

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Niva Solar Limited Liability Company

Opinion

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

- the statement of financial position as at 31 December 2020;
- 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 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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' International Code of Ethics for Professional Accountants* (including International Independence Standards) (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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 paragraph 'Going concern' in the financial statements, which indicates that the Company incurred a net loss in amount of UAH 118 035 thousand during the year ended 31 December 2020 and, as of that date, the Company's equity is negative. As stated in Note 2 paragraph 'Going concern', these events or conditions, along with other matters as set in mentioned Note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our report is not modified in respect of this matter.

Emphasis of Matter

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

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.

ADVISORY · ASSURANCE · TAX · ACCOUNTING

Baker Tilly Ukraine LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

STATEMENT OF COMPREHENSIVE INCOME
 for the year ended 31 December 2020, in UAH'000

| | Notes | 2020 | 2019 |
|--|-------|------------------|---------------|
| Revenue | 6 | 121 873 | 130 012 |
| Cost of sales | 7 | (78 137) | (77 574) |
| Gross profit | | 43 736 | 52 438 |
| General and administrative expenses | 8 | (1 381) | (1 228) |
| Other operating income (expenses), net | 9 | (4 029) | (30 357) |
| Operating profit | | 38 326 | 20 853 |
| Finance income | 10 | 454 | 1 341 |
| Finance costs | 10 | (37 282) | (28 413) |
| Foreign exchange gain (loss), net | 11 | (128 456) | 68 716 |
| Profit (loss) before income tax | | (126 958) | 62 497 |
| Income tax expense (benefit) | 12 | 8 923 | (1 001) |
| Profit (loss) for the period | | (118 035) | 61 496 |
| Other comprehensive income for the period, net of tax | | - | - |
| Total comprehensive income for the period | | (118 035) | 61 496 |

Approved for issue and signed on behalf of Management on 25 May 2021.

Andrii Simonovych
 Director



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

STATEMENT OF FINANCIAL POSITION
as at 31 December 2020, in UAH'000

| | Notes | 31 December 2020 | 31 December 2019 |
|---|-------|---------------------|---------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 13 | 243 634 | 317 399 |
| Deferred tax assets | 12 | 7 922 | - |
| | | 251 556 | 317 399 |
| Current assets | | | |
| Inventories | 14 | 1 362 | 1 362 |
| Trade receivables | 15 | 78 352 | 6 173 |
| Loans issued | 15 | 231 872 | 231 342 |
| Prepayments made | 15 | 401 | 408 |
| Value added tax receivable | 15 | - | 52 |
| Current income tax prepaid | | 3 083 | 3 091 |
| Cash and cash equivalents | 16 | 5 985 | 14 334 |
| | | 321 055 | 256 762 |
| Total assets | | 572 611 | 574 161 |
| Equity and liabilities | | | |
| Equity | | | |
| Issued capital | 17 | 2 970 | 300 |
| Share premium | | 207 | 1 |
| Retained earnings / (Accumulated deficit) | | (55 401) | 62 633 |
| Total equity | | (52 224) | 62 935 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Bank loans | 18 | 238 017 | 207 098 |
| Other non-current borrowings | 18 | 194 681 | 148 069 |
| Deferred tax liabilities | 12 | - | 1 001 |
| | | 432 698 | 356 168 |
| Current liabilities | | | |
| Bank loans | 18 | 69 320 | 55 827 |
| Other current borrowings | 18 | 107 855 | 97 634 |
| Trade and other payables | 19 | 14 962 | 1 597 |
| | | 192 137 | 155 058 |
| Total liabilities | | 624 835 | 511 226 |
| Total equity and liabilities | | 572 611 | 574 161 |

Approved for issue and signed on behalf of Management on 25 May 2021.

Andrii Simonovych
Director



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

STATEMENT OF CHANGES IN EQUITY
 for the year ended 31 December 2020, in UAH'000

| | Issued capital | Share premium | Retained earnings / (Accumulated deficit) | Total |
|---|---------------------------|--------------------------|--|------------------|
| As at 1 January 2019 | 300 | 1 | 1 138 | 1 439 |
| Profit (loss) for the period | - | - | 61 496 | 61 496 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income | - | - | 61 496 | 61 496 |
| As at 31 December 2019 | 300 | 1 | 62 634 | 62 935 |
| Profit (loss) for the period | - | - | (118 035) | (118 035) |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income | - | - | (118 035) | (118 035) |
| Payment of issued capital | 2 670 | 206 | - | 2 876 |
| As at 31 December 2020 | 2 970 | 207 | (55 401) | (52 224) |

Approved for issue and signed on behalf of Management on 25 May 2021.

Andrii Simonovych
 Director



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

STATEMENT OF CASH FLOWS
for the year ended 31 December 2020, in UAH'000

| | | 2020 | 2019 |
|--|-----------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Profit (loss) before income tax | | (126 958) | 62 494 |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment | 7, 8 | 73 765 | 73 750 |
| Finance income | 10 | (454) | (1 341) |
| Finance costs | 10 | 37 282 | 28 413 |
| Foreign exchange loss, net | 11 | 128 051 | (68 752) |
| Expected credit losses of trade receivables | 9 | 4 028 | - |
| Operating cash flows before working capital changes | | 115 714 | 94 567 |
| Changes in value added tax receivables | | 50 | 22 367 |
| Changes in trade receivables | | (76 207) | (4 238) |
| Changes in loans issued | | (530) | (70 570) |
| Changes in prepayments made | | 7 | 31 |
| Change in trade and other payables | | 13 366 | 1 199 |
| Cash generated from operating activities | | 52 400 | 43 356 |
| Income taxes paid | | - | (3 086) |
| Interest received | | 454 | 1 341 |
| Net cash from operating activities | | 52 854 | 41 611 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | - | (44) |
| Net cash used in investing activities | | - | (44) |
| Cash flows from financing activities | | | |
| Payment of issued capital | | 2 876 | - |
| Proceeds from borrowings | 18 | - | 153 041 |
| Repayment of borrowings | 18 | (45 934) | (175 799) |
| Interest paid | 18 | (18 050) | (26 256) |
| Commission paid | | (103) | (298) |
| Net cash used in financing activities | | (61 211) | (49 439) |
| Net decrease in cash and cash equivalents | | (8 357) | (7 872) |
| Effect of exchange rate changes on cash | | 8 | 321 |
| Cash and cash equivalents at the beginning of the year | 16 | 14 334 | 21 885 |
| Cash and cash equivalents at the end of the year | 16 | 5 985 | 14 334 |

Approved for issue and signed on behalf of Management on 25 May 2021.

Andrii Simonovych
Director



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