and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement regarding financial information is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you have given us in order for us to compile the Financial Statements. Accordingly, we do not express an audit or review opinion on whether the Financial Statements are prepared in accordance with the Danish Financial Accounts Act.

Aalborg, 7/2-17

ATTIRI Statsautoriseret Revisionsaktieselskab

CVR-no. 33357966



Jesper Ovesen

State Authorised Public Accountant

mne 28659

Company details

Company	DANISH SUN ENERGY ApS Hjørringvej 184 9400 Nørresundby
CVR No.	35408622
Date of formation	22 July 2013
Financial year	1 October 2016 - 30 September 2017
Supervisory Board	Lars Christensen, Chairman Carsten Tilm Lars Fogh
Executive Board	Carsten Tilm, Manager
Auditors	ATTIRI Statsautoriseret Revisionsaktieselskab Vandmanden 10A 9200 Aalborg SV CVR-no.: 33357966
Bank	Handelsbanken

Management's Review

The Company's principal activities

The core business of the Danish Sun Energy ApS (DSE) is development, sales / marketing, engineering, procurement, construction and operation of turnkey PV Solar Projects abroad.

Accounting Policies

Reporting Class

The Annual Report of DANISH SUN ENERGY ApS for 2016/17 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

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

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.

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.

Accounting Policies

Revenue

Income from the sale of goods is recognised in the Income Statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

Income from delivery of services is recognised as revenue as the service is delivered.

Income from construction contracts are recognised as revenue as production is carried out whereby revenue corresponds to the selling price of the work performed for the year.

Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0%

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

Tax on net profit/loss for the year

Tax on net 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

Tangible assets

Tangible assets are measured at cost plus revaluations, if any, and less accumulated amortisation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured by the equity method at the proportionately owned share of the equity of the enterprises plus any consolidated goodwill, less intercompany profit and negative goodwill. Enterprises with negative equity are measured at 0 as the negative value corresponding to the proportionate share is offset against receivables, if any. Amounts beyond this are recognised in the provisions item, if there is a legal or actual obligation to cover the negative balance. Enterprises that have not yet presented annual reports are measured at cost.

Accounting Policies

Other investments

Other securities and equity investments are measured at the market value at the balance sheet date if they are listed, or at an estimated fair value if they are not.

Supply of services in progress

Supply of services in progress is measured at the selling price of the work performed. The stage of completion is determined on the basis of direct and indirect costs incurred in relation to expected total costs.

The value of the individual supplies in progress less invoicing on account is classified as receivables if the amounts are positive and as payables if the amounts are negative.

Deduction for loss is determined as the total expected contract loss, irrespective of the share actually performed.

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.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

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

Proposed dividend for the year is recognised as a separate item in equity.

Financial liabilities

Fixed-rate loans such as mortgage loans and loans from credit institutions are recognised initially at the proceeds received less transaction expenses incurred. In subsequent periods, loans are measured at amortised cost so that the difference between the proceeds and the nominal value is recognised in the Income Statement as an interest expense over the term of the loan.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

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.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2016/17 kr.	2015/16 kr.
Gross profit		2.626.769	2.490.634
Employee benefits expense	1	-2.338.755	-2.132.327
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		0	-12.867
Profit from ordinary operating activities		288.014	345.440
Income from investments in group enterprises and associates		-27.334	0
Other finance income		339	0
Finance expences	2	-217.883	-134.238
Profit from ordinary activities before tax		43.136	211.202
Tax expense on ordinary activities		-17.028	-54.414
Profit		26.108	156.788
Retained earnings		26.108	156.788
Distribution of profit		26.108	156.788

Balance Sheet as of 30 September

	Note	2017 kr.	2016 kr.
Assets			
Long-term investments in group enterprises		6.800	6.800
Other long-term investments		10.000	10.000
Investments		<u>16.800</u>	<u>16.800</u>
Fixed assets		<u>16.800</u>	<u>16.800</u>
Short-term trade receivables		1.079.937	38.018
Supply of services in progress	3	7.200.000	5.232.348
Other short-term receivables		130.247	744.103
Receivables		<u>8.410.184</u>	<u>6.014.469</u>
Cash and cash equivalents		<u>834.258</u>	<u>4.019.883</u>
Current assets		<u>9.244.442</u>	<u>10.034.352</u>
Assets		<u>9.261.242</u>	<u>10.051.152</u>

Balance Sheet as of 30 September

	Note	2017 kr.	2016 kr.
Liabilities and equity			
Contributed capital	4	1.583.128	285.714
Retained earnings	5	518.030	491.922
Equity		2.101.158	777.636
Provisions for deferred tax		134.965	117.937
Provisions		134.965	117.937
Payables to group enterprises		4.312.187	4.829.832
Long-term liabilities other than provisions	6	4.312.187	4.829.832
Short-term part of long-term liabilities other than provisions		2.591.628	2.375.653
Trade payables		98.863	532.094
Other payables		22.441	39.018
Payables to shareholders and management		0	1.378.982
Short-term liabilities other than provisions		2.712.932	4.325.747
Liabilities other than provisions within the business		7.025.119	9.155.579
Liabilities and equity		9.261.242	10.051.152
Uncertainty connected with recognition or measurement	7		
Contingent liabilities	8		
Collaterals and assets pledges as security	9		

Notes

	2016/17	2015/16
1. Employee benefits expense		
Wages/salaries and consultancy fees	2.305.791	2.092.587
Social security contributions	68	90
Other employee expense	32.896	39.650
	2.338.755	2.132.327
Average number of employees (ex. consultants)	0	0
2. Finance expenses		
Finance expenses arising from group enterprises	201.082	120.143
Other finance expenses	16.801	14.095
	217.883	134.238
3. Supply of services in progress		
Sales value of work	7.200.000	5.232.348
Net value of supply of services in progress	7.200.000	5.232.348
The supply of services in progress relates to 12 ongoing projects concerning solarpower solutions - 10 projects in Kenya, a project in Bangladesh and a project in Nepal.		
4. Contributed capital		
Balance at the beginning of the year	285.714	285.714
Additions during the year	1.297.414	0
Balance at the end of the year	1.583.128	285.714

	2017	2016	2014	2013
Balance, beginning of the year	285.714	285.714	305.714	200.000
Correction, beginning of the year			0	0
Additions during the year	1.297.414	0	0	105.714
Disposals during the year			-20.000	0
Other adjustments			0	0
Balance, end of the year	1.583.128	285.714	285.714	305.714

Notes

	2016/17	2015/16
5. Retained earnings		
Balance at the beginning of the year	491.922	335.134
Additions during the year	26.108	156.788
Balance at the end of the year	518.030	491.922

6. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Payables to group enterprises	4.312.187	2.591.628	0
	4.312.187	2.591.628	0

7. Uncertainty connected with recognition or measurement

The value of work in progress relates to projects which have been ongoing for more than one year and is connected with uncertainty. 4 projects are estimated to be in establishing phase during 2018, with a total revenue of 4,3 mio. USD (30 mio. DKK). The other projects are not estimated to be established before 2019.

It is the managements opinion though that the incorporated value of work in progress gives a true and fair view of the value in regards to completion stage on closing date for the annual report.

8. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

9. Collaterals and securities

No securities or mortgages exist at the balance sheet date.