

DANISH SUN ENERGY ApS

Hjørringvej 184

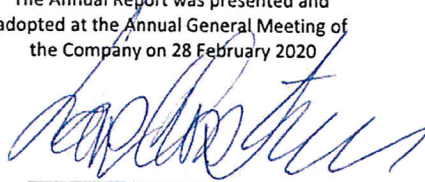
9400 Nørresundby

CVR No. 35408622

Annual Report 2018/19

6. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 28 February 2020



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 2018 - 30 September 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 30 September 2019 and of the results of the Company's operations for the financial year 1 October 2018 - 30 September 2019.

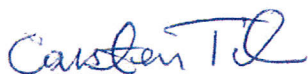
In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

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

Aalborg, 28 February 2020

Executive Board

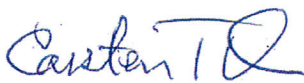


Carsten Tilm
Manager

Supervisory Board



Lars Christensen
Chairman



Carsten Tilm
Member



Lars Fogh
Member

Auditors' 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 2018 - 30 September 2019 based on the Company's bookkeeping and other information provided by it.

The Financial Statements comprise a summary of significant accounting Policies, income statement, balance sheet, statement of change in equity 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, 28 February 2020

ATTIRI Statsautoriseret Revisionsaktieselskab

CVR-no. 33357966



Jesper Ovesen

State Authorised Public Accountant

mne28659

DANISH SUN ENERGY ApS

Company details

| | |
|--------------------------|---|
| Company | DANISH SUN ENERGY ApS Hjørringvej 184 9400 Nørresundby |
| CVR No. | 35408622 |
| Date of formation | 22 July 2013 |
| Supervisory Board | Lars Christensen 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 2018/19 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.

Consolidated Financial Statements

With reference to § 110 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises do not exceed the amount limits.

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 have been prepared under the historical cost princip.

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

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 is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

Income from delivery of services is recognised on a straight-line basis in net sales, as the service is delivered.

Revenue from construction contracts are recognised as revenue as production is carried out, whereby net revenue corresponds to the selling price of the work performed for the year. When the outcome of a contractual contract can be estimated reliably, revenue is recognized only in relation to the costs incurred, onsofar as it is likely that they will be recycled.

The completion rate for measuring the output of the production is calculated on the basis of the costs consumed in relation to the latest cost estimate.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises. loss of debtors, operating leasing costs etc.

Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

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.

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.

Accounting Policies

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 revenue 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.

Dividends equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit 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.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

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.

Other investments

Investments in unlisted companies are recognised in the balance sheet at cost. The cost includes the purchase consideration calculated at fair value plus direct acquisition costs. Where the net realisable value is lower than cost, the investments are written down to this lower value. Realised and unrealised capital gains and losses are recognised in the income statement.

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.

Accounting Policies

Supply of services in progress

Supply of service in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realisable value.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

Prepayments from customers are recognised under liabilities.

Advertising from promotional costs and costs of negotiating contracts are expensed incurred.

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

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

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

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

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 | 2018/19 kr. | 2017/18 kr. |
|---|------|-------------------|------------------|
| Gross profit | | -5.139.380 | 1.922.223 |
| Employee benefits expense | 1 | -1.307.757 | -1.496.426 |
| Profit from ordinary operating activities | | -6.447.137 | 425.797 |
| Income from investments in group enterprises and associates | | -143.411 | -158.334 |
| Other finance income | | 7.104.128 | 0 |
| Finance expences | 2 | -2.388 | -215.290 |
| Profit from ordinary activities before tax | | 511.192 | 52.173 |
| Tax expense on ordinary activities | | -145.105 | -46.939 |
| Profit | | 366.087 | 5.234 |
| Retained earnings | | 366.087 | 5.234 |
| Distribution of profit | | 366.087 | 5.234 |

Balance Sheet as of 30 September

| | Note | 2019 kr. | 2018 kr. |
|---|------|------------------|------------------|
| Assets | | | |
| Long-term investments in group enterprises | | 0 | 6.800 |
| Other long-term investments | | 10.000 | 10.000 |
| Investments | | 10.000 | 16.800 |
| Fixed assets | | 10.000 | 16.800 |
| Short-term trade receivables | | 67.982 | 1.276.400 |
| Supply of services in progress | 3 | 3.275.000 | 7.050.000 |
| Short-term receivables from group enterprises | | 37.856 | 0 |
| Other short-term receivables | | 72.736 | 59.467 |
| Receivables | | 3.453.574 | 8.385.867 |
| Cash and cash equivalents | | 53.944 | 1.132.800 |
| Current assets | | 3.507.518 | 9.518.667 |
| Assets | | 3.517.518 | 9.535.467 |

Balance Sheet as of 30 September

| | Note | 2019 kr. | 2018 kr. |
|--|------|------------------|------------------|
| Liabilities and equity | | | |
| Contributed capital | | 1.583.128 | 1.583.128 |
| Retained earnings | | 889.351 | 523.264 |
| Equity | | 2.472.479 | 2.106.392 |
| Provisions for deferred tax | | 327.009 | 181.904 |
| Provisions for investments in group enterprises | | 0 | 7.456 |
| Provisions | | 327.009 | 189.360 |
| Payables to group enterprises | | 0 | 7.110.928 |
| Long-term liabilities other than provisions | | 0 | 7.110.928 |
| Trade payables | | 117.550 | 128.787 |
| Payables to group enterprises | | 600.480 | 0 |
| Short-term liabilities other than provisions | | 718.030 | 128.787 |
| Liabilities other than provisions within the business | | 718.030 | 7.239.715 |
| Liabilities and equity | | 3.517.518 | 9.535.467 |

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DANISH SUN ENERGY ApS

Statement of changes in Equity

| | Contributed capital | Retained earnings | Total |
|---------------------------------|------------------------|----------------------|------------------|
| Equity 1 October 2018 | 1.583.128 | 523.264 | 2.106.392 |
| Profit (loss) | | 366.087 | 366.087 |
| Equity 30 September 2019 | 1.583.128 | 889.351 | 2.472.479 |

The share capital has developed as follows:

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|------------------|------------------|------------------|----------------|----------------|
| Balance at the beginning of the year | 1.583.128 | 1.583.128 | 285.714 | 285.714 | 305.714 |
| Correction at the beginning of the year | | | 0 | 0 | 0 |
| Addition during the year | | | 1.297.414 | 0 | 0 |
| Disposial during the year | | | 0 | 0 | -20.000 |
| Other adjustments | | | 0 | 0 | 0 |
| Balance at the end of the year | 1.583.128 | 1.583.128 | 1.583.128 | 285.714 | 285.714 |

Notes

| | 2018/19 | 2017/18 |
|--|------------------|------------------|
| 1. Employee benefits expense | | |
| Wages/salaries and consultancy fees | 101.700 | 0 |
| Social security contributions | 21.685 | 0 |
| Other employee expense and consultancy fees | 1.184.372 | 1.496.426 |
| | 1.307.757 | 1.496.426 |
| Average number of employees (ex. consultants) | 1 | 0 |
| 2. Finance expenses | | |
| Finance expenses arising from group enterprises | 0 | 207.114 |
| Other finance expenses | 2.388 | 8.176 |
| | 2.388 | 215.290 |
| 3. Supply of services in progress | | |
| Sales value of work | 3.275.000 | 7.050.000 |
| Net value of supply of services in progress | 3.275.000 | 7.050.000 |

The supply of services in progress relates to 5 ongoing projects concerning solarpower solutions - in Kenya, Bangladesh, Nepal, Sierra Leone and Libanon.

4. 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.

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.

5. Contingent liabilities

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

No other contingent liabilities exist at the balance sheet date.

6. Collaterals and securities

No securities or mortgages exist at the balance sheet date.