



Sønderjyllands Revision
Statsautoriseret revisionskædeselskab

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Savosolar ApS

Hærvejen 9, Bov, 6330 Padborg

Company reg. no. 35 80 83 29

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the

4.3.2022

Jari Pentti Varjotie
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's statement

Today, the managing director has presented the annual report of Savosolar ApS for the financial year 1 January - 31 December 2021.

The annual report has been presented in accordance with the Danish Financial Statements Act.

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Padborg, 2 March 2022

Managing Director



Jari Pentti Varjotie

Independent auditor's report

To the shareholder of Savosolar ApS

Opinion

We have audited the financial statements of Savosolar ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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' 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.

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.

Independent auditor's report

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.
- 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.

Independent auditor's report

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 Statement Act. We did not identify any material misstatement of Management's Review.

Padborg, 2 March 2022

Sønderjyllands Revision

State Authorised Public Accountants
Company reg. no. 18 06 16 35



Claus Thomsen

State Authorised Public Accountant
mnc19744

Company information

The company

Savosolar ApS
Hærvejen 9, Bov
6330 Padborg

Company reg. no. 35 80 83 29
Established: 17 March 2014
Financial year: 1 January - 31 December

Managing Director

Jari Pentti Varjotie

Auditors

Sønderjyllands Revision, Statsautoriseret revisionsaktieselskab
Torvegade 6
6330 Padborg

Parent company

Savosolar Oyj

Management's review

The principal activities of the company

Like previous years, the principal activities are customer support and technology development of Savosolar Oyj's products and services.

Unusual circumstances

As the company has not, in the same way as a large number of other companies in Denmark, been affected by closure, etc., the financial position and the result in the financial year 2021 are not significantly affected by the consequences of the corona crisis.

Development in activities and financial matters

The results from ordinary activities after tax are DKK 64.402 against T.DKK 124 last year. The management consider the results satisfactory.

The equity of the company on 31. december 2021 amount to DKK 367.360.

Expected developments

The economic development in 2022 will largely depend on the type and extent of the restrictions that the authorities in Denmark maintain or introduce to counteract the spread of the coronavirus. Management expects that the company will not be subject to closure, etc., which is why it is management's expectation that the company's financial position and result in the financial year 2022 will not be significantly affected by the consequences of the corona crisis.

Accounting policies

The annual report for Savosolar ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Statement of financial position

Property, plant, and equipment

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3 years

Accounting policies

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Available funds comprise cash at bank and in hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Gross profit	1.423.834	2.214
1 Staff costs	-1.334.080	-2.058
Depreciation and impairment of property, land, and equipment	-7.934	-29
Operating profit	81.820	127
Other financial costs	-10.708	-3
Pre-tax net profit or loss	71.112	124
Tax on net profit or loss for the year	-6.710	0
Net profit or loss for the year	64.402	124
Proposed appropriation of net profit:		
Dividend for the financial year	300.000	150
Allocated from retained earnings	-235.598	-26
Total allocations and transfers	64.402	124

Balance sheet at 31 December

Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

Assets	<u>2021</u>	<u>2020</u>
<u>Note</u>		
Non-current assets		
Other fixtures and fittings, tools and equipment	<u>0</u>	<u>9</u>
Total property, plant, and equipment	<u>0</u>	<u>9</u>
Deposits	<u>2.500</u>	<u>3</u>
Total investments	<u>2.500</u>	<u>3</u>
Total non-current assets	<u>2.500</u>	<u>12</u>
Current assets		
Trade receivables	0	1
Amounts owed by group enterprises	322.162	327
Other debtors	8.241	5
Prepayments and accrued income	<u>12.388</u>	<u>10</u>
Total receivables	<u>342.791</u>	<u>343</u>
Available funds	<u>396.137</u>	<u>598</u>
Total current assets	<u>738.928</u>	<u>941</u>
Total assets	<u>741.428</u>	<u>953</u>

Balance sheet at 31 December

Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

Equity and liabilities	<u>2021</u>	<u>2020</u>
<u>Note</u>		
Equity		
Contributed capital	51.000	51
Results brought forward	16.360	252
Proposed dividend for the financial year	300.000	150
Total equity	<u>367.360</u>	<u>453</u>
Long term liabilities other than provisions		
Trade payables	26.201	18
Income tax payable	6.710	0
Other debts	341.157	482
Total short term liabilities other than provisions	<u>374.068</u>	<u>500</u>
Total liabilities other than provisions	<u>374.068</u>	<u>500</u>
Total equity and liabilities	<u>741.428</u>	<u>953</u>

Notes

Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

	<u>2021</u>	<u>2020</u>
1. Staff costs		
Salaries and wages	1.147.960	1.812
Pension costs	179.494	237
Other costs for social security	<u>6.626</u>	<u>9</u>
	<u>1.334.080</u>	<u>2.058</u>
 Average number of employees	 <u>2</u>	 <u>3</u>