Nordic Solar Global A/S

Annual Report 2020

Nordic Solar Global A/S
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CVR no. 39 83 33 60

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 27 May 2021.

Attorney Kåre Stolt, Chairman

Content

01 Report

TO THE SHAREHOLDERS

In just over two years, Nordic Solar Global (Global) has grown to a company with investments in five countries and close to 200 shareholders. The development is based on the strong growth in the European solar market and Nordic Solar Management's more than 11 years of experience in solar energy investments.

2020 was worldwide a dramatic year with the COVID-19 pandemic, which had negative effects on health, society, and businesses. However, for Global and the renewable energy sector in general, 2020 proved to have a profound and positive effect. Renewable energy and sustainability have been high on the agenda and are seen as areas in which to invest when focussing resources to restart growth.

Global has experienced both substantial growth in the interest shown in investing in renewable energy as well as increased opportunities in the market. We expect solar energy to play an important role in the solution of the globe's climate challenges and in creating jobs and growth.

Investments

The 26.3 MWp solar projects built in the north west of Poland during 2019 has come into full production together with an additional four solar parks of 4 MWp constructed in 2020.

During 2020, Global also bought project rights for five additional projects of approximately 550 MWp altogether. Two of these projects are now under construction and expected to come into production in late 2021.

Return

In 2020, the share price increased from DKK 116.5 per share to DKK 128.3, equivalent to a return of 10.1%. The return was positively affected by the completion of construction of the projects and better than budgeted terms on the financing offers from the banks.

2020 Result

In 2020, EBITDA was a negative of EUR 127k and Global realised net results of EUR -1 million. Taking into consideration that a very small part of the portfolio was operative and achieved full revenue in 2020, the results were as expected. The acquisition of the ready-to-build Polish solar projects in April 2020 as well as the Portuguese 48,5 MWp project in December 2020 included no expected revenue for 2020 and, thus, had no positive effect on the financial results.

Global's free cash flow from operations are negative, and EBITDA net of interest, repayments and taxes paid do not form a basis for the distribution of dividend for 2020.

Capital and shareholders

In 2020, Global saw a capital increase of EUR 33.7 million and by year end, the company had undeployed capital of EUR 20.5 million to be deployed for new investments and construction.

The number of shareholders increased from 71 to 198 by the end of 2020.

Outlook for 2021

A shareholder return at the level of 8-12%, net of all costs, is expected for 2021.

The Polish portfolio will during 2021 reach in total 68.6 MWp, of which approx. 30 MWp will be in operation all year and 38.6 MWp is expected grid connected during the year. The Portuguese 48.5 MWp is expected grid connected by the end of 2021 and will, hence, not generate significant revenue until 2022. The portfolio of operational plants is expected to generate a revenue of approx. EUR 4.2 million in 2021.

Additional growth is expected in 2021 through the acquisition of new ready-to-build solar projects, and Global's target is to reach a capacity of 100 MWp under construction on top of the 117 MWp operational parks. The pipeline of project rights reaching beyond 2021 of 450 MWp is also expected to increase further. Meeting this target will call for an inflow of new capital as well as new acquisitions besides the ones already planned.

The COVID-19 outbreak in 2020 will impact the global economy for some years still, but it is not expected to have significant effect on the company with respect to turnover, earnings, and cash flow for 2021.

Through its first investments in Poland, Portugal, Italy, Greece and Spain, Nordic Solar Global has built a strong foundation for growth, and 2021 also seems to become an exciting year.

Thus, we will continue to pursue our strategy of building a portfolio of solar parks constructed by Global within the OECD.

Christian Sagild
Chairman

Nikolaj Holtet Hoff
Managing Director

Financial highlights

All figures are in EUR '000

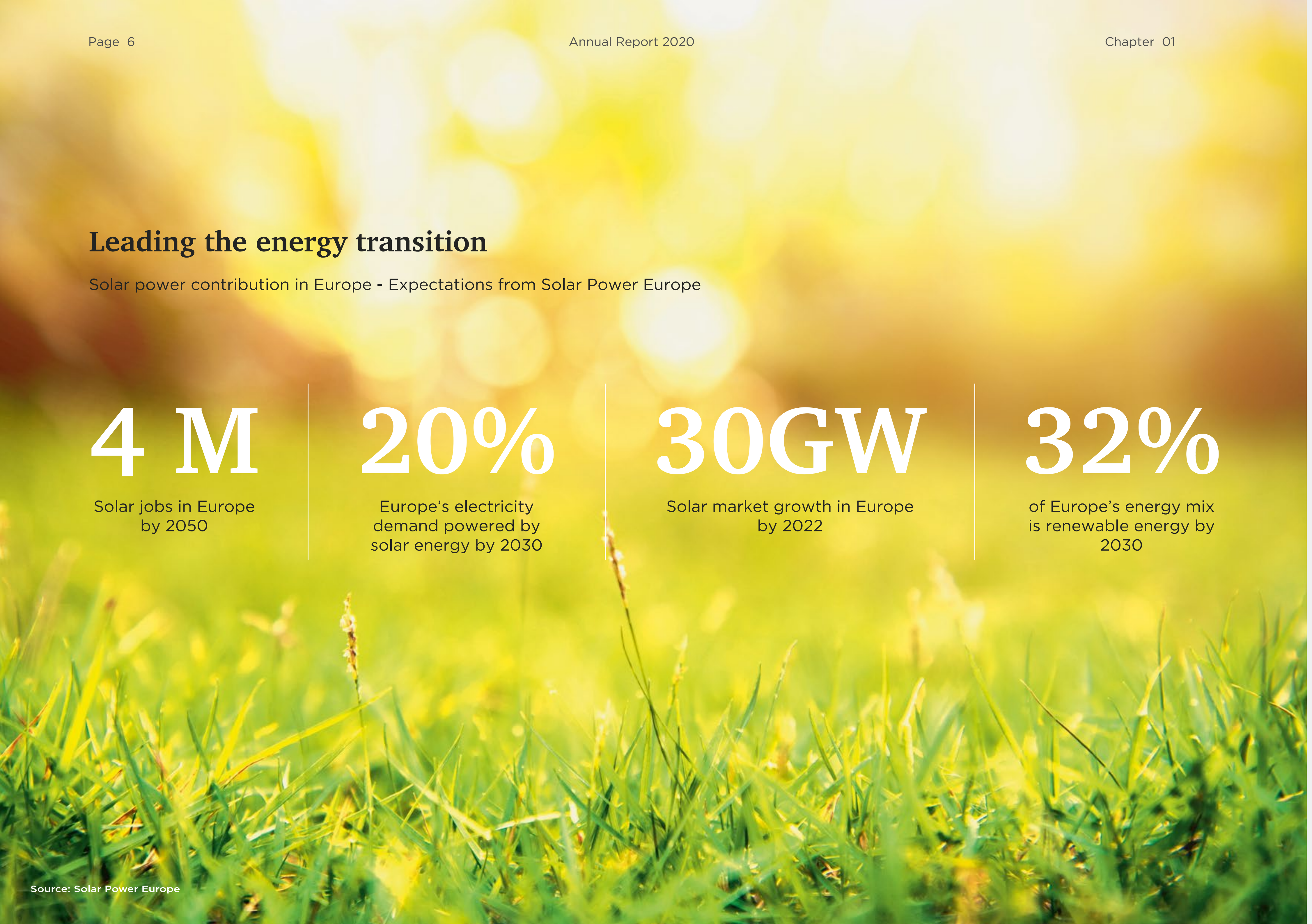
	2020	2018/19 (16 months)
KEY FIGURES		
Profit/loss before depreciation, amortisation and impairment (EBITDA)	-127	-825
Profit/loss before tax	-1,090	-868
Profit/loss for the year	**-1,029**	**-708**
Balance sheet total	**88,667**	**23,245**
Solar parks under constructions	23,155	17,008
Property, plant and equipment	25,660	2,060
Cash and cash equivalents	32,018	188
Total equity	**49,754**	**18,294**
Interest-bearing debt (loans)	21,641	3,908
FINANCIAL RATIOS		
Solvency ratio	56.1%	78.7%
CASH FLOW		
Profit/loss before tax	-1,090	-868
Non-cash transactions under profit and loss other than depreciations	667	378
Depreciation and impairment of property, plant and equipment	492	24
Repayment of project related loans	-868	-89
FREE CASH FLOW FROM OPERATIONS	-799	-555

FINANCIAL HIGHLIGHTS
The table above shows how Global's financial highlights have developed over the past two years. Most noticeable, the balance sheet grew by more than 3.8 times from approx. EUR 23 million to EUR 88.7 million, stemming from five large investments made in 2020. Cash on account rose as a result of several capital increases and is ready for deployment into the purchased projects. New loans lowered the solvency ratio from 78.7% to 56.1% and Global aims at further lowering the solvency ratio to around 30%.

The Group was established in 2018 and, thus, the financial highlights only comprise two financial years.

The financial ratios have been computed in accordance with the latest Guidelines issued by the Danish Finance Society.

DEFINITIONS OF FINANCIAL RATIOS	Solvency ratio:	Equity / Total assets



Leading the energy transition

Solar power contribution in Europe - Expectations from Solar Power Europe

4 M
Solar jobs in Europe by 2050

20%
Europe's electricity demand powered by solar energy by 2030

30GW
Solar market growth in Europe by 2022

32%
of Europe's energy mix is renewable energy by 2030

Source: Solar Power Europe

THE ENVIRONMENT
2020 was an unusual and challenging year that has shaken the world into the worst crisis for decades with predominantly negative effects on health, society, and businesses. Furthermore, 2020 was another record-setting year for climate change. The Northern Hemisphere land and ocean's surface temperature were the highest ever measured at +1.28°C above average. Likewise, 2020 concluded the warmest decade, 2011-2020, globally with a surface temperature of +0.82°C above the 20th-century average. The global mean sea level is rising with acceleration, and the sum of glacier and ice sheet melting contributions is now the dominant source of this rise. These factual changes in relation to observed global climate change indicators, such as the largest wildfire ever recorded in the USA and Australia, severe flooding in East Africa and South Asia, and the most active tropical cyclone season in the North Atlantic region, have clearly reinforced the need for a more climate-friendly future.

One of the steps towards a greener future has been taken, as solar energy is now the cheapest source of energy for at least two thirds of the world's population undercutting even the cheapest existing coal-fired plants. These structural price changes motivate the consumers to use and invest in clean energy infrastructure and minimise the usage of conventional forms of energy. A report from the International Energy Agency (IEA) states that 2020 has been a year when usage of conventional energy declined, while usage of clean energy increased. In 2020, the world witnessed both substantial growth in the use of sustainable energy together with an enhanced focus from politicians, companies, and the general public.

Many countries, cities, and businesses have committed to a net-zero emission by 2050 through the net-zero asset owner alliance. Also, in asset management and investment companies, we see a tendency of setting the bar to exceed formal regulations or standards. The world's largest asset management company, Blackrock, which manages almost USD 8.7 trillion, demands that companies in which they invest take an active part in climate change mitigation. Further, the UN Environment Programme states that thirty of the world's largest investors have collectively agreed on concrete portfolio decarbonisation targets that follow the Paris Agreement goal 1.5° C scenarios for the next five years.

Furthermore, we see a constantly increasing focus on the green transition from the political landscape. President of the European Commission, Ursula von der Leyen, announced, in her State of the Union address in September 2020, a bold and historically high level of ambition. The European Economic Community (EEC) is aiming at raising the 2030 climate target from the current 40% carbon dioxide reduction to at least 55%.

And it is not just the EEC that is strengthening its environmental focus. A few hours after Joe Biden was sworn in, he re-joined the Paris Climate Agreement and ordered, in a burst of executive orders, the federal agencies to begin the process of reinstating environmental regulations that were reversed during the former administration.

Alongside a massive political focus and pressure in 2020, the common perception towards 'going green' – not least among the younger generations – is really gaining momentum. This also goes for businesses that see the need for being sustainable, and especially large corporate companies that are in the process of becoming much more targeted, explicit and concrete in their strategies as to how they want to contribute to the green transition. The goal is to become sustainable both environmentally and economically.

Still, progress is not happening fast enough to reduce the emission pace of greenhouse gasses. Even with the pandemic global lockdowns and the slowing of economic activity, atmospheric concentrations of greenhouse gases unfortunately continue to rise. The pandemic lockdown did create a slowdown in global emission, but this slowdown was forced upon the world and will not be sustainable. However, according to the International Monetary Fund, the recession created by the pandemic presents opportunities to set the economy on a green path to boost investments in green infra-structure, which will support employment and growth during the recovery phase.

Part of the change
Nordic Solar Global and our investors share a common vision to be a contributor for impact, by enabling solar energy to expand and become a prominent and widely available sustainable energy source: We wish to participate in the common global effort to reduce fossil fuels and contribute to creating a better environment and future for all.

The strong development in Nordic Solar in 2020 has also brought increasing focus on our important role as a sustainable energy provider. It is our ambition to take on an even greater responsibility going forward by being more transparent in reporting on non-financial and ESG (Environment, Social, and Governance) areas, also meeting the increasing demand from both legislation and market.

For Nordic Solar Global to remain a catalyst for change, we will also need to set even higher standards for ourselves, and for our value chain. Thus, Global has initiated a three-year roadmap for the implementation of an ambitious ESG strategy. In the first year, Global is aiming to build an ESG foundation with a business strategy and description, materiality analysis, a governance model, and report and communication design. Thus, the goal is to develop a separate report in 2021 with ESG indicators, existing efforts with target figures, the UN Sustainable Development Goals, EU taxonomy, CO_2 calculation, and new critical focus areas. Hence, Global is committed to impacting the global green energy transformation, and we have set ambitious targets to do so.

In 2020, Nordic Solar Global produced 23,930 MWh (24 GWh) solar electricity, equivalent to the annual electricity consumption of 6,825 households, or energy savings of 12,586 tons of non-emitted CO2. In comparison, the average Dane consumes 1.6 MWh of electricity a year.

The declining cost of renewables and the growing public pressure for action on climate are also transforming attitudes in business

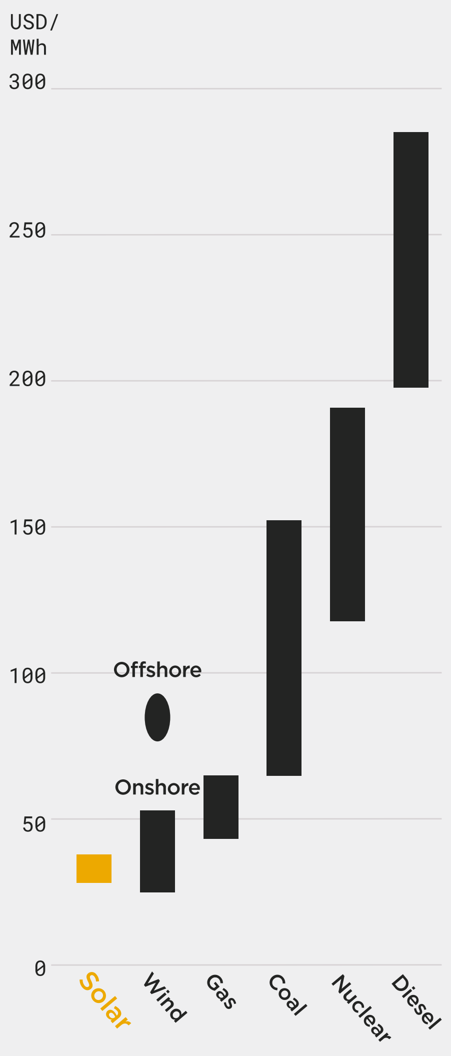
Source: The International Energy Agency (IEA)

MARKET DEVELOPMENT

Short term:

The renewable energy sector is increasing as the public demand for clean energy in 2020 surged to record-high levels. Especially solar energy contributed to this development. In Q1 2020, the global use of renewable energy was 1.5% higher than in Q1 2019. The increase was mainly driven by a 3% rise in renewable electricity generation after more than 100 GW of solar projects were completed in 2019. The European solar industry is expected to grow by 13% in 2021, which requires approx. EUR 35 billion investments. Nordic Solar Global is well-positioned to tap into this growing market.

Cost per energy source

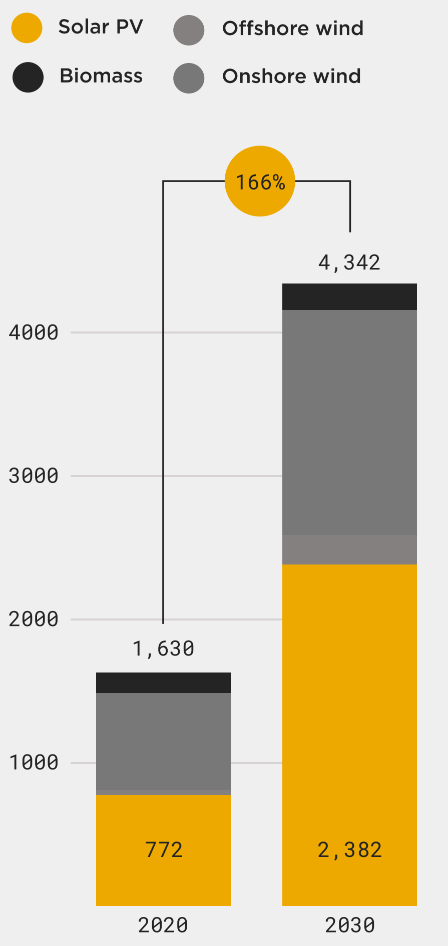


Source: Lazard's Levelized Cost of Energy and Levelized Cost of Storage Analysis – 2020

Medium term:

The global renewable capacity is expected to increase from a total installed capacity of 1.6 TW in 2020 to a staggering 4,3 TW by 2030. Solar photovoltaic (PV) is expected to play a major role in this development and is by 2030 expected to represent more than 50% of the installed renewable capacity. There are four main drivers of this development. First, demand for electricity is on the rise, and is expected to continue with the electrification of many areas. Second, renewable energy has become extremely cost-competitive, and solar power is now one of the cheapest sources of energy according to Lazard's Levelized Cost of Energy Analysis. Third, the increased focus from the political system and the governmental recovery packages are adding growth to the green energy sector. Most noticeable is the European Commission's eco-nomic recovery package where Ursula von der Leyen has announced that 37% of the new recovery fund will be earmarked for climate investments, corresponding to approx. EUR 750 billion. The package focusses on mitigating the economic and social impact of the pandemic and make European economies and societies more sustainable and decarbonised through green investments. Fourth, investors and investment companies are setting the bar for exceeding formal regulations and demanding that companies in which they invest, take an active part in the climate change transition. This increased focus from multiple sides makes the transition to a cleaner future even more feasible.

Medium term: Global renewable energy capacity GW installed



Source: New Energy Outlook 2020, Bloomberg NEF

Long term:
As of the end of 2019, solar photovoltaic (PV) constituted 11% of the global installed energy capacity, equivalent to 830 GW. Solar energy is by the International Energy Agency (IEA) expected to increase to supply more than 38% of the world's installed energy capacity with approx. 7,750 GW in 2050, a tenfold increase equivalent to a constant annual growth rate of 8%; superior to any other source of electricity.

These prosperous short, medium, and long-term growth predictions increase the interest in the renewable industry, as many companies see opportunities to tap into the growth, just as conventional energy source suppliers switch tracks to greener alternatives. We are welcoming the change in the competitive landscape as it enables the world to reach the Paris Agreement by 2030. Nordic Solar Global continues to see growth opportunities and profitable investment projects and with the experienced team we remain confident that we will meet our future return ambitions.

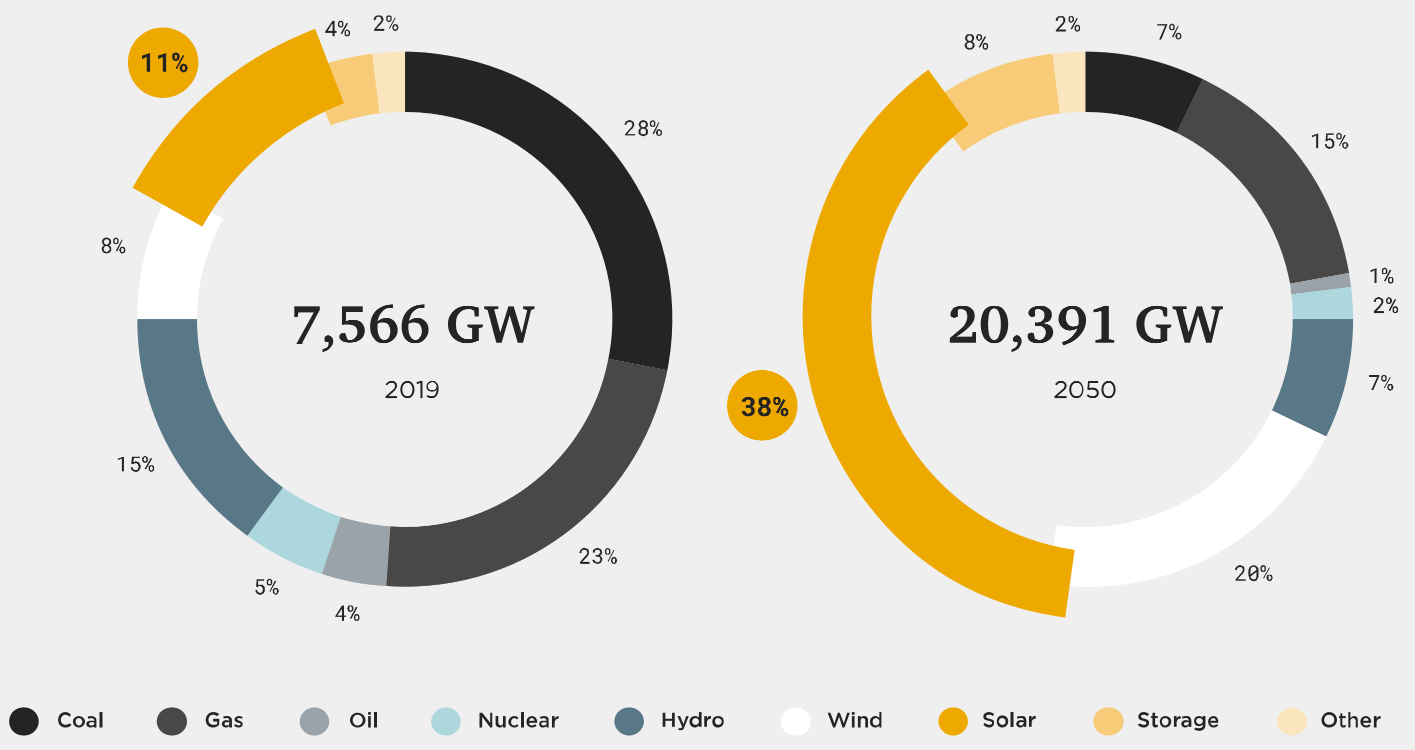
Regulations and raised standards
The market development in 2020 points to a clear tendency: Transparency. Not only is new regulation from the EU on its way with more demands for transparency and clear standards for sustainable areas, but a new generation of investors is also demanding transparent sustainability standards in their own business, their business relationships, and their investments.

A new EU classification system is also underway, intended to provide businesses and investors with a common language to identify to what degree economic activities can be considered environmentally sustainable – called a taxonomy.

On top of the regulatory pressure, we see a growing demand from a new generation of investors, businesses, and organisations, demanding a much more ambitious level of reporting and sustainability initiatives from companies. Many large and international companies are taking a much more proactive approach to sustainability, setting more transparent and strict sustainability goals and standards for themselves but also for their partners and suppliers.

With solar energy being the cheapest new energy source in most of the world and sustainability at the very top of the global agenda, we expect continued strong growth in the solar industry. Nordic Solar Global will take responsibility for our climate investments and continue to plan for growth, applying a focussed and transparent business model to the solar energy business.

Global installed capacity mix, 2019 and 2050



Source: IEA International Energy Agency

MARKET RISK

The European renewable energy landscape is undergoing change. As the countries have now transitioned to competitive auctions for renewable projects, government subsidies play a diminishing role in driving renewable energy deployment. Grid parity is a reality in most countries, and subsidy-free development is the new norm.

For the owner of a solar park, the market risk depends on the degree to which revenue is based on subsidies or on the sale of electricity in the electricity market. With sale of electricity in the wholesale market becoming the main revenue stream, the electricity market development is important for the return on a solar project.

The energy market is typically regional or country specific, and the development is dependent on assumptions regarding supply/capacity development and consumption expectations. In Global, we devote great efforts to understanding the expected developments and market drivers of the electricity markets in the countries in which we operate and use professional adviser reports on the different markets.

Demand for energy is growing across all developed markets. This growth, combined with expectations of higher CO2 prices in Europe, creates an expectation of higher electricity prices in some markets.

The expected supply development in the regional energy markets differs, but generally, a steeply rising share of solar and wind energy in the production mix is anticipated.

Finally, the expected development within electricity storage is important. It is generally expected that cost of storage is becoming cheaper, and the installed storage capacity is expected to increase rapidly.

In 2020, the electricity market and prices were influenced by a number of factors with downward pressure on the prices. COVID-19 and the declining economic activity reduced electricity demand, at the same time as falling oil and gas prices put a downward pressure on electricity prices. The long-term effect of this development is unknown; however, many forecasts reduce the expected electricity prices in the short term, whereas in the long term, the expected increase in electricity prices has overall only been reduced slightly. The expected changes differ from market to market.

The share of new solar projects with subsidies is decreasing in general, but for Global, the current operational portfolio is limited to Poland and one of the new projects under construction is also in Poland. The Polish projects have a 15-year government guaranteed electricity price, after which the electricity will be sold to the wholesale market. The risk related to projects based on a government-subsidised electricity price is connected with the risk of a retroactive removal or reduction in the subsidy in question.

Global sees a limited risk in terms of the Polish subsidies. The reason is two-fold. First, the subsidy system has been designed as an auction process securing the lowest possible subsidy level. This entails that the subsidy burden of solar energy on Polish society is relatively low. Second, the electricity price has risen significantly in Poland, and the expectation is that the electricity price will increase even further in the coming years. This means that the difference between the subsidy level and the actual electricity price in the wholesale market is decreasing. The effect of a retroactive subsidy change is therefore decreasing.

Besides Global's Polish portfolio, our construction projects in Portugal and Spain diversify the portfolio and minimise the dependence on the Polish market development and subsidies. The company's projects in Portugal and Spain are fully merchant and subsidy free. A 10-year power purchase agreement (PPA) is under negotiation in both countries, thus securing the majority of the revenue in the first 10 years of the parks' 30-year business case.

In general, Global expects to build a portfolio of 100-200 MWp in each of the first five markets in the coming years, securing a diversified portfolio with revenue mostly based on the sale of electricity in the wholesale market. The dependence on electricity price development will be reduced through establishing PPAs. Global closely monitors market developments.

Other market risks include general tax changes in the individual countries as well as regulatory changes on the power supply market or changes in tariffs and indirect taxes.

FINANCIAL RISK

Global's strategy of purchasing project rights and handling the construction and financing of the solar parks entails a certain amount of financial risk.
In the initial phase, when a project is bought and until the construction is completed, and the project financing is in place, shifts in currency and/or interest rates will influence the budgeted return of the project and, hence, the project value.

When a solar park goes into operation and the financing is in place, the financial risk is reduced, as most of the solar parks' loan financing typically is based on non-recourse, fixed-rate loans with no collateral from the borrower. This means that there is an anticipated higher financial risk in the first 12-18 months of a solar project, and that a change in these parameters to a high degree will be reflected in the development of the project value in this period.

The valuation of solar parks and the return on new investments are in general associated with a certain degree of

financial risk. If interest rates rise or fall, the alternative market return will change, which is expected to impact the valuation of both existing solar parks and the expected return on new investments in the portfolio. Another factor that may influence a solar park's valuation is the increasing acceptance of solar energy as an investment asset. The fact that more investors start seeing solar energy as an attractive investment opportunity has increased demand for solar parks, hence implying rising prices and lower return. This is also the company's experience during the past year in the market.

Exchange rates represent another financial risk in relation to Nordic Solar Global's portfolio. Today, approx. 67% of Global's capital is invested in Poland and, hence, in Polish Zloty (PLN). The exchange rate exposure is, however, to some degree offset by local currency loans.

Consequently, as the proceeds of the debt financing are invested in other countries and currencies (expectedly mostly EUR), the exchange rate exposure is reduced to the remaining equity part of the Polish investment. Global is thus exposed to currency risks in respect of any future dividends which are denominated in PLN over the project lifetime. On this basis, the return on the investments is affected by potential fluctuations in the PLN rates and later, potentially by other currencies.

More solar projects enter PPAs to lock in long-term pricing and stable yields. Large energy consumers are looking to manage forward risk on energy price volatility and sustainability objectives. Energy producers like Nordic Solar Global, on the other hand, want to secure low-cost financing, which often includes securing a stable cash flow through a PPA for part of the loan period. As the solar market to a high degree has become subsidy-free, the number of PPAs in Europe is booming. Global has yet to enter a long-term PPA but expect to do so in the near future for the projects in Portugal and Spain. Global would then undertake a financial risk in terms of the financial strength of the counterparty of a PPA, and, thus, such counterparty risk would also need to be thoroughly evaluated.

DEVELOPMENT IN 2020

The year 2020 was overall characterised by strong growth, in both capital inflow as well as in new investments. The year started with some uncertainty as to what the effects of COVID-19 would be. However, it soon became clear that Global's daily operation of the solar parks was not significantly affected. Solar park maintenance was still possible, and the production measured in kWh was satisfactory. Revenue was also above budget, as all revenue from the operational portfolio in Poland is secured by government-guaranteed fixed prices for 15 years. Hence, falling electricity prices in 2020 did not affect revenue.

Raising capital for new investments progressed well despite the immediate slowdown during the first COVID-19 lockdown in March. Through two capital increases in April and December, the capital was increased by EUR 33.7 million equal to an increase of more than 150% based on equity value for the year. On top of this, further capital commitments from new investors were received in 2020, ready for new investments in 2021.

The bank financing for the first 30 MWp portfolio in Poland was received in July 2020, and the interest rate was fixed at a better-than-expected rate. With the low interest rate, it was decided to hedge the full interest-rate exposure in the 14-year loan period. This financing was used together with new capital raised for the new investments conducted in the fall of 2020.

Investment-wise, great progress was made in terms of acquisition of both ready-to-build project rights as well as co-development project rights. During the spring of 2020, a second portfolio was acquired in Poland consisting of 38.3 MWp project rights and in Portugal, the project rights for a 48.5 MWp solar park were purchased. Negotiation of construction contracts was executed for both projects, and construction of the second Polish portfolio was commenced in Q4 2020. The Portuguese project started construction in the beginning of 2021. In Spain, the project rights for a 50 MWp project were acquired in December 2020 and ready-to-build status is expected in the fall of 2021.

Co-development project rights were also acquired in 2020. The co-development project rights are characterised by projects that are secured, and where the development is handled by a local partner but overseen by the company. Exclusivity on the projects is secured, but the majority of the project rights are not paid until the projects reach ready-to-build (RTB) status at a later stage. In 2020, co-development project rights of approx. 440 MWp in Italy and Greece were purchased, with expected construction start in 2022.

Securing financing of the new activities was initiated for the RTB projects and in Poland, this is expected to be finalised in the second quarter of 2021. The Portuguese project to be constructed in 2021 is also in the process of securing long-term financing.

Financial statements for 2020

In 2020, revenue of EUR 1,988k was recognised. The revenue reflects that not all 30 MWp were connected the full year, and not all solar parks received the fixed tariff for the full year. EBITDA was as expected EUR -127k for the year. Profit before tax was as expected negative for 2020 and was realised at EUR -1,090k, whereas profit after tax totalled EUR -1,029k. The tax loss carry-forward of the Polish subsidiary was recognised as a tax asset, reflecting that it is expected to be utilised in the short term. Included in the 2020 loss are recognised warrant expenses to Management for the value creation for Global of EUR 0.7 million as well as expenses of EUR 0.2 million whereof a part is related to creating the foundation for the Alternative Investment Fund Management authorisation.

No dividend payment is proposed for 2020, as cash flow from operations was insignificant. Global's cash flow is expected to be low in the first few years, as high growth, and hence, a high share of projects under construction, reduces the cash flow per share from projects in operation.

Development since year end 2020

Since the 2020-year end, Global has not completed the acquisition of further project rights. In April 2021, the company increased its capital by another EUR 7.9 million in order to finance the construction in Portugal and Poland. The Portuguese project has obtained a signed term sheet on the financing, and the execution is expected in Q2 2021.

Outlook for 2021
Additional growth is expected in 2021 through the acquisition of new ready-to-build solar projects, and the company's target is to reach 117 MWp operational solar parks, 50-100 MWp projects under construction and a pipeline of projects with a capacity of 750 MWp with exclusivity, either under development or ready to build. This is equivalent to a growth rate of almost 400% in operating assets and a pipeline ready to more than five-double the portfolio within the next three years. Meeting this target calls for an inflow of new capital as well as new acquisitions beyond the already planned projects.

In addition to attaining the ambitious growth target, the 2021 focus will be on further strengthening the administration and ensuring stable operations of the solar parks built in 2020.

The operational Polish portfolio is expected to generate a revenue of approx. EUR 4.2 million in 2021.

The first two and a half years has shown a strong appetite for Global's investment strategy from investors, and with a team that has demonstrated its ability to execute, 2021 seems to become another busy year. The strategy of building a portfolio of solar parks in the OECD countries, constructed by Global, will thus be carried on.

A shareholder return at the level of 8-12%, net of all costs, is expected for 2021.

02

The Business

Nordic Solar Global is a Danish limited liability company owned by 198 mainly Danish investors.

BUSINESS MODEL
The business model of Nordic Solar Global is to develop and build a sizeable portfolio of solar parks through own development and construction. Nordic Solar Global purchases project rights and takes the projects all the way from development to operational and financed solar parks.

In short, the company raises equity from investors, invests, builds, and operates solar photovoltaic (PV) projects.

Raising of capital
Nordic Solar Global raises capital for new investments on an ongoing basis. Capital is raised through commitments from investors. The commitments are drawn when the investments materialise. In that way, Nordic Solar Global avoids periods of overcapitalisation that would otherwise dilute the returns to shareholders. The capital is raised by way of loan commitments, which, when drawn, are offered converted to shares at the monthly share price. The loan programme is divided into consecutive tranches and forms a waiting list, according to which investors in the first tranches are drawn first.

A total of 12 tranches of the loan programme have been issued, totalling EUR 61.9 million. Tranches 1-10 have been drawn and deployed for building the portfolio.

Tranches 11 and 12, totalling EUR 7.9 million are fully subscribed and are planned to be deployed for construction and new investments in Q2 2021. Further commitments are received on an ongoing basis.

Also, where appropriate, financial institutions provide financing in the form of investment or construction credits. When a solar park is constructed and grid connected, long-term project financing is established, typically with local banks in each market.

Investments
When investing in project rights, Nordic Solar Global invests in solar parks where the total return after construction and financing of the project reaches a minimum of 8% return in the current market. The return target for the fund is currently 8-12% per year. The return expectations will follow the market development over the years, however, the return for entering a project in the construction and financing phases is significantly higher than investment in operational projects with financing already in place. The value creation model is further explained on the following pages.

Nordic Solar Global invests in early-stage solar energy projects as well as ready-to-build projects.

With Nordic Solar Global's acquisition of early-stage projects, we get even closer to the development process and value creation. With our competencies in contract negotiation, construction management, procurement, financing, and negotiation of PPAs (long-term electricity trading agreements), we can add even more value to the process. Negotiations are underway for the acquisition of several similar projects, where we can secure future investment opportunities and growth for the company for a small part of the construction cost. These acquisitions are part of the company's strategy to secure a plan for future construction to be able to better plan resources and capital needs.

When acquiring project rights, the investment policy and guidelines presented on page 27 are followed. Each investment is based on a detailed business case with cash flow analysis and sensitivity analysis on main variables. Finally, a thorough due diligence investigation is conducted in legal, financial, tax and technical areas, in order to confirm the feasibility and attraction of the project.

Operations
The management company (NSM) acts as day-to-day manager of Global, and undertakes all tasks, including the raising of capital, procuring investments, as well as managing and operating the solar parks and the holding company.

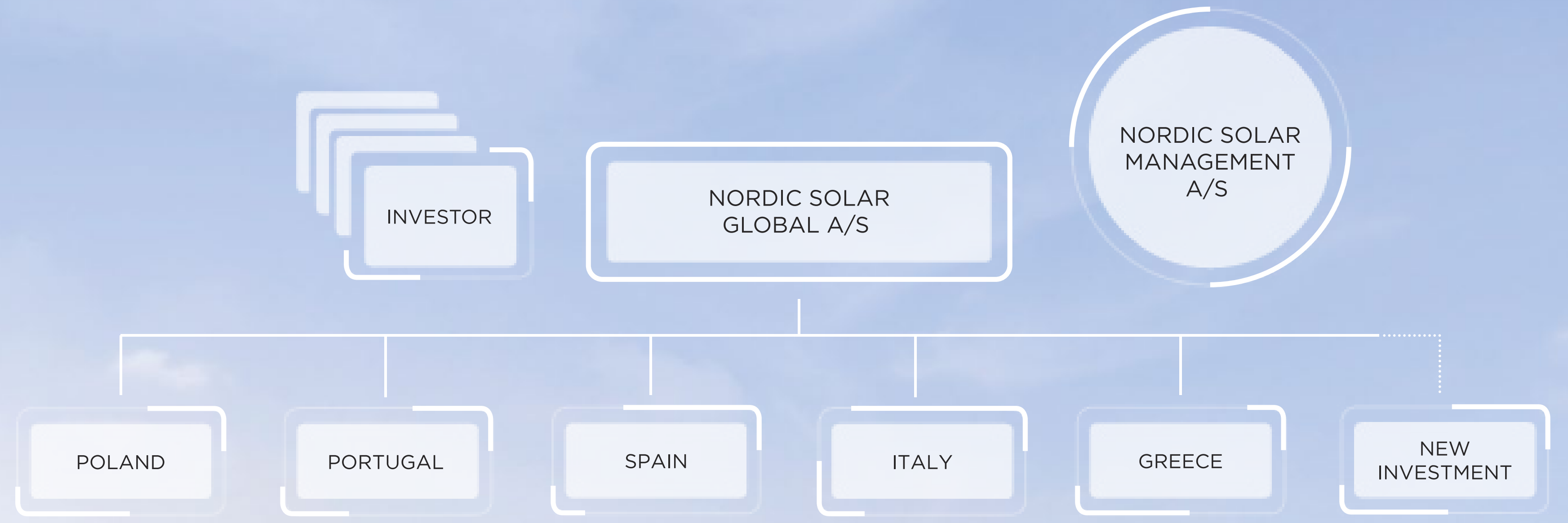
Consequently, Nordic Solar Global does not remunerate employees, and the costs associated with conducting investments, including due diligence, are thus transaction-based. In this way, investments may be made directly without the involvement of intermediaries.

All investments and other significant transactions are subject to approval by the Board of Directors. This ensures that all investments are made for the purpose of ensuring the investors the highest possible return with low fixed costs and a moderate risk.

All contracts between NSM and Nordic Solar Global are based on current market terms and may be terminated by either party within a fair notice period. This ensures that the control of the company lies with the shareholders and it creates a flexible and transparent cost structure.

Based on a desire to create value and growth for the shareholders, NSM operates Nordic Solar Global based on these key values: Thoroughness, openness, and honesty. NSM strives to be a serious and trustworthy partner for the customers, suppliers, and employees. Keywords are openness in working methods, honest communication, and respect for the work-life balance of the employees.

Business structure



*For legal structure see page 64-65

SHAREHOLDER RETURN

Nordic Solar Global realised a net return of 10.1% to its shareholders in 2020, originating from an increase in the share price from EUR 15.6 to EUR 17.2 (DKK 116.5 to DKK 128.3). The shareholder return primarily stems from the added value of the construction of the second Polish portfolio in combination with an increase in the operational portfolio in Poland from 26 to 30 MWp.

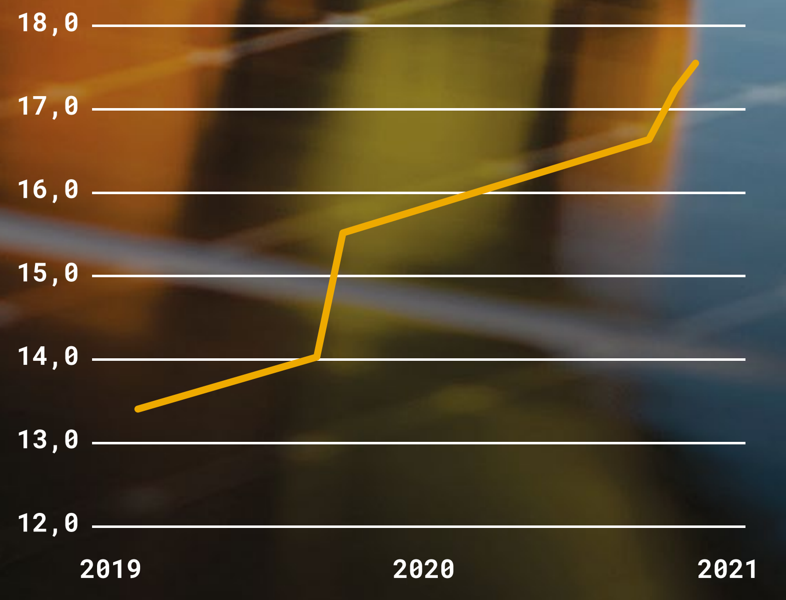
Since April 2019, Nordic Solar Global has made monthly, unaudited fair value calculations of the share price. The valuation is based on the budgeted cash flows for each solar park discounted to net present value by the estimated market return for the individual project and country. The company aims to arrive at a realistic, yet conservative, valuation of the solar parks and, thus, the shares. As ongoing capital increases and potential sellbacks of shares to the company are based on the monthly calculated share price, the price must reflect the fair value of Nordic Solar Global's equity. The price should not only be fair to the existing shareholders, whose shareholdings are diluted in connection with capital increases, but also to new investors in Nordic Solar Global.

Movements in the share price since the company was established are shown to the right.

In December 2020, the share price increased due to a value adjustment of the solar parcs, approved by the Board of Directors. The basis for this adjustment was that a major milestone in the Polish portfolio had been reached: the construction contract was finalised, and the project gave the contractor notice to proceed with the construction. The value adjustment only included one third of the total value adjustment towards a market-based return measured on IRR (internal rate of return) of a financed and operational project in the Polish market. The remainder of the value adjustment will be realised gradually as the project is constructed and financed.

Nordic Solar Global Share Price

EURO / SHARE



*The share price is unaudited and calculated from an estimated fair value and is not based on underlying trade.

Value creation model
Nordic Solar Global invests in project rights for solar photovoltaic (PV) parks and manages the construction phase as well as secures the long-term financing of the asset. Once the solar park is put into operation, the company handles all day-to-day operations of the parks, with long-term ownership. The value creation model and the value chain are illustrated in the figure on page 21.

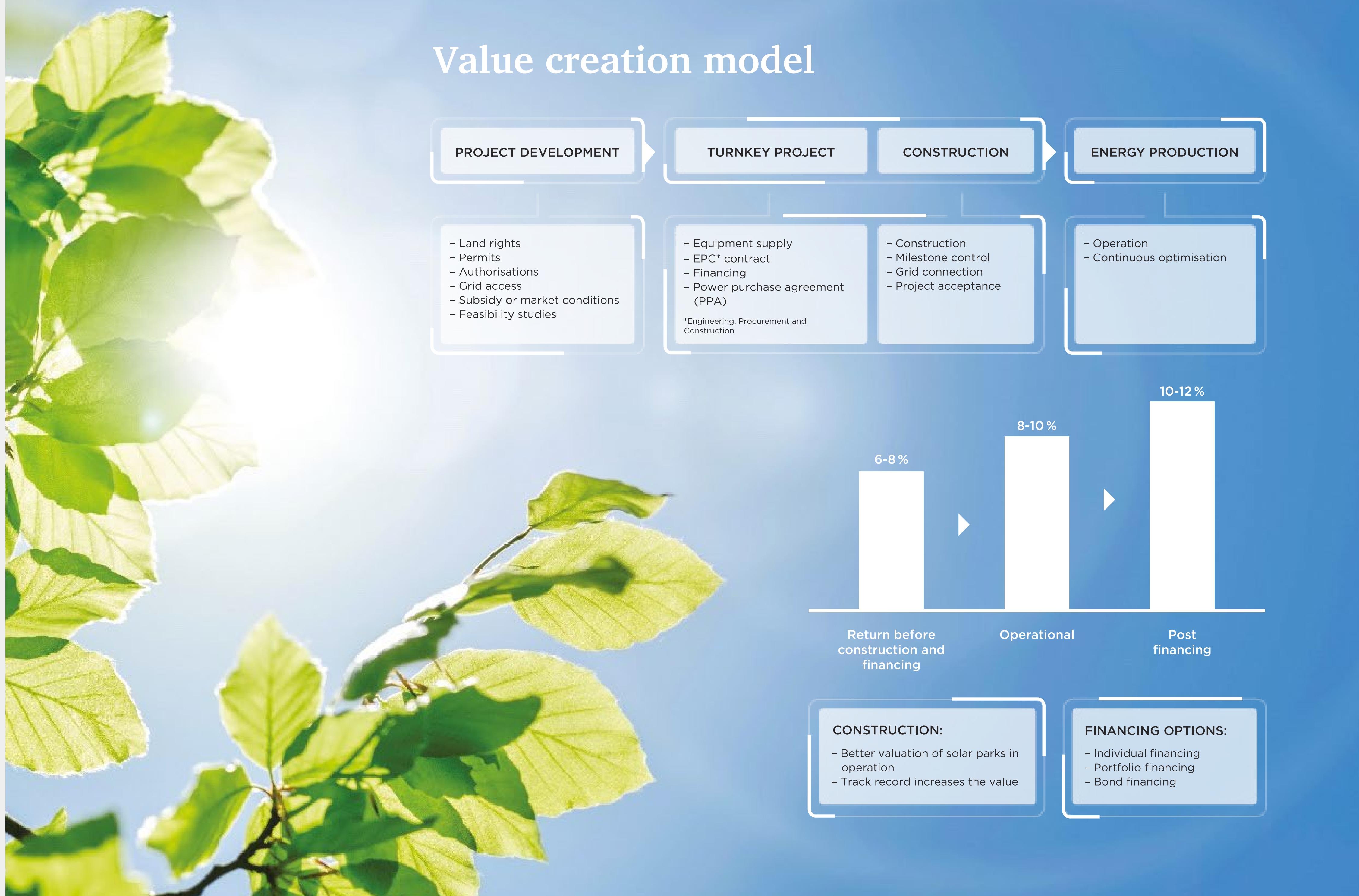
Nordic Solar Global either enters the project in the development phase or once the project is in the ready-to-build (RTB) stage. The definition of an RTB project can vary depending on the circumstances. All permissions and project authorisations are not necessarily in place at the time of acquisition, but it should be possible to perform a due diligence investigation of the project rights and confirm the project's feasibility within the expected time frame prior to making the investment decision. If Nordic Solar Global enters in the development phase, it does so in cooperation with a local partner, and the objective of securing the project rights at an early stage. Hence, most of the payment remains outstanding when the project reaches the RTB stage and a full due diligence investigation confirming the feasibility is possible.

The value creation in Nordic Solar Global achieved by entering projects early as compared to purchasing operational and financed solar projects is two-fold. First, purchasing a project early reduces the purchase price of the project and thereby results in a higher overall return on the investment. Second, committing to the investment on a full-equity basis and then undertaking the process of establishing the long-term financing also typically creates a higher return on the investment. The expected uplift on the return of these two phases is shown in the figure on page 21. It is estimated that an unlevered return of 6-8% may be increased to an 8-12% return once a project is successfully constructed, financed, and put into operation. The returns in the market are in general under pressure, but the difference in return level in each phase remains unchanged.

The challenge of entering earlier into the value chain is that the risk is naturally higher than when entering later. At the same time, a different skillset is needed to handle the extra assignments by entering projects earlier. Sourcing and construction management skills must be in place as well as project financing expertise.

The risks of taking a PV solar project from purchase through an RTB phase, over construction to a commercial asset in operation are mitigated through several measures. First, the choice of experienced partners, high-quality bankable hardware from trusted suppliers as well as ensuring that the payments follow a milestone payment scheme. Second, a thorough, complete technical, legal, and financial due diligence investigation in combination with contracts that contain adequate security and guarantees are equally important elements.

An example of the milestone payment scheme is illustrated in the figure on page 26. Typically, the payments follow the deliverables and value creation expected from the contractor. This means that when, for example, modules are delivered, a certain share of the contract sum is released, and when panels have been installed, another share of the sum is released. The two final payment milestones are typically released after the Provisional Acceptance Certificate (PAC) has been issued and at the time of issuing the Final Acceptance Certificate (FAC), respectively. The PAC test is the first full test of the PV system following grid connection and is a test of the system's functionality and performance compared to expectations and budget. The FAC test is typically performed two years after grid connection and here, it is tested whether the system over a two-year period performs as expected. The control of milestone achievements by an independent adviser may ensure that payments are made in accordance with the deliverables.



Sensitivity analysis

Nordic Solar Global strives to ensure that the investors always receive the highest possible risk-weighted return. Detailed calculations of how the individual solar park budgets are affected by changes in the main assumptions are always part of the investment process. The key elements of this sensitivity analysis are:

- Changes in revenue.
  May be due to, for example, lower than expected solar irradiation.
- Degradation of solar panels.
  Higher degradation than assumed lowers expected production.
- Inflation.
  May affect both expenses, electricity prices and subsidies to the degree these are adjusted for inflation.
- Change in electricity prices.
  To the extent that the solar park's revenue comes from subsidies or from the sale of electricity on market terms. Professional electricity price forecasts are used, and the sensitivity of high or low-case scenarios are evaluated.
  If a PPA is assumed, changes in PPA terms are evaluated.
- Changes in budgeted operating expenses.
  Covers unforeseen expenses as well as the effect of cost optimisation.
- Changes in assumed cost for the construction of the solar parks.
- Changes in the key parameters of the expected financing terms.
  In general, returns on a solar park are very stable and, measured by IRR, are affected by no more than +/- 1 percentage point on most parameters in case of a 5% change in each individual variable. However, taking into consideration the movement of the industry from subsidy-based to market-based non-subsidised projects, the dependence on especially the electricity price development and the achievable PPA has increased importance. Therefore, the sensitivity of the electricity price development is an essential part of the investment process.

Sensitivity analysis of Global's portfolio

- Change in electricity prices of +/- 5% will increase/decrease the portfolio value with 5.7% and the effect on the internal rate of return will be ±0.35%
- Change in operational costs of +/- 5% will increase/decrease the portfolio value with 2.0% and the effect on the internal rate of return will be 0.14%
- Change in production of +/- 1% will increase/decrease the portfolio value with 2.3% and the effect on the internal rate of return will be ±0.15%

OPERATION OF THE SOLAR PARKS
During 2020, operations in the Polish portfolio have been satisfactory with only a few COVID-19-related delays of maximum one to two months in terms of grid connecting certain parks.

NSM has a team of engineers who oversee the construction, production, administration, and maintenance of the parks by the local partners. All 32 operational parks were visited by the NSM operations team in 2020.

The day-to-day operation and maintenance (O&M) of Nordic Solar Global's solar parks are handled by local partners who ensure the highest possible productivity based on maintenance and supervision of the parks.

At the moment, the portfolio only comprises one operational group of solar parks in Poland. The operation of the Polish solar parks is usually handled by the contractor until such time as the parks have been grid connected and have passed the PAC test. This ensures the performance guarantees set out in the contract, and the operation of the parks is conducted by the most knowledgeable supplier. After the final acceptance certificate has been achieved – typically, the FAC test is two years after the PAC test – the solar parks are usually free to change supplier. If operations are carried out satisfactorily, the change of supplier is not necessarily desirable.

In 2020, the irradiation was 5% higher than expected, as was the performance of the parks. No insurance claims were made in 2020.

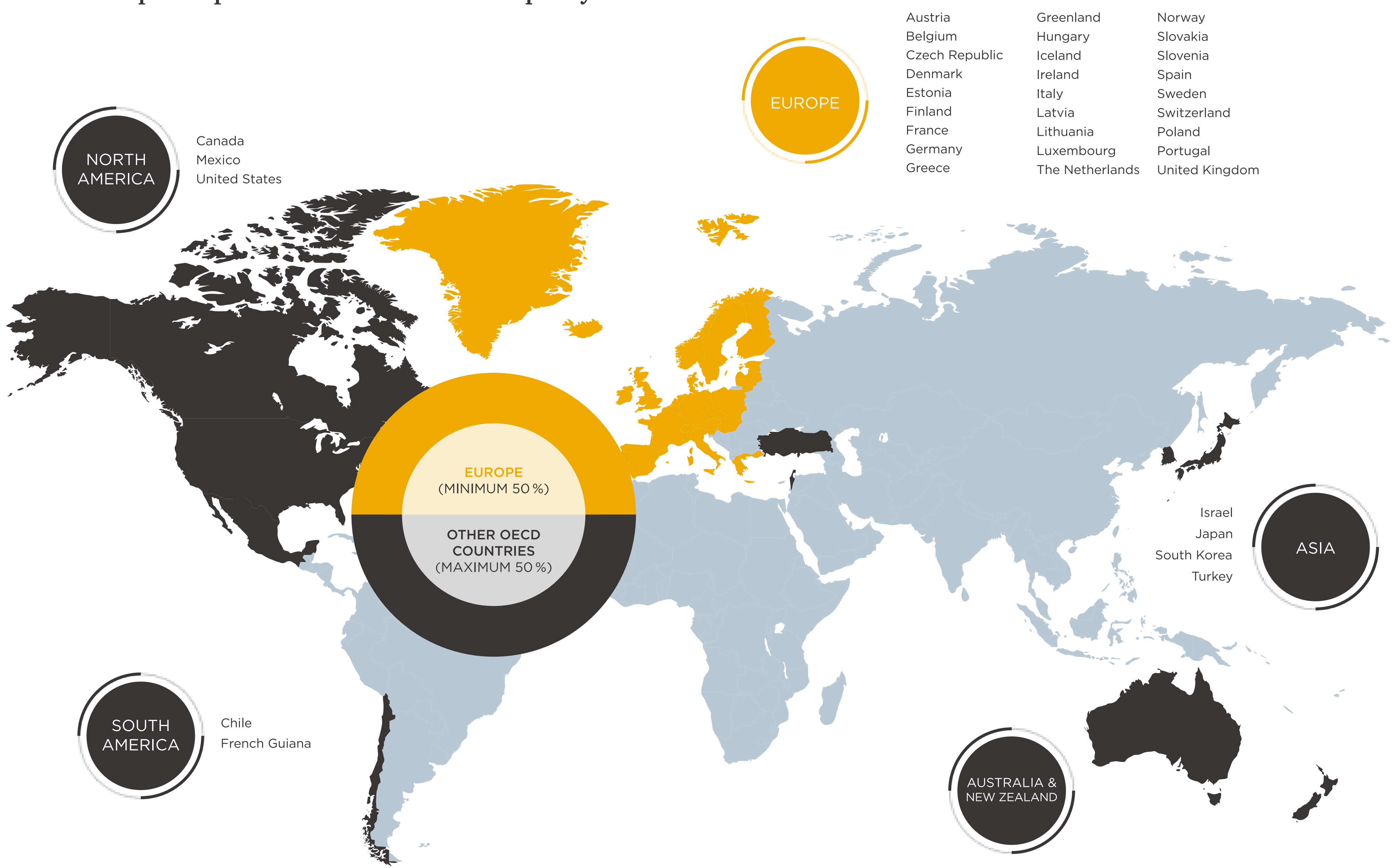
Solar parks
Nordic Solar Global currently owns 32 operational solar parks and 39 parks under construction in Poland, with a total production capacity of 68.9 MWp.

In Q4 2020, the company acquired projects and rights that roughly correspond to completed projects with a total expected balance sheet of EUR 325 million in total. The company completed the acquisition of a 48.5 MWp Portuguese project, where construction started in January 2021, and, additionally, in December, the company bought a 50 MWp project in Spain where construction will begin later in 2021. Also, in Q4, the company bought the option rights to develop and build two large solar energy projects in Italy (a total of 170 MWp) as well as a 265 MWp portfolio of projects in Greece. Nordic Solar Global is going to develop the projects in Italy and Greece in collaboration with a local developer, and the construction itself is expected to commence in 2022.

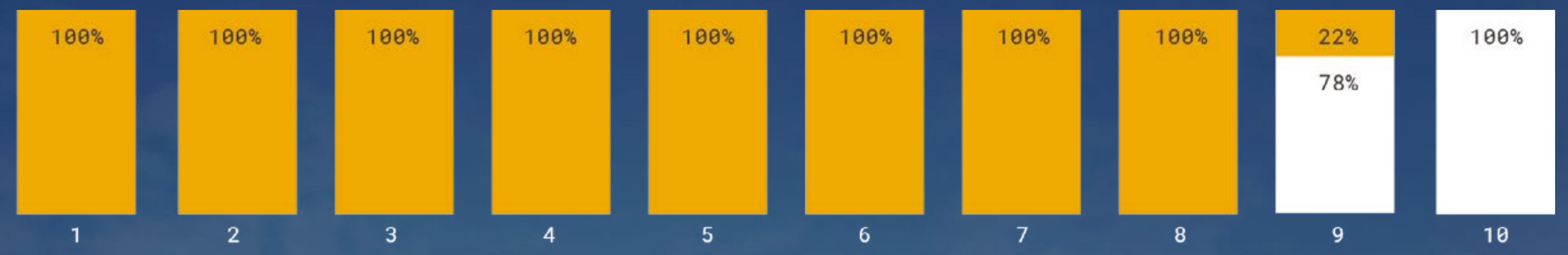
Portfolio overview
Capital deployed is distributed as follows:
67.3% in Poland
27.4% in Portugal
3,3% in Italy
1,4% in Greece
0.6% in Spain

All projects are ground mounted

Graphical presentation of investment policy



Example of construction milestones



1 Ready-to-Build (RTB) is verified and the project has been confirmed.

2 The preparation of land, establishment of roads and fence have been completed and this is confirmed by third-party technical experts.

3 The piles have been rammed and the low voltage cables have been completed and this has been confirmed by third-party technical experts.

4 Transformer stations have been delivered to the site.

5 The substructure assembly is completed and is confirmed by third-party technical experts.

6 The module installation is completed and is confirmed by third-party technical experts.

7 The direct current (DC) works and inverter installation are completed and is confirmed by third-party technical experts.

8 Alternating current (AC) installation is completed and is confirmed by third-party technical experts

9 Provisional Acceptance Certificate (PAC) is completed.

10 Final Acceptance Certificate (FAC) is completed.

MANAGEMENT

Nordic Soar Global is an alternative investment fund, and management of the fund is handled by the alternative investment fund manager (AIFM) Nordic Solar Management A/S. The management company is regulated by the Danish financial authorities (Finanstilsynet) and must comply with the AIFM regulation.

The Board of Directors of Nordic Solar Global ensures and controls that the management company follows the investment guidelines of the company. On top of the ordinary reporting on operations and investments, the Board of Directors receives quarterly reporting from the management company on compliance and risk management.

Investment strategy and guidelines

Nordic Solar Global's growth and value creation are based on the following investment guidelines and strategy:

Investments are made only in project rights for the construction of photovoltaic (PV) solar parks that are ready-to-build (RTB) or expected to be able to reach RTB. When acquiring project rights, the following investment characteristics are sought:

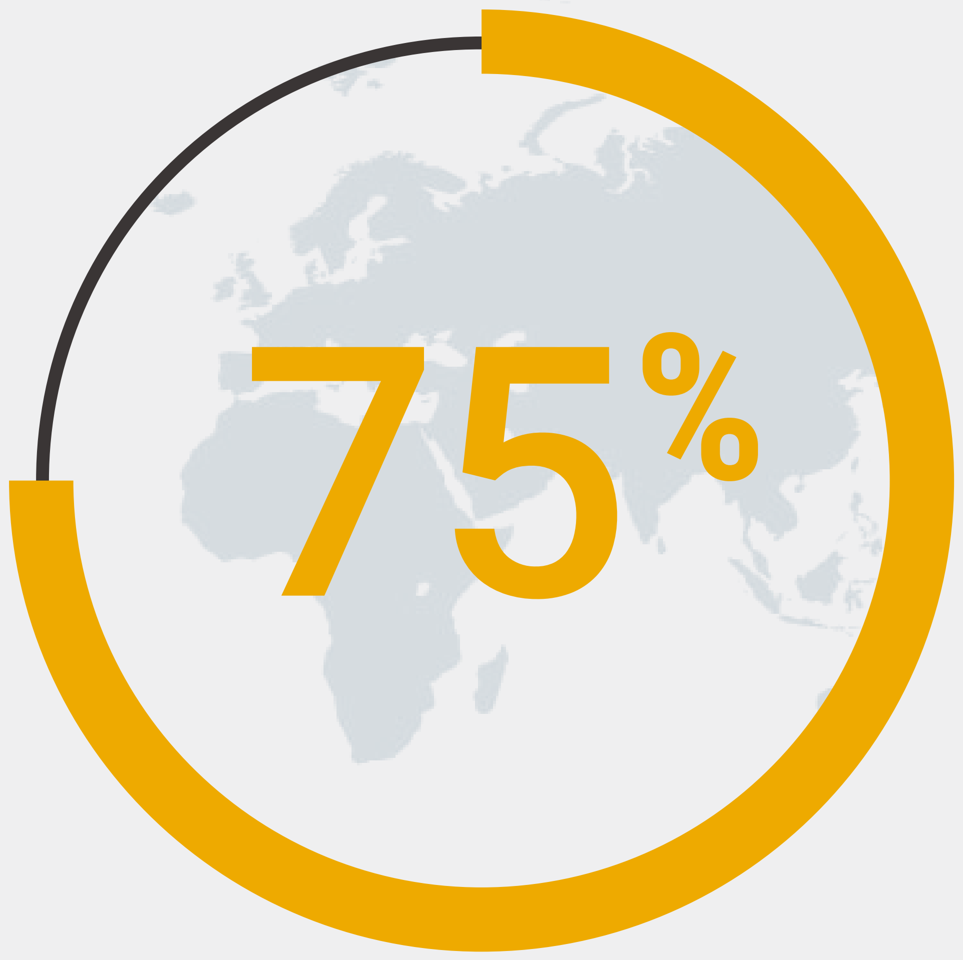
- After financing and grid connection, the project is in the current market expected to yield above 8% return measured by the internal rate of return (IRR). The projected returns may include the risk of obtaining a power purchase agreement for electricity sales (PPA), the risk of obtaining long-term financing and the terms hereof, the realisation of the expected cost structure in the project as well as the construction risk on its own.
- Investments are conducted within the geographical area of OECD countries with the ambition to have minimum 50% of the portfolio invested in Europe and maximum 50% in the rest of OECD. Investments may be made in countries outside the OECD if the Board of Directors assesses that a specific country's economy and politics are based on market economy and democracy.
- The objective is that a maximum of 33% of the total investments are made in one country.
- Investments in any one currency other than EUR or DKK do not exceed a 33% share of the portfolio. At the same time, minimum 40% of all investments must be denominated in either EUR or DKK.
- The sum of the Group's equity (excluding impact of hedging instruments) and investor loans is at least 20% of the balance sheet total after financing of all projects, including debt at holding level.
- The majority of the Group's financing (minimum 50%) has to be at a fixed interest rate.
- Interest rate hedging may take place with fixed-rate loans or a combination of floating-rate loans with an interest rate swap (or equivalent instruments) matching the floating-rate loan.

The investment guidelines regarding the geographical distribution of investments and currency exposure are not expected to be fully applied until the company has conducted a minimum of five investments.

Risk management

The risk management of the company is handled by the management company. The risk management function is an independent function with direct reference to the Board of Directors of the management company.

The portfolio development is followed closely, and before any investment decision is made, the defined risk areas as well as the investment guideline are consulted. The risk management function of the management company reports to the Board of Directors of both the management company and Nordic Solar Global on a quarterly basis.



# of solar jobs are local jobs

Source: Solar Power Europe

Board of Directors and Executive Board

Christian Sagild

Chairman

Christian has a solid financial background including an education as actuary from the University of Copenhagen and has had a long career within the insurance and pension industry. He was employed by Topdanmark in 1996-2018 and from 1998 he was the Managing Director of Topdanmark Livsforsikring. From 2009 to 2018, Christian was the CEO of Topdanmark.

Christian now focusses on board positions and has until 2021 been a board member of Danske Bank A/S. Christian is currently a board member of Royal Unibrew A/S and Ambu A/S as well as Chairman of the Board of Directors of Nordic Solar Energy A/S and Nordic Solar Global A/S.

Christian is an investor in both Nordic Solar companies.

Marinus Boogert

Vice-chairman

Marinus has more than 20 years of experience from the solar industry, for example from Shell Solar, as the founder and Director of Onestone Solar Holding BV in the Netherlands as well as CEO of Libra Cleantech Projects BV. Apart from in-depth knowledge of solar cell production and sales, Marinus also has a Master of Business from the University of Groningen.

Marinus is co-founder of Nordic Solar Energy A/S in 2010 and co-owner of the management company Nordic Solar Management. Moreover, he is the daily operator of Nordic Solar Energy A/S and Nordic Solar Global A/S.

Marinus is Deputy Chairman of the Board of Directors of Nordic Solar Energy A/S and Nordic Solar Global A/S.

Marinus is an investor in both Nordic Solar companies.

Per Thrane

Board member

Per is a civil engineer from the Technical University of Denmark and in 1981, he founded Thrane & Thrane with his brother. Per acted as Managing Director in Thrane & Thrane, which was listed on the NASDAQ OMX in 2001. This company is a world leader within satellite communications equipment, with 600 employees and a turnover of EUR 161 million.

Per assumes board positions in, among others, BB Electronics A/S, Nordic Solar Global A/S, Nordic Solar Energy A/S and is Chairman of the Board of Directors of Gentofte Municipality's Ports.

Per was among the first investors in Nordic Solar Energy A/S and Nordic Solar Global A/S.

Iben Mai Winsløw

Board member

Iben is a lawyer from Copenhagen University and lawyer with bar before the high court of Denmark, as well as a member of the Council of The Danish Bar and Law Society. Iben has been an external lecturer and examiner at the University of Copenhagen and at the Danish Law Society.

Apart from being the founder of the Society for the Building Committee for Solar Energy, and lawyer for companies in the solar energy industry, Iben is also the founder of Winsløw Law Firm in Copenhagen with expertise in real estate, commercial leasing, and real estate development. Iben is an investor in Nordic Solar Global A/S.

Iben is Chairman of the Board of Zeso Arkitekter A/S, Zeso Alliance A/S, Winsløw Advokatpartnerselskab and Winlaw Advokatanpartsselskab as well as board member of Core Bolig VI, WindSpace A/S, Nordic Solar Globa A/S and Nordic Solar Energy A/S.

Frank Schyberg

Board member

Nikolaj Holtet Hoff

CEO

Frank is certified in business insurance from the Academy of Insurance (FOAK level 5, HD) and educated in the banking industry. Frank is the CEO and co-owner of IQ Energy Nordic. IQ Energy Nordic delivers energy-saving solutions to companies throughout the Nordic region.

Frank has worked in the recruitment industry, including as CEO of the Danish Career Institute, as director and senior partner in Signium International, and as Nordic Managing Director for Stepstone. Frank was previously employed in the financial sector for 15 years and has been a board member of several Danish organisations and companies.

Today, Frank is a board member of Nordic Solar Global, Nordic Solar Energy A/S and is member of The Danish Management Society (VL), VL-Group 10.

Frank is an investor in Nordic Solar Energy A/S.

Nikolaj has more than 20 years of experience with investments as well as managing and operating businesses and has worked for AT Kearney, IC Companys, The Velux Group and SR Private Brands.

Nikolaj holds a Master of Economics from Copenhagen University and has in the last 16 years managed investment companies. In 2010, Nikolaj founded Nordic Solar Energy and he currently owns the majority of Nordic Solar Management A/S. Nikolaj is responsible for the day-to-day operations of Nordic Solar Energy, Nordic Solar Global and the management company.

Nikolaj is board member in the Semler Group, Dulong Fine Jewelry, Unidrain, chairman of the board of Nørrebro Brewery, and Ticket to Heaven.

Nikolaj is also an investor in Nordic Solar Energy A/S and Nordic Solar Global.

03

Financial Statements

Consolidated financial statements

CONSOLIDATED INCOME STATEMENT

All figures are in EUR '000

	Note	2020	2018/19
Revenue	4	**1,988**	**0**
Direct costs		-538	-111
Other operating income		274	22
Other external costs		-1,811	-683
Gross profit/loss		**-87**	**-772**
Staff costs	5	-40	-53
Profit/loss before amortisation, depreciation and impairment losses (EBITDA)		**-127**	**-825**
Amortisation, depreciation and impairment losses		-492	-24
Operating profit/loss (EBIT)		**-619**	**-849**
Financial income		218	5
Financial expenses	6	-689	-24
Profit/loss before tax		**-1,090**	**-868**
Income taxes	7	61	160
PROFIT/LOSS FOR THE YEAR		**-1,029**	**-708**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All figures are in EUR '000

	2020	2018/19
PROFIT/LOSS FOR THE YEAR	**-1,029**	**-708**
Items that have been or may be reclassified to the income statement		
Exchange rate adjustments on translation of subsidiaries (net)	-1,268	131
Fair value adjustment of hedging instruments	-83	0
Tax on other comprehensive incomes	6	0
Other comprehensive income for the year	-1,345	131
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-2,374**	**-577**

CONSOLIDATED BALANCE SHEET

All figures are in EUR '000

	Note	2020	2019
ASSETS			
Property, plant and equipment	8	25,660	2,060
Solar parks under construction	9	23,155	17,008
Deferred tax asset	10	224	160
Non-current assets		**49,039**	**19,228**
Trade receivables	11	233	0
Other receivables	12	5,497	3,485
Prepayments		1,880	344
Cash and cash equivalents		32,018	188
Current assets		**39,628**	**4,017**
TOTAL ASSETS		**88,667**	**23,245**

All figures are in EUR '000

	Note	2020	2019
EQUITY AND LIABILITIES			
Share capital	13	11,487	4,621
Translation reserve		-1,137	131
Reserve for hedging		-77	0
Retained earnings		39,481	13,542
Total equity		**49,754**	**18,294**
Loans	14	20,555	2,144
Provisions	15	3,316	737
Other payables		77	0
Non-current liabilities		**23,948**	**2,881**
Loans	14	1,086	1,764
Trade payables		3,796	175
Other payables		10,083	131
Current liabilities		**14,965**	**2,070**
Total liabilities		**38,913**	**4,951**
TOTAL EQUITY AND LIABILITIES		**88,667**	**23,245**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All figures are in EUR '000

	Note	Share capital	Translation reserve	Premium	Reserve for hedging	Retained earnings	Total equity
CASH PAYMENT CONCERNING FORMATION OF ENTITY 4 SEPTEMBER 2018	13	**54**	**0**	**161**	**0**	**0**	**215**
Profit/loss for the year		0	0	0	0	-708	**-708**
Transfer of premium		0	0	-161	0	161	**0**
Exchange rate adjustments regarding subsidiaries		0	131	0	0	0	**131**
Total comprehensive income for the year		**54**	**131**	**0**	**0**	**-547**	**-362**
Capital increases including related costs	13	4,567	0	0	0	13,711	**18,278**
Share-based remuneration		0	0	0	0	378	**378**
Transactions with investors		**4,567**	**0**	**0**	**0**	**14,089**	**18,656**
EQUITY 31 DECEMBER 2019		**4,621**	**131**	**0**	**0**	**13,542**	**18,294**
Profit/loss for the year		0	0	0	0	-1,029	**-1,029**
Exchange rate adjustments regarding subsidiaries		0	-1,268	0	0	0	**-1,268**
Fair value adjustment of hedging instruments		0	0	0	-83	0	**-83**
Tax on other comprehensive income		0	0	0	6	0	**6**
Total comprehensive income for the year		**0**	**-1,268**	**0**	**-77**	**-1,029**	**-2,374**
Capital increases including related costs	13	6,866	0	0	0	26,301	**33,167**
Share-based remuneration		0	0	0	0	667	**667**
Transactions with investors		**6,866**	**0**	**0**	**0**	**26,968**	**33,834**
EQUITY 31 DECEMBER 2020		**11,487**	**-1,137**	**0**	**-77**	**39,481**	**49,754**

CONSOLIDATED STATEMENT OF CASH FLOWS

All figures are in EUR '000

	Note	2020	2018/19
Operating profit/loss (EBIT)		-619	-849
Amortisation, depreciation and impairment losses		492	24
Share-based remuneration		667	378
Change in net working capital	17	2,740	-3,358
Cash flows from ordinary operating activities		**3,280**	**-3,805**
Financial income		29	5
Financial expenses		-472	-24
Cash flow from operating activities		**2,837**	**-3,824**
Investments in assets under construction		-7,887	-15,385
Solar park investments		-7,604	-759
Cash flow from investing activities		**-15,491**	**-16,144**
Proceeds from borrowings	18	47,591	20,213
Repayment of borrowings	18	-2,466	0
Repayment of lease liabilities	18	-154	-89
Costs from capital increase		-499	32
Cash flow from financing activities		**44,472**	**20,156**
Net cash flow for the year		**31,818**	**188**
Cash and cash equivalents, beginning of the year		188	0
Exchange rate adjustment		12	0
CASH AND CASH EQUIVALENTS, END OF THE YEAR*		**32,018**	**188**

* Cash and cash equivalents include EUR 1,235 K relating to bank balances with restrictions. These funds are not readily available for general use by the Group.

Notes to the consolidated financial statements

1. ACCOUNTING POLICIES

This note describes the accounting policies applied to the consolidated financial statements as a whole. Where accounting policies are specific to a financial statement item, such policies are described in the related note to enhance understanding.

BASIS OF PREPARATION

The consolidated financial statements for Nordic Solar Global A/S are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and additional Danish disclosure requirements applying to reporting class B entities with addition of some provisions from class C.

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the parent company, Nordic Solar Global A/S, and its subsidiaries.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date where control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated financial statements are presented in Euro (EUR), and all values are rounded to the nearest thousand EUR (EUR K / EUR '000) unless otherwise stated. Euro is Nordic Solar Global A/S's functional and presentation currency.

Transactions and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss. Exchange rate adjustments are deferred in equity if they are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
b) Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
c) All resulting exchange rate adjustments are recognised in other comprehensive income.

On consolidation, exchange rate adjustments arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange rate adjustments are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets of the foreign operation and translated at the closing rate.

IMPAIRMENT OF ASSETS

The carrying amount of property, plant and equipment, leased land and investments in associates is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there are indications of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

STATEMENT OF CASH FLOW

The cash flow statement shows the Group'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 Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from investors.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand. Cash and cash equivalents comprise free and reserved cash in banks.

2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, usually not equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment of the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgements, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with - uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgements estimate and assumptions for the individual items are described below.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Useful life, dismantling costs and residual values

The Group has not incorporated the possibility to prolong existing lease agreements further ahead of the current contracts' terms for valuation purpose.

The actual useful life of a solar park is often more than 30 years. For accounting purposes, the assets are depreciated with the duration of the land / roof lease period and where the land is owned, with the government subsidy period.

If a dismantling obligation exists after the end of the contract period, the future cost of this has been incorporated as part of the asset as well as in a provision. In most cases, it has been assumed that the owner of the land or buildings will take over the solar park and the dismantling obligation after the end of the contract. The cost of the dismantling has therefore been added to the end value of the solar park so the value of the solar part at the end of the contract matches the dismantling obligation.

Impairment test

All solar parks are revaluated on a yearly basis, and the assets are reduced to the higher of the net selling price and the value in use (recoverable amount) if the recoverable amount is lower than the carrying amount.

The annual asset revaluation takes place through a line-by-line review of the cash flow budgets for each park's remaining lifetime.

SIGNIFICANT JUDGEMENTS

The preparation of the consolidated financial statements requires Management to make estimates and assumptions that can have a significant effect on the reported amounts in the consolidated financial statements. The estimates and underlying assumptions are based on historical experience and the expected future development. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates may be necessary if there are changes in circumstances on which the estimates are based, or more detailed information becomes available. Such changes are recognised in the period in which the estimate is changed.

Government grant

Management has, based on its judgement, decided to recognise Contracts for Differences (CfDs) based on IAS 20 as a government grant rather than as a derivative financial instrument.

The grant is a residual between an agreed total electricity price and the market price. Thus, there is no actual market price risk, but a total fixed electricity price.

Leases

In determining the lease term used for the recognition of leases, Management has assessed that it is not reasonably certain that the option will be extended. Due to no lease agreements having terminated as of yet, the Group has no history of extending lease options. This means that the recognition is based on the non-cancellable lease period.

3. NEW ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS

The following accounting standards, amendments (IAS and IFRS) and interpretations have been implemented from 1 January 2020:

- Amendments to IAS 1 and IAS 8 – Definition of Material
- Amendments to IFRS 3 - Business Combination
- Amendments to IFRS 9 and IFRS 7 – Interest Rate Benchmark Reform

Nordic Solar Global A/S follows the guidelines in the above amendments, and the implementation did not change the accounting policies.

The adoption of the new standards, amendments and interpretations has not significantly affected the annual report for 2020.

4. REVENUE INFORMATION

All figures are in EUR '000

	2020	2018/19
Sale of electricity including government grants	1,988	0
	1,988	0
Net revenue by country		
Poland	1,988	0
	1,988	0
Property, plant and equipment		
Poland	48,815	19,068
	48,815	19,068
Investment in property, plant and equipment		
Poland	31,886	15,390
	31,886	15,390

Government grants consist of government grants related to production of solar power electricity and consists of sale to one customer. The government grants include Contract for Differences (CfDs).

Accounting policies
Revenue from electricity produced is recognised when control of the electricity is transferred to the customer, i.e. the purchaser's network, which takes place when the electricity is produced.

A government grant is recognised when there is reasonable assurance that the Group will comply with the terms of the government grant, typically production of green energy, and when there is reasonable assurance that the grant will be received.

The government grants include a cap, where the total government grant which the Group can receive over the grant period, are maximised. In such situations, the grant is recognised with the amount that can be attributed to the current sale of electricity.

The government grant includes a penalty, if the Group during the grant period does not produce the electricity agreed upon. In such situations, the Group estimates the expected grant based on expected production of electricity at the solar park over the grant period. Contracts regarding government grants expire in 2034.

Revenue is measured based on the consideration (transaction price) specified in contracts with customers and excludes amounts collected on behalf of third parties, e.g. VAT.

Sales contracts for a fixed amount of electricity at a variable price or where the Group is exclusive supplier to the customer at a variable price are considered one performance obligation with multiple deliveries to be satisfied over time. For such contracts, revenue is recognised at the amount, which the Group has a right to invoice.

Revenue contracts include only one performance obligation, i.e. the sale of electricity. There is no variable transaction price as all contracts include a fixed price, with some being indexed by inflation or a price index yearly.

No payment terms exceed 12 months and no adjustment for time value of money is made. The electricity is normally paid in the month following the production.

The Group is entitled to consideration that corresponds to the produced electricity if a customer terminates a contract before its original expiry date. Therefore, the Group uses the clause permitted by IFRS 15 and does not disclose the transaction price allocated to unsatisfied performance obligation.

5. STAFF COSTS

All figures are in EUR '000

	2020	2018/19
Fee to Board of Directors	40	53
Average number of employees (consists of the Group's Executive Management)	1	1

Remuneration of key management:

	2020	2018/19
Salary	110	46
Bonus	52	35
Other staff costs	21	10
	183	91

The remuneration paid to the Executive Management is part of the management remuneration paid for Nordic Solar Management A/S.

6. FINANCIAL EXPENSES

All figures are in EUR '000

	2020	2018/19
Interest costs, banks	188	12
Interest costs from loans from investors	46	7
Interest costs from lease liabilities	51	0
Exchange rate adjustments	259	2
Other financial costs	145	3
	689	24

Accounting policies
Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

7. TAX ON PROFIT/LOSS FOR THE YEAR

All figures are in EUR '000

	2020	2018/19
CURRENT TAX		
Income tax expenses	55	160
Tax on other comprehensive income	6	0
	61	160
Current tax on profits for the year	2	0
Deferred tax	197	160
Adjustment for current tax of prior periods	-138	0
INCOME TAX EXPENSE	61	160

	2020	2018/19
TAX RECONCILIATION		
Profit/loss before tax	-1,090	-868
Tax using the Danish corporation tax rate (22 %)	240	191
Tax rate deviations in foreign jurisdictions	-88	-22
Non-deductible expenses	-1	-7
Deferred tax asset not recognised	-92	-2
Other adjustments, net	2	0
	61	160

Accounting policies
The Group is jointly taxed with the Danish subsidiaries. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). The jointly taxed companies are taxed under the Danish Tax Payment Scheme. Additions, deductions and allowances are recognised under financial income or financial costs.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. On 31 December 2020, no provisions are recognised in relation to uncertain tax positions.

8. PROPERTY, PLANT AND EQUIPMENT

All figures are in EUR '000

	Solar parks	Leased land	Total
Cost 1 January 2020	0	2,141	2,141
Exchange rate adjustments	-327	0	-327
Additions during the year	0	6,713	6,713
Remeasurement	0	-469	-469
Transfer from solar parks under construction	18,297	0	18,297
Cost 31 December 2020	**17,970**	**8,385**	**26,355**
Depreciation and impairment 1 January 2020	0	-81	-81
Remeasurement	0	17	17
Depreciation for the year	-441	-190	-631
Depreciation and impairment 31 December 2020	**-441**	**-254**	**-695**
CARRYING AMOUNT 31 DECEMBER 2020	**17,529**	**8,131**	**25,660**
Additions during the year	0	2,141	2,141
Cost 31 December 2019	**0**	**2,141**	**2,141**
Depreciation for the year	0	-81	-81
Depreciation and impairment 31 December 2019	**0**	**-81**	**-81**
CARRYING AMOUNT 31 DECEMBER 2019	**0**	**2,060**	**2,060**

Property, plant and equipment comprise solar parks which are not leased, and leased land where the solar parks have obtained a production licence.

Leased land contracts expire between 2043 to 2049. In 2020, the total cash outflow for leased lands amounted to EUR 154 K.

Accounting policies

Property, plant and equipment which are not leased are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. Depreciation is based on cost reduced by any residual value and is calculated on a straight-line basis over the expected useful lives of the assets, which is estimated to up to 30 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than it estimated recoverable amount. An impairment loss is recognised in the income statement when the impairment is identified. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level at which cash flows are separately identifiable. General and specific borrowing costs directly attributable to the acquisition of an asset are capitalised and depreciated over the lifetime of the asset.

Leased land comprises the initial measurement of the corresponding lease liability adjusted for up-front payments. The subsequent measurement of leased land is measured at cost less accumulated depreciation and impairment losses and adjustment for any remeasurement.

Leased land is depreciated over the term of the lease. The term of the lease is determined based on the non-cancellable period of the lease.

In case of a significant change in the lease term or payments, the lease liability and corresponding leased land will be remeasured using the incremental borrowing rate.

9. SOLAR PARKS UNDER CONSTRUCTION

All figures are in EUR '000

	Solar Parks
Cost 1 January 2020	17,008
Additions for the period	25,173
Remeasurement	-39
Transfer to property, plant and equipment	-18,297
Exchange rate adjustments	-690
Cost 31 December 2020	**23,155**
CARRYING AMOUNT 31 DECEMBER 2020	**23,155**
Additions for the period	17,008
Cost 31 December 2019	**17,008**
CARRYING AMOUNT 31 DECEMBER 2019	**17,008**

Due to the solar parks being under construction, lease cost interest of EUR 212 K and depreciation of the leased land of EUR 139 K are capitalised as solar parks under construction.

At 31 December 2020, the Group entered into contractual obligations with external parties. The Group will construct solar parks at a cost of EUR 52,129 K in the period 2021-2024. The specific liabilities refer to constructing a solar park in Portugal as well as a portfolio of projects in Poland.

Accounting policies

The cost of solar parks under construction comprises direct cost of materials, components and sub-suppliers related to the construction of the solar parks. Financial costs related to solar parks under construction are capitalised as a cost until the construction of the solar park is completed. Costs related to solar parks under construction are recognised as assets under construction on an ongoing basis until the solar park is ready for use and has obtained its production licence.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the income statement when the impairment is identified.

The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level at which cash flows are separately identifiable.

10. DEFERRED TAX ASSETS

All figures are in EUR '000

	2020	2019
Deferred tax 1 January	160	0
Deferred tax recognised in the income statement	58	160
Recognised in other comprehensive income	6	0
DEFERRED TAX 31 DECEMBER	**224**	**160**
Deferred tax assets relate to:		
Leased lands	66	21
Tax loss carry forward	152	139
Interest rate swaps	6	0
	224	**160**
Of which presented as deferred tax assets	224	160
Of which presented as deferred tax liabilities	0	0
	224	**160**

The Group has recognised deferred tax assets of a total of EUR 224 K, of which EUR 152 K relates to tax losses. Based on the budget for the coming years, it is expected that the tax loss will be utilised in the next 3-5 years.

Accounting policies

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and

DEFFERRED TAX ASSETS (CONTINUED)
liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

11. TRADE RECEIVABLES
All figures are in EUR '000

	Government	Total
Not due yet	150	150
Between 31 and 90 days	83	83
More than 90 days	0	0
TRADE RECEIVABLES 31 DECEMBER 2020	**233**	**233**

Accounting policies
Trade receivables are measured at amortised cost. Write-downs to counter losses are made according to the simplified expected credit loss model, after which the expected loss is recognised immediately in the income statement.

12. OTHER RECEIVABLES
All figures are in EUR '000

	2020	2019
Deposits	4,338	0
VAT	1,086	3,485
Other	73	0
OTHER RECEIVABLES 31 DECEMBER	**5,497**	**3,485**

13. SHARE CAPITAL
All figures are in EUR '000

	2020	2019
Changes in share capital:		
Share capital at 1 January	4,621	0
Cash payment concerning formation of entity	0	54
Capital increases	6,866	4,567
SHARE CAPITAL 31 DECEMBER	**11,487**	**4,621**
Cost of capital increases	499	307

The share capital consists of 3,423,201 shares of a nominal value of DKK 25.

No shares carry any special rights.

The total capital increase amounts to EUR 33,167 K of which EUR 26,301 K is premium.

Capital management
The capital structure of the Group consists mainly of equity and investor loans. During the year, loans from investors of EUR 33,666 K were converted to equity.

The purchase of solar parks is financed by a loan portfolio (the so-called loan programme) provided in consecutive tranches by the Group's existing investors and potential investors. Furthermore, financial institutions provide financing in the form of investment or construction credits.

It is company policy to distribute dividend based on positive cash flow from solar parks to the Group's investors.

The return target is currently 8-12% per year. The return expectations will follow the market development over the years.

14. LOANS
All figures are in EUR '000

	2020	2019
Mortgage loans	11,191	0
Lease liabilities	8,256	2,144
Loans from investors	1,108	0
Non-current liabilities	**20,555**	**2,144**
Mortgage loans	909	0
Lease liabilities	174	12
Loans from investors	3	1,752
Current liabilities	**1,086**	**1,764**
	21,641	**3,908**
Breakdown by maturity		
Less than 1 year	1,086	1,764
Between 1-5 years	5,515	114
Above 5 years	15,040	2,030
	21,641	**3,908**
Type of interest rate		
Fixed	20,074	3,908
Variable	1,567	0
	21,641	**3,908**

	2020		2019	
Currency exposure	**Effective interest rate**	**Carrying amount**	**Effective interest rate**	**Carrying amount**
DKK	4.0%	1,111	5.0%	1,752
PLN	3.4 - 5.0%	20,530	5.0%	2,156
		21,641		**3,908**

The loans are grouped as mortgage loans, lease liabilities and loans from investors. Mortgage loans are loans with a defined repayment profile and a mortgage on the tangible assets.

Lease liabilities comprise the present value of the remaining lease payments of all lease agreements. The total interest cost from lease liabilities in the total lease period amounts to EUR 6,481 K. The maturity analysis of lease liabilities is presented in note 19. Loans from investors are part of the capital raising process. The majority of the proceeds are converted to equity.

Capitalised loan costs of EUR 254 K have been deducted from the carrying amount of mortgage loans.

Interest exposure
The Group has loans of EUR 21,641 K, of which EUR 20,074 K is hedged by interest rate swaps, and the remaining loan of EUR 1,567 K has a variable interest.

Accounting policies
Borrowings are initially recognised at fair value, net of transaction expenses incurred. On subsequent recognition, the borrowings 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 term of the loan. Any differences between the proceeds and the redemption value are recognised in the income statement over the period of the borrowings using the effective interest method.

The lease liability is initially measured at the present value of the remaining lease payments using the incremental borrowing rate. Lease payments are allocated between amortisation on the lease liabilities and interest cost.

15. PROVISIONS

All figures are in EUR '000

	Dismantling
Provision 1 January 2020	737
Additions during the year	2,515
Interest element	64
PROVISION 31 DECEMBER 2020	**3,316**

Accounting policies
Where the Group is required to restore the leased premises to their original condition at the end of the respective lease terms, provisions have been recognised for the present value of the estimated expenditure required to restore the land.

These provisions have been capitalised as part of the cost of the solar park recognised as property, plant and equipment or solar parks under construction.

Provisions are measured at the present value of management's best estimate of

the expenditure required to settle the present obligation at the end of the reporting period.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The provision is expected to be used in the years 2043-2049.

16. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities
Liquid funds of EUR 1,235 K are pledged as security for debt to banks of EUR 12,354 K.

The Group has entered into agreements concerning supply of operating and maintenance services. The value of these, due within 12 months, amounts to EUR 196 K, and EUR 98 K is due within one to two years.

The Group's fixed assets, totaling EUR 18,781k, are pledged as collateral for bank loans.

As part of its increasing activity, the Group has entered into the below contingent liabilities by category. The increase in contingent liabilities compared to last year is explained by the Group's growth and is in accordance with its nature.

Contingent liabilities refer to obligations that have been established in the accounting period but relate to future events. They are characterised by only being confirmed by certain occurrences or non-occurrences of events in the future that cannot be fully controlled by Nordic Solar Global A/S.

Contingent liabilities referring to 'Share purchase agreements' relate to potential acquisitions of new project rights. Usually, there are several conditions, but the predominant condition for the liabilities becoming payable is that the seller of the project in question obtains all permits and agreements for the project to become ready-to-build (RTB). If the seller does not obtain such permits, etc., within the agreed deadline, the liability lapses without any further payment obligations.

Some projects acquired from a seller include an agreement that the seller must also construct the project under an engineering, procurement and construction agreement. Contingent liabilities referring to 'Construction agreements' are, hence, subject to the project achieving RTB status and the project being acquired under the 'Share purchase agreement'.

As a consequence of Nordic Solar Global A/S acquiring projects, initiating construction activities and financing specific projects, certain fee payments will become due and are included in the category 'Other'. As for the other previous activities, these are subject to certain specific conditions; predominantly the realisation of the projects. If the projects are not realised, such liabilities rarely become payable.

All figures are in EUR '000

	Share purchase agreements	Construction agreements	Other	Total
0-1 years	34,626	0	2,091	36,717
1-3 years	0	22,545	3,094	25,639
31 DECEMBER 2020	**34,626**	**22,545**	**5,185**	**62,356**

17. CHANGES IN NET WORKING CAPITAL

All figures are in EUR '000

	2020	2018/19
Changes in trade receivables	-233	0
Changes in other receivables and prepayments	980	-3,493
Changes in trade payables	2,008	135
Changes in other debt and deferred income	-15	0
	2,740	**-3,358**

18. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

All figures are in EUR '000

	Beginning of year	Proceeds from borrowings	Repayments	Non-cash changes*	Year-end
Mortgage loans	0	11,905	-714	0	**11,191**
Financial leases	2,144	0	-154	6,266	**8,256**
Loans from investors	0	34,774	0	-33,666	**1,108**
Non-current liabilities	**2,144**	**46,679**	**-868**	**-27,400**	**20,555**
Mortgage loans	0	909	0	0	**909**
Financial leases	12	0	0	162	**174**
Loans from investors	1,752	3	-1,752	0	**3**
Current liabilities	**1,764**	**912**	**-1,752**	**162**	**1,086**
CASH FLOW FROM FINANCIAL ITEMS 31 DECEMBER 2020	**3,908**	**47,591**	**-2,620**	**-27,238**	**21,641**

Non-cash changes in 2020 are primarily changes related to acquisition of solar parks, which amounts to EUR 6,266 K, and conversion of debt, which amounts to EUR 33,666 K.

19. FINANCIAL INSTRUMENTS

All figures are in EUR '000

FINANCIAL RISK FACTORS

The Group is exposed to a variety of financial risks; e.g. political, currency and interest risk plus credit risk and liquidity risk.

The financial risks of the Group are managed centrally. The overall risk management guidelines, the Financial policy and the Investment policy, have been approved by the Board of Directors. Nordic Solar Management A/S manages contracts and risk exposures in accordance with the guidelines and policies and reports to the Board of Directors on a regular basis.

MARKET RISK

Price risk

Price risk arises from the development in electricity prices. However, all revenue is covered by a Contract for Difference (CfD) government grant scheme, which eliminates exposure to negative price risk.

Sensitivity analysis

The table below summarises the impact of increases/decreases of market-based energy prices. The analysis assumes that the electricity prices had increased by

25% or decreased by 25% with all other variables held constant. As the electricity is fixed by the CfDs, there is no impact.

INTEREST RATE RISK

The Group's interest rate risk arises from long-term mortgage loans related to the acquisition of solar parks. Mortgage loans issued at variable rates expose the Group to cash flow interest rate risk and fair value interest rate risk. General Group policy is, however, to hedge variable interests using interest rate swaps or fixing the interest rate directly.

The loans within the Group are either entered into with a variable interest rate or with a variable interest rate converted to a fixed interest rate through an interest rate swap. On 31 December 2020, loans with a variable interest amounted to EUR 1,567 K and are without a corresponding swap agreement. The impact on pre-tax profit in case of a 1% change in the interest rate level is +/- EUR 16 K.

CREDIT RISKS

Credit risk is managed on Group level, except for credit risk relating to accounts receivable balances. The local entities have very low risk on accounts receivable since revenue is generated from government grants.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. Cash is split between the operational unit's banks placed in the local countries, which implies that the full cash balance risk has a natural diversification.

The maximum exposure corresponds to the carrying amount of receivables and cash.

	Impact on pre- tax profit	Impact on other components of equity
Change in market-based electricity prices by 25 %.	+/- 0	0

All other variables are held constant.

LIQUIDITY RISK

Cash flow forecasting is performed on Group level by the management company. Management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times to ensure that the Group does not breach borrowing limits or covenants (where applicable) or any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.

FOREIGN EXCHANGE RISK

The Group's exchange rate policy is to finance investments in local currency in each subsidiary in order to match the currency of debt repayments and interest payments to the currency in which cash flows are received. The equity part of investments in foreign currency is not hedged as this is a long-term exposure. The exchange rate is a financial risk of Nordic Solar Global's portfolio after the investment in Poland in 2018. The return is therefore affected by fluctuations in the PLN exchange rates.

MATURITY ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES

The table below analyses the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest.

	Impact on pre-tax profit	Impact on other components of equity
10% change in exchange rates EUR/PLN	+/- 64	+/- 44

All other variables are held constant.

All figures are in EUR '000

2020	Less than 1 year	1-5 years	Above 5 years	Total carrying amounts
Trade receivables	233	0	0	233
Other receivables	5,497	0	0	5,497
Cash	32,018	0	0	32,018
Financial assets at amortised cost	**37,748**	**0**	**0**	**37,748**
Mortgage loans	1,420	5,317	9,197	15,934
Lease liabilities	569	2,626	11,715	14,910
Trade payables	233	0	0	233
Loans from investor	47	1,148	0	1,195
Other payables	9,951	0	0	9,951
Financial liabilities at amortised cost	**12,220**	**9,091**	**20,912**	**42,223**
Interest rate swaps	6	25	52	83
Fair value through other comprehensive income	**6**	**25**	**52**	**83**
31 DECEMBER	**49,974**	**9,116**	**20,964**	**80,054**

2019	Less than 1 year	1-5 years	Above 5 years	Total carrying amounts
Other receivables	3,485	0	0	3,485
Cash	188	0	0	188
Financial assets at amortised cost	**3,673**	**0**	**0**	**3,673**
Lease liabilities	114	609	3,215	3,938
Loans from investor	1,796	0	0	1,796
Other payables	126	0	0	126
Financial liabilities at amortised cost	**2,036**	**609**	**3,215**	**5,860**
31 DECEMBER	**5,709**	**609**	**3,215**	**9,533**

FINANCIAL INSTRUMENTS (CONTINUED)

DERIVATIVE FINANCIAL INSTRUMENTS
As part of the Group risk management, derivatives are used for hedging purposes in order to reduce the Group's exposure to market risks.

The Group has entered into interest rate swap on mortgage loans, from a floating interest rate to a fixed interest rate.

Measurement of the fair value of financial instruments is categorised as level 2 in the fair value hierarchy, as measurement is based on observable yield curves, as informed by the credit institutions in the Mark-to-Market statement.

Accounting policies
On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value.

Fair value is based on the primary market. If no primary market exists, fair value will be based on the most advantageous market, defined as the market that maximises the price of the asset or liability less transaction and transport costs.

Positive and negative fair values of derivative financial instruments are included in other receivables or other payables. Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or other payables and in equity. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income or other expense.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within financial costs.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

All figures are in EUR '000

	Contract amount at year end	Positive fair value at year end	Negative fair value at year end	Remaining contract period
Interest rate swaps	12,370	0	83	01.01.2021 - 24.03.2034
31 DECEMBER 2020	**12,370**	**0**	**83**	

20. RELATED PARTIES

All figures are in EUR '000

	2020	2018/19
Transactions with board members		
Interests costs	22	4
Loans from investors	0	872
Repayment of loans to investors	872	0
Transactions with Nordic Solar Management A/S:		
Other external expenses	3,143	134
Capitalised costs	18,641	473
Equity – capital increase costs	7,289	494
	29,073	**1,101**

'Key management remuneration' is disclosed in note 5.

The Group has entered into a corporate management agreement with NSM for the day-to-day management and operation of the Group. As part of the management agreement, NSM provides a managing director to the Group. The managing director does not receive salary from the Group.

21. SHARE-BASED PAYMENTS

The Group has established a warrant programme for NSM. Each warrant entitles NSM to subscribe for one share in the Nordic Solar Global A/S at a nominal value of DKK 25. The warrant is granted at each capital increase in Nordic Solar Global A/S and is granted during the vesting period. The granted warrants have no end date.

The subscription price for shares subscribed under warrants granted is the weighted average subscription price per share during the vesting period less accumulated paid distributions of any kind (including capital reductions and resale of issued shares to Nordic Solar Global A/S) since its inception. However, the subscription price must be a minimum of DKK 25 per share.

The fair value of the warrants granted is estimated on the basis of the Black & Scholes model. The estimate considers the terms and condition applicable to the grant of warrants and Management's expectations of the development in the elements on which the valuation model is based.

Accounting policies
The fair value of the equity-settled warrant programme is measured at the time of granting and is recognised in the income statement as other external costs over the period until the final right to warrants is earned. The off-setting item is recognised directly in equity.

Specification of outstanding warrants	Average exercise price, EUR	Number of warrants
Outstanding 1 January 2020	14.52	154,235
Granted during the year	16.33	229,164
Outstanding 31 December 2020		**383,399**

Fair value of warrants at the grant date	Number of warrants	Fair value, EUR
29 April 2020	68,858	159,873
14 December 2020	160,306	506,944
	229,164	**666,817**

In 2020, costs relating to the warrant programme were recognised by EUR 667 K.

Assumptions	2020
Share price ranges (EUR)	16.01
Expected lifetime (years)	4.26
Volatility	25%
Risk-free interest rate	-0.6%

22. EVENTS AFTER THE REPORTING DATE

No events of importance to the consolidated financial statement have occurred after the reporting date.

23. GROUP COMPANIES

Investments in subsidiaries are specified as follows:	Place of registered office	Votes and ownership
Directly owned subsidiaries		
NS Global I ApS	Copenhagen Denmark	100%
NS Global II ApS	Copenhagen Denmark	100%
NS Global III ApS	Copenhagen Denmark	100%
NS Global IV ApS	Copenhagen Denmark	100%
NS Global V ApS	Copenhagen Denmark	100%
NS Global VI ApS	Copenhagen Denmark	100%
Indirectly owned subsidiaries		
Polish Solar South Sp. Z o.o.	Katowice, Poland	100%
WS Olsztynek Sp. Z o.o.	Katowice, Poland	100%
PV Polska I Spolka Z o.o.	Katowice, Poland	100%
WS Sepolno Sp. Z o.o.	Katowice, Poland	100%
WS Bytow Sp. Z o.o.	Katowice, Poland	100%
WS Bytow Beta Sp. Z o.o.	Katowice, Poland	100%
WS Kalisz Sp. Z o.o.	Katowice, Poland	100%
Energy Solar 13 Sp. Z o.o.	Gdansk, Poland	100%
Energy Solar 16 Sp. Z o.o.	Gdansk, Poland	100%
Energy Solar 17 Sp. Z o.o.	Gdansk, Poland	100%
Energy Solar 20 Sp. Z o.o.	Gdansk, Poland	100%
Energy Solar 23 Sp. Z o.o.	Gdansk, Poland	100%
Energy Solar 40 Sp. Z o.o.	Gdansk, Poland	100%
G Solar Energy 1 Sp. Z o.o.	Gdansk, Poland	100%
Goldalqueva S.A.	Pias, Portugal	100%
NS Global Spain SL	Denia, Spain	100%
NS Global Italy S.r.l.	Florence, Italy	100%

The legal group structure is presented on pages 64-65

Parent company financial statements

INCOME STATEMENT

All figures are in EUR '000

	Note	2020	2018/19
Other external expenses		-980	-527
Gross profit/loss		**-980**	**-527**
Staff costs	2	-40	-53
Profit/loss before financial income and expenses		**-1,020**	**-580**
Income/loss from investments in subsidiaries	3	-636	-520
Financial income	4	807	416
Financial costs	5	-280	-24
Profit/loss before tax		**-1,129**	**-708**
Income taxes		100	0
NET PROFIT/LOSS FOR THE YEAR		**-1,029**	**-708**

PROPOSED PROFIT/LOSS DISTRIBUTION			
Retained earnings		-1,029	-708
NET PROFIT/LOSS FOR THE YEAR		**-1,029**	**-708**

BALANCE SHEET 31 DECEMBER

All figures are in EUR '000

	Note	2020	2019
ASSETS			
Investments in subsidiaries	6	0	375
Receivables from subsidiaries	7	32,356	19,567
Fixed asset investments		**32,356**	**19,942**
Deferred tax asset		100	0
Prepayments		2,580	68
Receivables		21	20
Cash and cash equivalents		16,285	136
Current assets		**18,986**	**224**
ASSETS TOTAL		**51,342**	**20,166**

	Note	2020	2019
LIABILITIES AND EQUITY			
Share capital	8	11,487	4,621
Reserve for exchange rate adjustments		-1,137	131
Retained earnings		39,404	13,542
Equity		**49,754**	**18,294**
Loans from investors		1,108	0
Non-current liabilities		**1,108**	**0**
Loans from investors		3	1,752
Trade payables		475	111
Other payables		2	9
Current liabilities		**480**	**1,872**
TOTAL EQUITY AND LIABILITIES		**51,342**	**20,166**

STATEMENT OF CHANGES IN EQUITY

All figures are in EUR '000

	Note	Share capital	Reserve for exchange rate adjust-ments	Retained earnings	Total
EQUITY 1 JANUARY 2020	8	**4,621**	**131**	**13,542**	**18,294**
Net profit/loss for the year		0	0	-1,029	**-1,029**
Equity transactions in subsidiaries		0	-1,268	-77	**-1,345**
Cash capital increase including related costs	8	6,866	0	26,301	**33,167**
Share-based remuneration		0	0	667	**667**
EQUITY 31 DECEMBER 2020		**11,487**	**-1,137**	**39,404**	**49,754**

Notes to the parent company financial statements

1. ACCOUNTING POLICIES

The parent company financial statements are prepared in accordance with the Danish Financial Statements Act (reporting class B with addition of some provisions from class C).

There are no changes in the accounting policies compared to last year.

Unless otherwise indicated, the annual report for 2020 is presented in EUR thousands (EUR K / EUR' 000).

The accounting policies for the parent company are consistent with the accounting policies described for the consolidated financial statements concerning recognition and measurement with the following exceptions:

Foreign currency translation
On translation of foreign currencies, exchange rate adjustments of subsidiaries are recognised in equity when the balances of the overall net investment is a foreign enterprise. Exchange rate adjustments on loans are recognised in the income statement as financial income or financial cost.

Investments
The parent company measures investments in subsidiaries and associates using the equity method. If there is any indication that a company's value is lower than the future earnings of the company, an impairment test is performed of the company as described in the consolidated financial statements. If the carrying amount exceeds the future earnings of the company (recoverable amount), the investment is written down to this lower value.

Investments in subsidiaries with a negative net asset value are measured at EUR 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Statement of changes in equity
Pursuant to the Danish Financial Statements Act, entries recognised in the statement of comprehensive income in the consolidated financial statements are recognised directly in the statement of changes in equity in the Parent company's financial statements, except for entries concerning exchange gains/losses on translation of receivables from and payables to subsidiaries, entries providing an effective hedge against foreign exchange gains/losses on the net investment and entries concerning other financial assets.

2. STAFF COSTS

All figures are in EUR '000

	2020	2018/19
Fee to Board of Directors	40	53
Average number of employees (consists of the company's Executive Management)	1	1

3. INCOME/LOSS FROM INVESTMENTS IN SUBSIDIARIES

All figures are in EUR '000

	2020	2018/19
Share of loss in subsidiaries	636	520
	636	520

4. FINANCIAL INCOME

All figures are in EUR '000

	2020	2018/19
Interest received from subsidiaries	666	411
Other financial income	141	5
	807	416

5. FINANCIAL COSTS

All figures are in EUR '000

	2020	2018/19
Interest costs from loans from investors	46	7
Exchange rate adjustments	204	4
Other financial costs	30	13
	280	24

6. INVESTMENTS IN SUBSIDIARIES

All figures are in EUR '000

	2020	2019
Cost 1 January	764	0
Additions for the period	21	764
Cost 31 December	**785**	**764**
Revaluations 1 January	-389	0
Exchange rate adjustment	-1,268	131
Net profit/loss for the year	-636	-520
Fair value adjustment of hedging instruments	-77	0
Other adjustments, net	2	0
Revaluations 31 December	**-2,368**	**-389**
Equity investments with negative net asset value impaired over receivables	1,583	0
CARRYING AMOUNT 31 DECEMBER	**0**	**375**

Overview of investments in subsidiaries is presented in note 23 to the consolidated financial statements.

7. RECEIVABLES FROM SUBSIDIARIES

All figures are in EUR '000

	2020
Cost 1 January	19,567
Disposals for the year	-17,999
Additions for the year	32,371
Cost 31 December	**33,939**
Impairment loss 1 January	0
Impairment loss for the year	1,583
Impairment loss 31 December	**1,583**
CARRYING AMOUNT 31 DECEMBER	**32,356**

8. SHARE CAPITAL

All figures are in EUR '000

	2020	2019
Changes in share capital:		
Share capital 1 January	4,621	0
Cash payment concerning formation of entity	0	54
Additions for the period	6,866	4,567
SHARE CAPITAL 31 DECEMBER	**11,487**	**4,621**
Cost on capital increases	499	307

The share capital consists of 3,423,201 shares of a nominal value of DKK 25.

No shares carry any special rights.

The total capital increase amounts to EUR 33,167 K of which EUR 26,301 K is premium.

9. COMMITMENTS AND CONTINGENT LIABILITIES

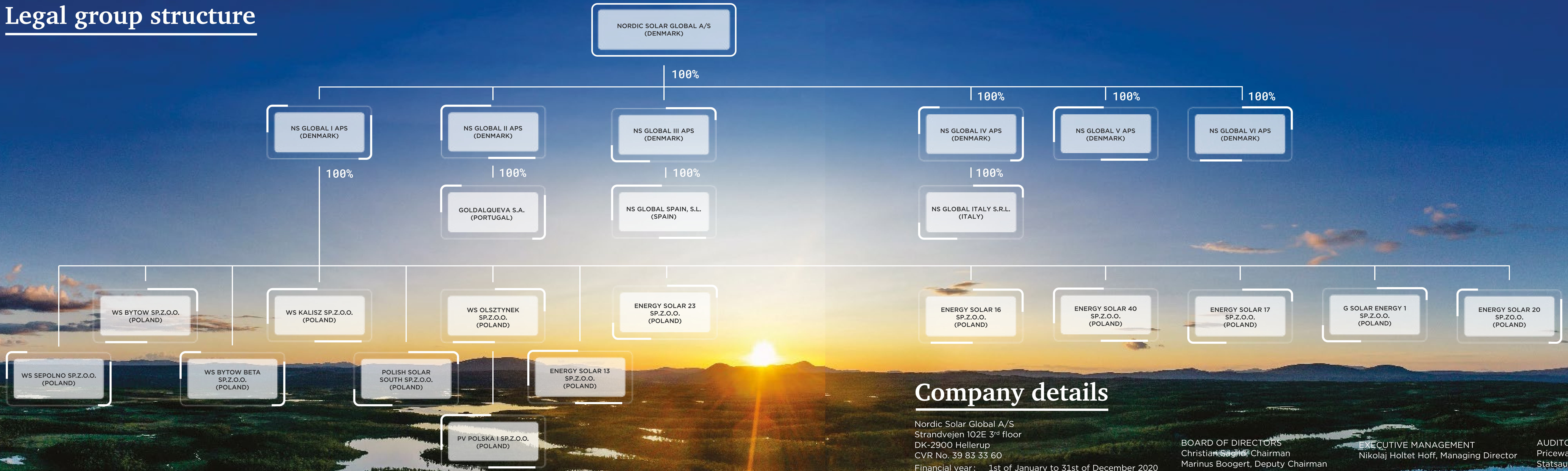
Contingent liabilities
The parent company is jointly taxed with its Danish group entities. The jointly taxed entities have joint and several unlimited liability for Danish income taxes and withholding taxes on dividends, interest and royalties within the group of jointly taxed entities.

The company's loan to Global I of EUR 10,814 K including accumulated interest is subordinated Global I's loan in Mbank of EUR 12,355 K.

The parent company has issued a letter of financial support to the subsidiaries NS Global I ApS and NS Global II ApS which covers the period until May 2022.

Source: The International Energy Agency (IEA)

Legal group structure



Company details

Nordic Solar Global A/S
Strandvejen 102E 3rd floor
DK-2900 Hellerup
CVR No. 39 83 33 60

Financial year: 1st of January to 31st of December 2020
Incorporated: 4 December 2018
Domicile: Hellerup

BOARD OF DIRECTORS
Christian Sagild, Chairman
Marinus Boogert, Deputy Chairman
Per Thrane
Iben Mai Winsløw
Frank Schyberg

EXECUTIVE MANAGEMENT
Nikolaj Holtet Hoff, Managing Director

AUDITORS
PricewaterhouseCoopers
Statsautoriseret
Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Statement by Management

The Executive Board and the Board of Directors have discussed and approved the annual report of Nordic Solar Global A/S for the financial year 1 January 2020 to 31 December 2020.

The annual report of Nordic Solar Global has been prepared in accordance with IFRS as adopted by the EU and further requirements in the Danish Financial Statements Act and the annual report of the parent company has been prepared in accordance with the Danish Financial Statements Act. In our opinion, the consolidated financial statements and parent company financial statements give a true and fair view of the company and the company's financial position at 31 December 2020 and of the results of its operations as well as the consolidated cash flows for the financial year 1 January 2020 to 31 December 2020.

In our opinion, Management's Review includes a fair account of the matters dealt with.

The annual report is recommended for adoption.

Hellerup, 14 April 2021

PER THRANE	FRANK SCHYBERG	CHRISTIAN SAGILD	IBEN MAI WINSLØW	MARINUS BOOGERT	NIKOLAJ HOLTET HOFF

Independent auditor´s report

To the Shareholders of Nordic Solar Global

OPINION
In our opinion, the consolidated financial statements (pages 35-54) give a true and fair view of the Group's financial position at 31 December 2020 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2020 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the parent company financial statements (pages 56-62) give a true and fair view of the parent company's financial position on 31 December 2020 and of the results of the parent company's operations for the financial year 1 January to 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the consolidated financial statements and the parent company financial statements of Nordic Solar Global for the financial year 1 January to 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the parent company, as well as statement of comprehensive income and cash flow statement for the Group ("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 Group 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.

STATEMENT ON MANAGEMENT'S REVIEW
Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS
Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of parent company 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 Group's and the parent 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 Group or the parent 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.

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 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 Group's and the parent 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 Group's and the parent 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 Group and the parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Hellerup, 14 April 2021.

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No. 33 77 12 31

HENRIK ØDEGAARD
State Authorised Public Accountant
mne31489

KRISTIAN PEDERSEN
State Authorised Public Accountant
mne35412

Nordic Solar
Global A/S

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