

**EnergyKey AS**

**Quarterly report**

**Beginning of financial statement: 01.01.2020**

**End of the financial statement: 31.03.2020**

**Registry code: 14305370**

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## Statement of financial position

(In Euros)

	31.03.2020	31.12.2019
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and equivalents	118,847	310,433
Receivables	3,481,094	1,918,550
<b>Total current assets</b>	<b>3,599,941</b>	<b>2,228,983</b>
<b>Total assets</b>	<b>3,599,941</b>	<b>2,228,983</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Loan liabilities	432,000	250,000
Payables and prepayments	43,350	121,620
<b>Total current liabilities</b>	<b>475,350</b>	<b>371,620</b>
<b>Non-current liabilities</b>		
Loan liabilities	1,245,648	1,245,648
<b>Total non-current liabilities</b>	<b>1,245,648</b>	<b>1,245,648</b>
<b>Total liabilities</b>	<b>1,720,998</b>	<b>1,617,268</b>
<b>Equity</b>		
Share capital	25,000	25,000
Retained earnings (loss)	586,715	205,300
Profit/loss of current year	0	530,443
Profit/loss of current quarter	1,267,229	-149,028
<b>Total equity</b>	<b>1,878,944</b>	<b>611,715</b>
<b>Total liabilities and equity</b>	<b>3,599,941</b>	<b>2,228,983</b>

**Income statement**

(In Euros)

	<b>01.01.2020 - 31.03.2020</b>	<b>01.10.2019- 31.12.2019</b>
Revenue	4,712,304	5,874,830
Other income	0	0
Raw materials and consumables used	-3,289,804	-5,881,127
Other operating expense	-61,627	-94,498
Employee expense		
Other expenses	-46,212	-3,925
<b>Operating profit (-loss)</b>	<b>1,314,660</b>	<b>-104,720</b>
Profit (loss) from subsidiaries		-4,848
Interest income	6,086	7,708
Interest expenses	-44,002	-44,002
Other financial income and expense	-9,516	-3,166
<b>Profit (loss) before tax</b>	<b>1,267,229</b>	<b>-149,028</b>
Income tax		0
<b>Annual period profit (-loss)</b>	<b>1,267,229</b>	<b>-149,028</b>

## **Note 1 Accounting principles**

The quarterly report as at 31.03.2020 of EnergyKey AS has been prepared in accordance with accounting principles below.

The financial statements have been prepared in euro.

### **Cash**

For the purposes of the cash flow statement, cash and cash equivalents are short-term (with a term of up to three months), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in market value. Cash and cash equivalents include cash in hand and at bank, as well as short-term deposits with an original maturity of three months or less.

### **Receivables and prepayments**

Accounts receivable are included in the balance sheet based on the estimated collectability assessed on an individual basis, considering the information available regarding the customer's solvency. Doubtful receivables are written down to the amount that will probably be received. If the receivable has become uncollectible it will be written off from the balance sheet.

### **Financial liabilities**

Financial liabilities are initially recognized at their acquisition cost, consisting of the fair value of the consideration given. Following initial recognition, financial liabilities are measured at their amortised cost by using the effective interest rate method. Transaction costs are taken into consideration upon calculating the effective interest rate.

Interest expenses related to the financial liability are charged to the expenses of the period on accrual basis under "Net financial items" in the income statement.

The financial liability will be derecognized when the liability is paid, cancelled or expired.

### **Revenue**

Revenue from sales of goods is recognized when all material risks related to the ownership of the asset have been transferred to the buyer, and the amount of revenue and expenses related to the transaction can be reliably measured. Revenue from sales of farm equipment is recorded upon installation of the equipment. Revenue from sales of services is recorded upon

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rendering of the service. Interest income is recognized based on the effective interest rate method, except if the receipt of the interest is doubtful. In this case, interest income is recorded on cash basis.

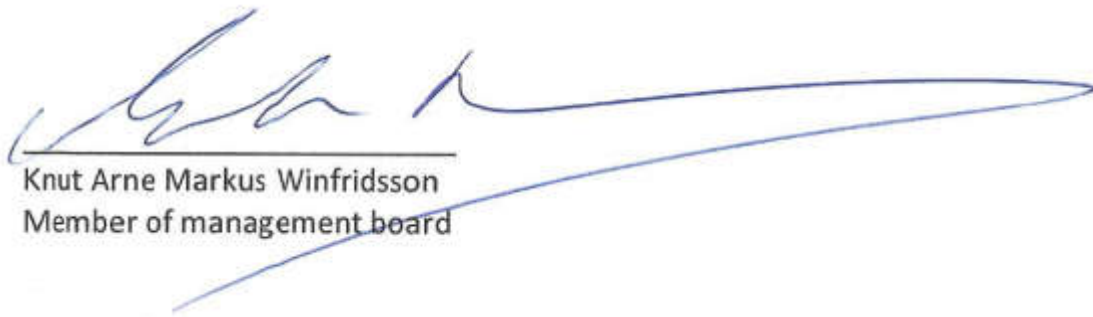
### **Taxation**

Pursuant to the Income Tax Act, Estonian companies are not subjected to pay income tax on the profit. Rather, they are subjected to income tax on the paid dividends. Until 31.12.2014 the established tax rate was 21/79 of the net dividend paid. From 01.01.2015 it was changed to 20/80. Since income tax is paid on the dividends rather than profit, all temporary differences between the tax bases and carrying values of assets and liabilities cease to exist.

The company's potential income tax liability related to the distribution of its retained earnings as dividends is not recorded in the balance sheet.

**Signature of Member of Management Board to quarterly report as  
at 31.03.2020**

Hereby I confirm EnergyKey AS quarterly report as at 31.03.2020.



Knut Arne Markus Winfridsson  
Member of management board

16.10.2020



## INDEPENDENT AUDITOR´S REVIEW REPORT

to the shareholders of EnergyKey OÜ

We have reviewed the I quarter financial statements of EnergyKey OÜ, which comprise the statement of financial position as at 31.03.2020, and the income statement for the quarter then ended, and a summary of significant accounting policies. Reviewed financial statements are presented on pages from 3 to 6.

### Management´s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Estonian Financial Reporting standard, 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.

### Auditor´s Responsibility

Our responsibility is to express a conclusion on the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) (Estonia) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE (Estonia) 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (Estonia) 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

**Assertum Audit OÜ**  
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*Audiitorettevõtja nr: 62*

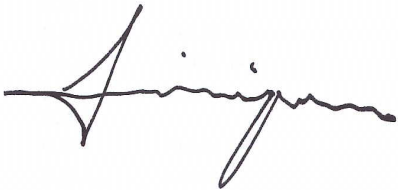
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## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of EnergyKey OÜ as at 31 March 2020, and (of) its financial performance for the quarter then ended, in accordance with the Estonian Financial Reporting Standard.



Sergei Tšistjakov  
*auditor's certificate number: 483*

Assertum Audit OÜ  
*audit firm's activities permission number: 62*

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11316 Tallinn

16 October 2020