

Soleil ApS

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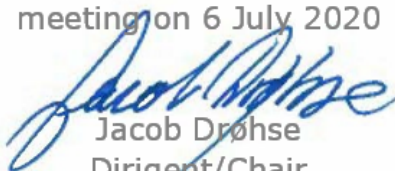
2750 Ballerup

CVR No. 40107983

Annual Report 19/12-18 - 31/03-2020

Årsrapporten er godkendt på den ordinære
generalforsamling den 6. juli 2020

Approved by the Annual General
meeting on 6 July 2020



Jacob Drøhse
Dirigent/Chair

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Management's Statement

Today, Management has considered and adopted the Annual Report of Soleil ApS for the financial year 19 December 2018 - 31 March 2020.

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 31 March 2020 and of the results of the Company's operations for the financial year 19 December 2018 - 31 March 2020.

In our opinion, the 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.

Ballerup, 24 June 2020

Executive Board

Masakazu Yamashina
CEO

Tomoki Kubo

Independent Auditors' Report

To the shareholders of Soleil ApS

Opinion

We have audited the financial statements of Soleil ApS for the financial year 19 December 2018 - 31 March 2020, comprising 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 Company's assets, liabilities and financial position at 31 March 2020 and of the results of the Company's operations for the financial year 19 December 2018 - 31 March 2020 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' 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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.

Independent Auditors' Report

The 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these 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 company 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.

Independent Auditors' Report

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.

Copenhagen, 24 June 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR-no. 25578198

Henrik O. Larsen
State Authorised Public Accountant
mne15839

Henrik Kyhnaav
State Authorised Public Accountant
mne40028

Soleil ApS

Company details

Company	Soleil ApS Lautrupparken 40, 2750 Ballerup
CVR No.	40107983
Executive Board	Masakazu Yamashina , CEO Tomoki Kubo

Management's Review

The Company's principal activities

The Company's principal activities comprise holding the shares in KMD Holding ApS, which is owned 100%.

Development in activities and financial matters

The Company's Income Statement of the financial year 19 December 2018 - 31 March 2020 shows a result of TDKK -24.685 and the Balance Sheet at 31 March 2020 a balance sheet total of TDKK 7.581.095 and an equity of TDKK 7.556.087.

In February 2019 the Company acquired the KMD-Group.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

The effect of COVID-19 is limited on the Company due to the nature of activity. Management also assessed that there is no effect on the valuation of the long-term investments in group enterprises due to the unusual circumstances.

Income Statement

	Note	19/12-18 - 31/03-2020 tkr.
Other external expenses		-24.626
Profit (loss) from ordinary operating activities		-24.626
Financial income	2	36
Finance expences	3	-87
Profit (loss) from ordinary activities before tax		-24.677
Tax expense on ordinary activities		-8
Profit (loss)		-24.685
Proposed distribution of results	4	
Proposed dividend recognised in equity		28.000
Retained earnings		-52.685
Distribution of profit (loss)		-24.685

Balance Sheet as of 31 March

	Note	2020 tkr.
Assets		
Long-term investments in group enterprises	5, 6	7.532.159
Investments		7.532.159
Fixed assets		7.532.159
Short-term receivables from group enterprises		45.024
Other short-term receivables		12
Receivables		45.036
Cash and cash equivalents		3.900
Current assets		48.936
Assets		7.581.095

Balance Sheet as of 31 March

	Note	2020 tkr.
Liabilities and equity		
Contributed capital	7	50
Retained earnings		7.528.037
Proposed dividend recognised in equity		28.000
Equity		7.556.087
Trade payables		25.000
Tax payables		8
Short-term liabilities other than provisions		25.008
Liabilities and equity		7.581.095
Significant events occurring after end of reporting period	8	
Contingent liabilities	9	
Collaterals and assets pledges as security	10	
Ownership	11	
Related parties	12	

Statement of changes in Equity

	Contributed capital	Share premium	Retained earnings	Proposed dividend recognised in equity	Total
Increase of capital	50				50
Dividend				28.000	28.000
Equity transfers to reserves		-7.580.722	7.580.722		0
Profit (loss)			-52.685		-52.685
Contribution from group		7.580.722			7.580.722
Equity 31 March 2020	50	0	7.528.037	28.000	7.556.087

The Company was established in the fiscal year 2020. Since the establishment no changes have been made to the share capital.

Accounting Policies

Reporting Class

The Annual Report of Soleil ApS for 19/12-18 - 31/03-2020 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

As the financial year 19/12-18 - 31/03-2020 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Consolidated Financial Statements

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

Reporting currency

The Annual Report is presented in Thousand Danish kroner (TDKK).

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.

Grants regarding consolidation

Grants provided to and received from the parent company are recognised in equity.

Accounting Policies

General Information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

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

Other external expenses

Other external costs include costs for administration etc.

Income from investments in group enterprises and associates

Income from equity investments comprises dividends received from group enterprises and associates in so far as they do not exceed the accumulated earnings in the group enterprise or the associate during the ownership period.

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 income 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.

Accounting Policies

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

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be 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.

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.

The company are jointly and severally liable as the administration company for subsidiaries corporate taxes to the tax authorities.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Notes

19/12-18 -
31/03-2020**1. Employee benefits expense**

Average number of employees	0
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2. Finance income

Other finance income	36
	36

3. Finance expenses

Other finance expenses	87
	87

4. Distribution of profit (loss)

Proposed dividend	28.000
Retained earnings	-52.685
	-24.685

5. Long-term investments in group enterprises

Addition during the year, incl. improvements	7.532.159
Cost at the end of the year	7.532.159
 Carrying amount at the end of the year	 7.532.159

6. Disclosure in long-term investments in group enterprises and associates*Group enterprises*

Name	Registered office	Share held in %	Equity	Profit
KMD Holding ApS	Ballerup	100,00	6.221.019	1.251
			6.221.019	1.251

7. Classes of issued shares

Share class	Nominal value	19/12-18 - 31/03-2020
A Shares	42.600	43
B Shares	16	0
D Shares	7.400	7
		50

8. Significant events occurring after end of reporting period

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

The effect of COVID-19 is limited on the Company due to the nature of activity. Management also assessed that there is no effect on the valuation of the long-term investments in group enterprises due to the unusual circumstances.

9. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

Soleil ApS is jointly taxed with the other Danish companies in the KMD Group. The joint taxation also covers withholding tax in the form of tax on dividends, royalties and interest. The Danish companies are jointly and severally liable for the joint taxation. Any subsequent corrections to the taxable income subject to joint taxation or withholding taxes may lead to a higher liability.

10. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

11. Ownership

Soleil ApS is 100% owned by NEC Corporation. Soleil ApS is included in the consolidated financial statements of NEC Corporation. A copy of the consolidated financial statements is available by contacting, Group Secretariat, Lautrupparken 40, 2750 Ballerup, Denmark.

12. Related parties

The Company is 100% owned by NEC Corporation, which is also the ultimate parent company of the company. The Company is included in the consolidated financial statements of NEC Corporation. A copy of the consolidated financial statements is available by contacting, Group Secretariat, Lautrupparken 40, 2750 Ballerup, Denmark.