Honda PV ApS

Silkeborgvej 2,

8000 Aarhus C

CVR No. 41425687

Annual Report 2021

2. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 25 May 2022

Erik Rasmussen
Chairman

Contents

Company details

Company	Honda PV ApS Silkeborgvej 2, 8000 Aarhus C
CVR No.	41425687
Date of formation	12 June 2020
Supervisory Board	Jacob Olsen, chairman Nicklas Nordahl Møller Claus Nørgaard Tonsgaard
Executive Board	Nicklas Nordahl Møller
Auditors	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C CVR-no.: 20222670

Management's Statement

Today, the Supervisory Board and the Executive Board have considered and adopted the Annual Report of Honda PV ApS for the financial year1 January 2021 - 31 December 2021.

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

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 1 January 2021 - 31 December 2021.

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.

Aarhus, 25 May 2022

Executive Board

Nicklas Nordahl Møller

Supervisory Board

Jacob Olsen
Chairman

Nicklas Nordahl Møller
Member

Claus Nørgaard Tonsgaard
Member

Independent Auditors' Report

To the shareholders of Honda PV ApS

Opinion
We have audited the consolidated financial statements and the financial statements of Honda PV ApS for the financial year 1 January 2021 - 31 December 2021, which comprise an income statement, balance sheet, statement of changes in equity, cash flows and notes. The consolidated financial statements and the financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, consolidated financial statements and the financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2021 and of the results of its operations and cash flows for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to uor audit of the financial statement 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 responsibility for the financial statements
Management is responsible for the preparation of consolidated financial statements and financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers necessary to enable the preparation of consolidated financial statements and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the financial statements unless Management either intends to either liquidate the Group and the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the consolidated financial statements and the financial statements
Our responsibility is to obtain reasonable assurance as to whether the consolidated financial statements and the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these consolidated financial statements and financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

* Identify and assess the risk of material misstatements in the consolidated financial statements and 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

Independent Auditors' Report

not detecting a material misstatement resulting from fraud is higher than for a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.

* Conclude on whether Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the Grpou's and 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Group and the Company can no longer remain a going concern.

* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the consolidated financial statements and the financial statements reflect 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 which we identify during our audit.

Independent Auditors’ Report

Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the consolidated financial statements and the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements and the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the consolidated financial statements and the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Aarhus, 25 May 2022

BDO Statsautoriseret revisionsaktieselskab
CVR-no. 20222670

Morten Kristiansen Veng
State Authorised Public Accountant
mne34298

Management's Review

The Group's principal activities
The Group and Honda PV ApS principal activities consist in owning and running solar parks in Japan.

Development in activities and the financial situation
Management finds the results for 2021 unsatisfactory.

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

Income Statement

	Note	Group 2021 JPY('000)	2020 JPY('000)	Parent 2021 JPY('000)	2020 JPY('000)
Gross profit		**288.301**	**-183**	**-6.432**	**-183**
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-211.771	0	0	0
Profit from ordinary operating activities		**76.530**	**-183**	**-6.432**	**-183**
Income from investments in group enterprises and associates		0	0	-35.980	0
Other finance income from group enterprises		0	0	12.915	0
Other finance income		1	0	0	0
Finance expenses	1	-144.425	-2	-46.089	-2
Profit from ordinary activities before tax		**-67.894**	**-185**	**-75.586**	**-185**
Tax expense on ordinary activities	2	-7.692	0	0	0
Profit		**-75.586**	**-185**	**-75.586**	**-185**
Proposed distribution of results					
Reserve for net revaluation according to equity method		0	0	-35.980	0
Retained earnings		-75.586	-185	-39.606	-185
Distribution of profit		**-75.586**	**-185**	**-75.586**	**-185**

Balance Sheet as of 31 December

		Group		Parent	
	Note	2021 JPY('000)	2020 JPY('000)	2021 JPY('000)	2020 JPY('000)
Assets					
Plant and machinery	3	13.688.469	0	0	0
Property, plant and equipment		**13.688.469**	**0**	**0**	**0**
Long-term investments in group enterprises	4	0	0	6.896.756	0
Long-term receivables from group enterprises		0	0	12.140.880	0
Deposits, investments		600.000	0	0	0
Investments		**600.000**	**0**	**19.037.636**	**0**
Fixed assets		**14.288.469**	**0**	**19.037.636**	**0**
Short-term trade receivables		82.702	0	0	0
Other short-term receivables		1.903.005	0	315.336	0
Deferred income		3.324.165	0	0	0
Receivables		**5.309.872**	**0**	**315.336**	**0**
Cash and cash equivalents		**1.423.776**	**602**	**51.257**	**602**
Current assets		**6.733.648**	**602**	**366.593**	**602**
Assets		**21.022.117**	**602**	**19.404.229**	**602**

Balance Sheet as of 31 December

	Note	Group 2021 JPY('000)	Group 2020 JPY('000)	Parent 2021 JPY('000)	Parent 2020 JPY('000)
Liabilities and equity					
Contributed capital		681	681	681	681
Reserve for current value of hedging		231.231	0	0	0
Retained earnings		-75.771	-185	-75.771	-185
Equity		**156.141**	**496**	**-75.090**	**496**
Provisions for deferred tax		1.332.366	0	0	0
Provisions		**1.332.366**	**0**	**0**	**0**
Mortgage debt		11.630.265	0	11.630.265	0
Long-term liabilities other than provisions	5	**11.630.265**	**0**	**11.630.265**	**0**
Short-term part of long-term liabilities other than provisions		858.198	0	858.198	0
Trade payables		10.953	0	0	0
Payables to group enterprises		6.990.423	0	6.990.423	0
Tax payables		231	0	0	0
Other payables		43.540	106	433	106
Short-term liabilities other than provisions		**7.903.345**	**106**	**7.849.054**	**106**
Liabilities other than provisions within the business		**19.533.610**	**106**	**19.479.319**	**106**
Liabilities and equity		**21.022.117**	**602**	**19.404.229**	**602**

	Note
Contingent liabilities	6
Collaterals and assets pledges as security	7
Consolidated financial statements	8

Statement of changes in Equity

Parent

	Contributed capital	Reserve for net revaluation according to equity method	Reserve for current value of hedging	Retained earnings	Total
Equity 1 January 2021	681	0	0	-185	496
Profit (loss)	0	-35.980	0	-39.606	-75.586
Profit (loss) from group enterprises	0	35.980	0	-35.980	0
Equity 31 December 2021	**681**	**0**	**0**	**-75.771**	**-75.090**

Group

	Contributed capital	Reserve for current value of hedging	Retained earnings	Total
Equity 1 January 2021	681	0	-185	496
Profit (loss)	0	0	-75.586	-75.586
Adjustments of hedging instruments at fair value	0	231.231	0	231.231
Equity 31 December 2021	**681**	**231.231**	**-75.771**	**156.141**

Cash Flow Statement

	2021 JPY('000)	2020 JPY('000)
Profit	-75.586	-185
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets	211.771	0
Adjustments of tax expense	2.319	0
Adjustments for deferred tax	5.373	0
Decrease (increase) in receivables	-1.438.250	0
Decrease (increase) in trade payables	-53.721	106
Cash flow from ordinary operating activities	**-1.348.094**	**-79**
Income taxes paid	-2.088	0
Cash flows from operating activities	**-1.350.182**	**-79**
Fixed assets	-10.792.812	0
Accrued income	-3.596.650	0
Receivables	-874.961	0
Deffered tax	-1.845.654	0
Liabilities	9.854.829	0
Cash flows from acquisition of other company	**-7.255.248**	**0**
Repayments of long-term liabilities	-10.035.977	0
Raising of long-term debt	12.777.720	0
Changes in interim accounts	6.990.411	0
Founding capital, Honda PV ApS	0	681
Cash flows from financing activities	**9.732.154**	**681**
Net increase (decrease) in cash and cash equivalents	**1.126.724**	**602**
Cash and cash equivalents, beginning balance	602	0
Exchange rate and other adjustments	296.450	0
Cash and cash equivalents, ending balance	**1.423.776**	**602**

Notes

	Group 2021	Group 2020	Parent 2021	Parent 2020
1. Finance expenses				
Finance expenses arising from group enterprises	23.548	0	0	0
Other finance expenses	120.877	2	46.089	2
	144.425	**2**	**46.089**	**2**
2. Tax expense				
Udenlandsk skat af resultat	2.319	0	0	0
Regulering udskudt skat	5.373	0	0	0
	7.692	**0**	**0**	**0**
3. Plant and machinery				
Addition during the year, incl. improvements	13.900.240	0	0	0
Cost at the end of the year	**13.900.240**	**0**	**0**	**0**
Amortisation for the year	-211.771	0	0	0
Impairment losses and amortisation at the end of the year	**-211.771**	**0**	**0**	**0**
Carrying amount at the end of the year	**13.688.469**	**0**	**0**	**0**

4. Long-term investments in group enterprises

	Parent 2021	Parent 2020
Addition in connection with merger and purchase of enterprise	6.932.736	0
Cost at the end of the year	**6.932.736**	**0**
Adjustments for the year	-35.980	0
Fair value adjustments at the end of the year	**-35.980**	**0**
Carrying amount at the end of the year	**6.896.756**	**0**

Notes

5. Long-term liabilities

Group

	Due after 1 year	Due within 1 year	Due after 5 years
Mortgage debt	11.630.265	858.198	8.237.864
	11.630.265	**858.198**	**8.237.864**

Parent

	Due after 1 year	Due within 1 year	Due after 5 years
Mortgage debt	11.630.265	858.198	8.237.864
	11.630.265	**858.198**	**8.237.864**

6. Contingent liabilities

Rent liabilities include a rent obligation totalling JPY 329,420 thousand in interminable rent agreement with remaining contract terms of 22 ½ years.

7. Collaterals and securities

Plant and machinery with a carrying amount of JPY 13.688.469 thousand at 31 December 2021 have been provided as collateral for debt to mortgage credit institutions of JPY 12.488.463 thousand.

8. Consolidated financial statements

The company is included in the consolidated financial statements of Obton Solenergi Stabil P / S, Silkeborgvej 2, 8000 Aarhus C, CVR number 38 78 42 34.

Accounting Policies

Reporting Class
The Annual Report of Honda PV ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and certain provisions applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Reporting currency
The Annual Report is presented in Japanese yen.

Consolidated Financial Statements
The Consolidated Financial Statements comprise the parent company Honda PV ApS and subsidiaries in which Honda PV ApS directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates, cf. Group chart.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

Derivative financial instruments
Derivative financial instruments are measured at cost and subsequently at fair value at initial recognition in the Balance Sheet. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments classified as and fulfilling the criteria for hedging the fair value of a recognised asset or liability are recognised in the Income Statement together with any changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments classified as and fulfilling the conditions for hedging future assets and liabilities are recognised in other receivables or other payables and in equity. In the event that the future transaction results in the recognition of assets or liabilities, any amounts previously recognised in equity will be transferred to the cost of the asset or the liability, respectively. In the event that the future transaction results in income or expenses, any amounts previously recognised in equity will be transferred to the Income Statement in the period in which the hedged item affects the Income Statement.

For derivative financial instruments that do not fulfil the conditions for treatment as hedging instruments, changes in the fair value will continuingly be recognised in the Income Statement.

Accounting Policies

Income Statement

Revenue
Income from the sale of goods is recognised in the Income Statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

Other operating income
Other operating income comprises items of a secondary nature to the activities of the enterprises, including profits on sale of intangible and tangible assets.

Other external expenses
Other external expenses comprise expenses regarding sale and administration.

Result of equity investments in subsidiaries
The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the parent company's Income Statement after full elimination of intercompany profit/loss.

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.

Tax on net profit/loss for the year
The parent company is subjected to the Danish rules on compulsory joint taxation of the group's Danish subsidiaries. Subsidiaries are included in the joint taxation from the time when they are included in the consolidation in the Consolidated Financial Statement until they leave the consolidation.

The parent company is the administration company of the joint taxation and therefore settles all corporation tax payments with the tax authorities.

The current Danish corporation tax is distributed by settling the joint taxation contributions between the jointly taxed enterprises in proportion to their taxable income. In this connection, enterprises with tax losses receive joint taxation contributions from enterprises that have been able to use these losses to reduce their own tax profit.

Tax for the year which comprises the current corporation tax for the year and any changes in deferred tax, including as a consequence of a change to the tax rate, is recognised by the part attributable to the profit/loss for the year and directly in equity by the part attributable to items directly in equity.

Balance Sheet

Tangible assets
Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Accounting Policies

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Plant and machinery:	10-25 years

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Equity investments in group enterprises and associates
Investments in group enterprises and associates are recognised in the balance sheed 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 JPY('000) 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.

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.

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.

Deferred tax
Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Accounting Policies

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

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
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.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

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.

Accounting policies Cash Flow Statement

The Cash Flow Statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible, tangible and investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

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.