

# GSOL Energy Global A/S

Finlandsvej 12, 5700 Svendborg

CVR no. 37 96 99 82

## Annual report

for the period 1 July 2017 - 31 December 2018

Approved at the Company's annual general meeting on *3. May 2019*

Chairman:

  
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The following is a translation of an original Danish document. The original Danish document is the governing document for all purposes, and in case of any discrepancy, the Danish wording will be applicable.





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### Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of GSOL Energy Global A/S for the financial year 1 July 2017 - 31 December 2018.

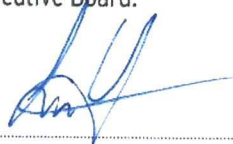
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 July 2017 - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

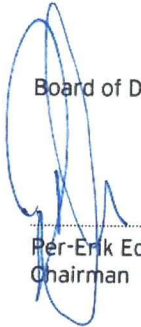
We recommend that the annual report be approved at the annual general meeting.

Svendborg, 3 May 2019  
Executive Board:



Lasse Stauenberg  
Heckmann


Board of Directors:



Per-Erik Edvard Svehag  
Chairman



Lasse Stauenberg  
Heckmann



Søren Pedersen

## Independent auditor's report

To the shareholders of GSOL Energy Global A/S

### Opinion

We have audited the financial statements of GSOL Energy Global A/S for the financial year 1 July 2017 - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 July 2017 - 31 December 2018 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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 rules and requirements.

### 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 as to 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 the 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:

- ▶ 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.

### Independent auditor's report

- ▶ 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 note 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 the 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 during 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 under the Danish Financial Statements Act.

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 of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Odense, 3 May 2019

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Morten Schougaard Sørensen  
State Authorised Public Accountant  
mne32129



## Management's review

### Company details

Name	GSOL Energy Global A/S
Address, Postal code, City	Finlandsvej 12, 5700 Svendborg
CVR no.	37 96 99 82
Established	17 August 2016
Registered office	Svendborg
Financial year	1 July 2017 - 31 December 2018
E-mail	info@gsolenergy.com
Board of Directors	Per-Erik Edvard Svehag, Chairman Lasse Stauenberg Heckmann Søren Pedersen
Executive Board	Lasse Stauenberg Heckmann
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P.O. Box 200, 5100 Odense C, Denmark



## **Management's review**

### **Business review**

The company's activities comprise sale and installation of solar cell panels and other activities related to this.

### **Financial review**

The income statement for 2017/18 shows a profit of DKK 3,328,780 against a profit of DKK 1,770,070 last year, and the balance sheet at 31 December 2018 shows equity of DKK 5,561,651.

### **Events after the balance sheet date**

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 July 2017 - 31 December 2018

### Income statement

Note	DKK	2017/18 18 months	2016/17 12 months
	<b>Gross margin</b>	12,984,612	5,317,660
2	Staff costs	-8,886,408	-2,342,848
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-314,515	-145,158
	<b>Profit before net financials</b>	3,783,689	2,829,654
3	Financial income	1,396,246	0
4	Financial expenses	-906,160	-535,962
	<b>Profit before tax</b>	4,273,775	2,293,692
5	Tax for the year	-944,995	-523,622
	<b>Profit for the year</b>	3,328,780	1,770,070
	<b>Recommended appropriation of profit</b>		
	Retained earnings	3,328,780	1,770,070
		3,328,780	1,770,070



## Financial statements 1 July 2017 - 31 December 2018

### Balance sheet

Note	DKK	<u>2017/18</u>	<u>2016/17</u>
	<b>ASSETS</b>		
	Fixed assets		
6	Intangible assets		
	Goodwill	589,286	782,143
		<u>589,286</u>	<u>782,143</u>
7	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	284,663	275,700
		<u>284,663</u>	<u>275,700</u>
8	Investments		
	Deposits	128,400	120,000
		<u>128,400</u>	<u>120,000</u>
	<b>Total fixed assets</b>	<u>1,002,349</u>	<u>1,177,843</u>
	<b>Non-fixed assets</b>		
	Inventories		
	Raw materials and consumables	613,828	167,896
		<u>613,828</u>	<u>167,896</u>
	Receivables		
	Trade receivables	16,533,487	5,007,170
	Deferred tax assets	8,192	0
	Other receivables	293,725	66,190
	Prepayments	159,171	110,300
		<u>16,994,575</u>	<u>5,183,660</u>
	<b>Cash</b>	<u>139,694</u>	<u>479,573</u>
	<b>Total non-fixed assets</b>	<u>17,748,097</u>	<u>5,831,129</u>
	<b>TOTAL ASSETS</b>	<u><u>18,750,446</u></u>	<u><u>7,008,972</u></u>

## Financial statements 1 July 2017 - 31 December 2018

### Balance sheet

Note	DKK	2017/18	2016/17
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	501,000	501,000
	Retained earnings	5,060,651	1,770,070
	<b>Total equity</b>	<b>5,561,651</b>	<b>2,271,070</b>
	<b>Provisions</b>		
	Deferred tax	0	13,024
	<b>Total provisions</b>	<b>0</b>	<b>13,024</b>
	<b>Liabilities other than provisions</b>		
	<b>Non-current liabilities other than provisions</b>		
	Subordinate loan capital	0	1,039,192
		0	1,039,192
	<b>Current liabilities other than provisions</b>		
	Short-term part of long-term liabilities other than provisions	0	750,000
	Bank debt	7,623,587	52,588
	Construction contracts	2,168,560	433,175
	Trade payables	939,321	717,932
	Payables to group enterprises	150,000	0
	Corporation tax payable	966,211	510,598
	Other payables	1,088,116	1,221,393
	Deferred income	253,000	0
		13,188,795	3,685,686
	<b>Total liabilities other than provisions</b>	<b>13,188,795</b>	<b>4,724,878</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18,750,446</b>	<b>7,008,972</b>

- 1 Accounting policies
- 9 Contractual obligations and contingencies, etc.
- 10 Collateral

## Financial statements 1 July 2017 - 31 December 2018

### Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 July 2016	501,000	0	501,000
Transfer through appropriation of profit	0	1,770,070	1,770,070
<b>Equity at 1 July 2017</b>	<b>501,000</b>	<b>1,770,070</b>	<b>2,271,070</b>
Transfer through appropriation of profit	0	3,328,780	3,328,780
Other value adjustments of equity	0	-38,199	-38,199
<b>Equity at 31 December 2018</b>	<b>501,000</b>	<b>5,060,651</b>	<b>5,561,651</b>

## Financial statements 1 July 2017 - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies

The annual report of GSOL Energy Global A/S for 2017/18 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Income statement

##### Revenue

Income from sale of finished goods is recognised in the Income Statement at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliable and expected to be received.

Income from contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Goodwill	7 years
Fixtures and fittings, other plant and equipment	5 years

## Financial statements 1 July 2017 - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

##### Balance sheet

##### Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

## Financial statements 1 July 2017 - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies (continued)

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

#### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

#### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

#### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

#### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

## Financial statements 1 July 2017 - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Subordinate loan capital

Liabilities where the creditors have stated they are willing to subordinate their claim to rank after all the entity's other creditors are presented as subordinate loan capital. Subordinate loan capital is recognised using the same method as applies to liabilities.

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

## Financial statements 1 July 2017 - 31 December 2018

### Notes to the financial statements

<b>2 Staff costs</b>		
Wages/salaries	7,602,945	1,910,666
Pensions	963,709	203,882
Other social security costs	33,974	9,685
Other staff costs	285,780	218,615
	<u>8,886,408</u>	<u>2,342,848</u>
	<u>2017/18</u>	<u>2016/17</u>
Average number of full-time employees	<u>8</u>	<u>3</u>
<b>3 Financial income</b>		
Other financial income	1,396,246	0
	<u>1,396,246</u>	<u>0</u>
<b>4 Financial expenses</b>		
Other financial expenses	906,160	535,962
	<u>906,160</u>	<u>535,962</u>
<b>5 Tax for the year</b>		
Estimated tax charge for the year	966,211	510,598
Deferred tax adjustments in the year	-21,216	13,024
	<u>944,995</u>	<u>523,622</u>
<b>6 Intangible assets</b>		
DKK		<u>Goodwill</u>
Cost at 1 July 2017		<u>900,000</u>
Cost at 31 December 2018		<u>900,000</u>
Impairment losses and amortisation at 1 July 2017		<u>117,857</u>
Amortisation for the year		<u>192,857</u>
Impairment losses and amortisation at 31 December 2018		<u>310,714</u>
<b>Carrying amount at 31 December 2018</b>		<u>589,286</u>



## Financial statements 1 July 2017 - 31 December 2018

### Notes to the financial statements

#### 7 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment
Cost at 1 July 2017	303,001
Additions	130,621
Cost at 31 December 2018	433,622
Impairment losses and depreciation at 1 July 2017	27,301
Depreciation	121,658
Impairment losses and depreciation at 31 December 2018	148,959
<b>Carrying amount at 31 December 2018</b>	<b>284,663</b>

#### 8 Investments

DKK	Deposits
Cost at 1 July 2017	120,000
Additions	8,400
Cost at 31 December 2018	128,400
<b>Carrying amount at 31 December 2018</b>	<b>128,400</b>

#### 9 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The company is jointly taxed with other Danish group entities. As a jointly taxed group entity, the company has joint and several unlimited liability, together with the other group entities, for all Danish income taxes and withholding taxes on dividend, interest and royalties within the group of jointly taxed entities. The jointly taxed entities' total known net liability towards SKAT is specified in the financial statements of the management company Dangroup ApS, CVR no. 29 93 07 59. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc. could entail an increase in the entity's tax liability.

##### Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 138,761 in interminable rent agreements with remaining contract terms of 6 months and a lease obligation totalling DKK 179,522 in interminable leasing agreements with remaining contract terms of 32 months.

#### 10 Collateral

As security for the Company's debt to banks, creditors and other suppliers, the Company has provided security or other collateral in its assets for a total amount of DKK 5,000.