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## INDEPENDENT AUDITOR'S REPORT

*To the Shareholders of Niva Solar Limited Liability Company*

### Opinion

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We have audited the financial statements of Niva Solar LLC (the Company), which comprise:

- the statement of financial position as at 31 December 2019;
- the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

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We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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)* together with the ethical requirements that are relevant to our audit of the financial statements in Ukraine, 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.

### Emphasis of Matter

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Without qualifying our opinion, we draw attention to Note 20 to the financial statements, which discloses significant concentration of transactions and balances with related parties.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 unless management either intends to liquidate the Company's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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## Auditor's Responsibilities for the Audit of the Financial Statements

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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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment 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.
- 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 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's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### Partner

"BAKER TILLY UKRAINE" LLP

25 May 2020

Kyiv, Ukraine



Vladimir Mukomela

**STATEMENT OF COMPREHENSIVE INCOME**  
 for the year ended 31 December 2019

<i>In thousands of UAH</i>	Note	2019	2018
Revenues	6	130 012	65 333
Cost of sales	7	(77 574)	(44 852)
<b>Gross profit/(loss)</b>		<b>52 438</b>	<b>20 481</b>
General and administrative expenses	8	(1 228)	(1 625)
Other operating income/(expenses), net	9	(30 357)	625
<b>Operating profit/(loss)</b>		<b>20 853</b>	<b>19 481</b>
Finance income	10	1 341	512
Finance costs	10	(28 413)	(5 406)
Foreign exchange loss, net	11	68 716	(10 648)
<b>Profit/(Loss) before income tax</b>		<b>62 497</b>	<b>3 939</b>
Income tax expense	12	(1 001)	(709)
<b>Profit/(Loss) for the period</b>		<b>61 496</b>	<b>3 230</b>
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive income for the period</b>		<b>61 496</b>	<b>3 230</b>

Approved for issue and signed on behalf of Management on 25 March 2020.

Andriy Simonovych  
 Director



**NIVA SOLAR LLC**

Financial Statements for the year ended 31 December 2019

**STATEMENT OF FINANCIAL POSITION**  
as at 31 December 2019

<i>In thousands of UAH</i>	<b>Note</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	317 399	391 105
<b>Total non-current assets</b>		<b>317 399</b>	<b>391 105</b>
<b>Current assets</b>			
Inventories	14	1 362	1 362
Trade and other receivables	15	6 173	1 935
Loans issued	15	231 342	160 772
Prepayments	15	408	439
Income tax receivables		3 091	-
Value added tax receivables	15	52	22 419
Cash and cash equivalents	16	14 334	21 885
<b>Total current assets</b>		<b>256 762</b>	<b>208 812</b>
<b>Total assets</b>		<b>574 161</b>	<b>599 917</b>
<b>Equity</b>			
Issued capital	17	300	300
Additional capital	17	1	1
Retained earnings		62 634	1 138
<b>Total equity</b>		<b>62 935</b>	<b>1 439</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Bank loans	18	207 098	313 857
Other non-current borrowings	18	148 069	6 470
Deferred income tax liability		1 001	-
<b>Total non-current liabilities</b>		<b>356 168</b>	<b>320 327</b>
<b>Current liabilities</b>			
Bank loans	18	55 827	34 020
Other current borrowings	18	97 634	243 733
Trade and other payables	19	1 597	398
<b>Total current liabilities</b>		<b>155 058</b>	<b>278 151</b>
<b>Total liabilities</b>		<b>511 226</b>	<b>598 478</b>
<b>Total equity and liabilities</b>		<b>574 161</b>	<b>599 917</b>

The accompanying notes are an integral part of these financial statements.

**NIVA SOLAR LLC**

Financial Statements for the year ended 31 December 2019

**STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 December 2019**

<i>In thousands of UAH</i>	<b>Issued capital</b>	<b>Additional capital</b>	<b>Retained earnings/ (Accumulated deficit)</b>	<b>Total</b>
<b>Balance as at 31 December 2017</b>	-	1	(2 093)	(2 092)
Profit/(loss) for the period	-	-	3 231	3 231
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	3 231	3 231
Payment of issued capital	300	-	-	300
<b>Balance as at 31 December 2018</b>	<b>300</b>	<b>1</b>	<b>1 138</b>	<b>1 439</b>
Profit/(loss) for the period	-	-	61 496	61 496
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	61 496	61 496
Payment of issued capital	-	-	-	-
<b>Balance as at 31 December 2019</b>	<b>300</b>	<b>1</b>	<b>62 634</b>	<b>62 935</b>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**  
for the year ended 31 December 2019

<i>In thousands of UAH</i>	Note	2019	2018
<b>Cash flows from operating activities</b>			
Profit/(Loss) before income tax		62 497	3 939
Adjustments for:			
Depreciation of property, plant and equipment	13	73 750	42 936
Finance income	10	(1 341)	(512)
Finance costs	10	28 413	5 406
Foreign exchange loss, net	11	(68 752)	10 486
<b>Operating cash flows before working capital changes</b>		<b>94 567</b>	<b>62 255</b>
Changes in value added tax receivables		22 367	15 234
Changes in inventories		-	55 408
Changes in trade receivables		(4 238)	(1 935)
Changes in loans issued		(70 570)	(158 618)
Changes in prepayments made		31	(436)
Change in trade and other payables		1 199	349
<b>Cash generated from operating activities</b>		<b>43 356</b>	<b>(27 743)</b>
Income taxes paid		(3 086)	(249)
Interest received		1 341	512
<b>Net cash from operating activities</b>		<b>41 611</b>	<b>(27 480)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(44)	(377 496)
<b>Net cash used in investing activities</b>		<b>(44)</b>	<b>(377 496)</b>
<b>Cash flows from financing activities</b>			
Payment of issued capital		-	300
Proceeds from borrowings	18	153 041	504 053
Repayment of borrowings	18	(175 799)	(72 925)
Interest paid	18	(26 256)	(3 041)
Commission paid		(425)	(436)
<b>Net cash (used in)/generated from financing activities</b>		<b>(49 439)</b>	<b>427 951</b>
<b>Net increase in cash and cash equivalents</b>		<b>(7 872)</b>	<b>22 975</b>
Effect of exchange rate changes on cash	11	321	(1 091)
Cash and cash equivalents at the beginning of the year	16	21 885	1
<b>Cash and cash equivalents at the end of the year</b>	16	<b>14 334</b>	<b>21 885</b>

The accompanying notes are an integral part of these financial statements.