

Makeen Power A/S

P.O. Pedersens Vej 22

DK-8200 Aarhus N

CVR no 38 33 17 60

Annual Report for 2017

The Annual Report has been presented
and adopted at the Annual General
Meeting of the Company on 6 April
2018

Chairman

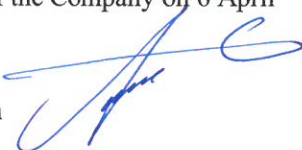


Table of contents

	<u>Page</u>
Management's Statement and Auditors' Report	
Management's Statement on the Annual Report	1
Independent Auditors' report	2
Management's Review	
Company information	4
Review	5
Financial Statements	
Accounting Policies	6
Income Statement 1 January - 31 December	10
Balance Sheet 31 December	11
Statement of changes in equity	12
Notes to the Annual Report	13

Management's Statement on the Annual Report

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Makeen Power A/S for the financial year 1 January 2017 – 31 December 2017.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

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

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

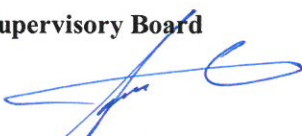
Aarhus, 6 April 2018

Executive Board



Anders Bjørn
CEO

Supervisory Board




Anders C. Anderson (chairman)



Adel Abdullah Alhamzah



Søren Mikkelsen



Anders Bjørn

Independent Auditors' report

To the Shareholders of Makeen Energy A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017, and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Makeen Power A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

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 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 the Company's 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 Auditors' 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.

Aarhus, 6 April 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no 33 77 12 31



Thyge Bøller

State Authorised Public Accountant

MNE no 30222

Company information

The Company	Makeen Power A/S P.O. Pedersens Vej 22 DK-8200 Aarhus N CVR no 38 33 17 60 Financial period: 1 January - 31 December Financial year: 1 Municipality of reg. office: Aarhus
Supervisory Board	Anders C. Anderson (chairman) Adel Abdullah Alhamzah Søren Mikkelsen Anders Bjørn
Executive Board	Anders Bjørn
Auditors	PricewaterhouseCoopers Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Review

Main activities

Makeen Power A/S is a turnkey power contractor to supply 360 degree solutions when it comes to establishing green, sustainable and flexible power plants tailored to customers' needs.

Development during the Year

The result for the year is a loss of DKK 1.211.830. The Company's first financial year was largely affected by sales activities expected to benefit the Company in the coming years.

Capital Resources

The Company has per 31 December 2017 lost more than half of the share capital. The Company is subject to the rules of loss of capital of the Danish Company Act. With reference to note 1 the Company expects to reestablish the share capital through future profit, alternatively through capital increase or conversion of debt.

Expectations for the Year Ahead

For the financial year 2018 the Group expects to improve the operating profit.

Subsequent Events

No events materially affecting the assessment of the financial position of the Company by 31 December 2017 have occurred after the balance sheet date.

Accounting Policies

Basis of Preparation

The Annual Report of Makeen Power A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to small enterprises of reporting class B with addition of a few optional items from class C.

This is the Company's first financial year.

The financial statement is presented in DKK.

Recognition and measurement

The financial statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially 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 maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Accounting Policies

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income Statement

Gross profit

Gross profit consists of revenue, other revenues and costs, cost of goods sold and other external costs. With reference to Danish Financial Statements Act § 32, revenue is not shown in the financial statement.

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and payment has been received or may with reasonable certainty be expected to be received.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises purchases for projects, raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Accounting Policies

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, price adjustment of securities as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company assesses for Danish tax purposes jointly with the Danish consolidated company. Foreign subsidiaries are not part of the joint taxation.

The effect of the joint taxation is divided among the involved companies according to the taxable profit or loss of each company. The companies that are part of the joint taxation are entered into the tax prepayment scheme.

Balance Sheet

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value. The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods, semi-finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Accounting Policies

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax jurisdiction.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

Fixed-interest loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Income Statement 1 January 2017 - 31 December 2017

	Note	<u>2017</u>
		DKK
Gross profit		<u>-1.560.873</u>
Profit/loss before financial income and expenses		<u>-1.560.873</u>
Financial income	2	8.159
Financial expenses	3	-914
Profit/loss before tax		<u>-1.553.628</u>
Tax on profit/loss for the year	4	341.798
Net profit/loss for the year		<u>-1.211.830</u>
Distribution of profit	5	

Balance Sheet 31 December 2017

Assets

	<u>Note</u>	<u>2017</u> DKK
Inventories		150.458
Trade receivables		250
Corporation tax		134.238
Deferred tax asset	6	207.560
Receivables		342.048
Cash at bank and in hand		8.333
Current assets		500.839
Assets		500.839

Liabilities and equity

	<u>Note</u>	<u>2017</u> DKK
Share capital	7	500.000
Retained earnings		-1.211.830
Equity		-711.830
Trade payables		144.141
Payables to group enterprises		1.040.032
Other payables		28.496
Short-term debt		1.212.669
Debt		1.212.669
Liabilities and equity		500.839

	<u>Note</u>
Going concern	1
Contingent assets, liabilities and other financial obligations	8
Related parties and ownership	9

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January 2017	500.000	0	500.000
Net profit/loss for the year	0	-1.211.830	-1.211.830
Equity at 31 December 2017	500.000	-1.211.830	-711.830

Notes to the Annual Report

1 Going concern

The Annual report is prepared under the condition of going concern. The Company has per 31 December 2017 lost more than half of the share capital. The Company expects to reestablish the share capital through future profit, alternatively through capital increase or conversion of debt.

Makeen Energy A/S who owns 100 % of the share capital has issued a limited parent guarantee which expire at the next annual general meeting. The guarantee secures the needed cash flow to ensure going concern of the Company.

	<u>2017</u>
	DKK
2 Financial income	
Interest received from group enterprises	8.108
Exchange adjustments	51
	<u>8.159</u>
3 Financial expenses	
Bank charges	-914
	<u>-914</u>
4 Tax on profit/loss for the year	
Current tax for the year	-134.238
Deferred tax for the year	-207.560
Total tax for the year	<u>-341.798</u>
which breaks down as follows:	
Tax on profit/loss for the year	-341.798
Tax on changes in equity	0
	<u>-341.798</u>
5 Distribution of profit	
Proposed distribution of profit	
Retained earnings	-1.211.830
	<u>-1.211.830</u>

Notes to the Annual Report

	<u>2017</u>
	DKK
6 Deferred tax asset	
Tax loss carry-forward	<u>207.560</u>
	<u>207.560</u>

Based on the budgets for the next three years, management has considered it likely that prior years tax losses and unused tax credits can be utilized within 3-5 years.

7 Equity

The share capital consists of 5.000 shares of a nominal amount of DKK 100. No shares carry any special rights.

Share capital for the past two years is specified as follows:

	<u>2017</u>
	DKK
Share capital	<u>500.000</u>

8 Contingent assets, liabilities and other financial obligations

The Danish companies in the Group are subject to mandatory Danish national joint taxation. The jointly taxed companies share the liability for the Danish income tax etc.

Notes to the Annual Report

9 Related parties and ownership

	<u>Basis</u>
Controlling interest Makeen Energy A/S, P.O. Pedersens Vej 22 DK-8200 Aarhus N, Denmark	Majority shareholder
Other related parties Al Ayuni Investment & Contracting Company That Alsawari, Al Wurud, Riyadh 12251, Saudi Arabia	Ultimate parent company
Nørgaard Teknik A/S, Nørgaardsvej 5 DK-8963 Auning	A shareholder of the company is member of the Executive Board in subsidiary

Transactions

The Company has received interest from Kosan Crisplant a/s on arms-length basis.

Apart from the above, there have been no transactions with the Supervisory Board, the Executive Board, senior employees or other related parties, except for intercompany transactions and normal management remuneration.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Makeen Energy A/S
P.O.Pedersens Vej 22
DK-8200 Aarhus N, Denmark