

Date 25th January 2018

Sam Thakkar,
UHY Thakkar & Associates
Plot 1, Mackenzie Close
Kololo, Kampala



Dear Sir,

This representation letter is provided in connection with your audit of the Financial statements of Solantis Solar Limited for the year ended 30 June 2017 for the purpose of expressing an opinion as to whether the Financial statements are presented fairly, in all material respects, in accordance with International Financial Reporting Standard for Small and Medium-sized Entities.

We confirm that (to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves):

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 28 June 2017 for the preparation of the Financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities; in particular, the Financial statements are fairly presented in accordance therewith.
- We acknowledge that it is our responsibility to design, implement and maintain internal control to enable the preparation of the Financial statements that are free from material misstatement, whether due to fraud or error and prevent and detect fraud.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standard for Small and Medium-sized Entities.
- All events subsequent to the date of the Financial statements and for which International Financial Reporting Standard for Small and Medium-sized Entities require adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the Financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
- There are no events or conditions that may cast doubt on the entity's ability to continue as a going concern for 12 months from the balance sheet date.

- Any other written representations required to support other audit evidence relevant to the financial statements or one or more specific assertions in the financial statements. Consider paragraph A10 of ISA 580.

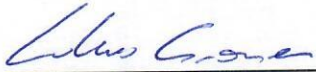
Information Provided

- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the Financial statements such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the Financial statements.
- We have disclosed to you the results of our assessment of the risk that the Financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the Financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's Financial statements communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing Financial statements.
- We have disclosed to you all information in relation to known actual or possible litigation and claims whose effects should be considered when preparing the Financial statements and where relevant, it have been accounted for and disclosed in accordance with the applicable financial reporting framework.
- We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.
- Any other written representations considered necessary. Consider paragraph A11 of ISA 580.

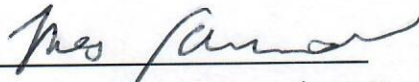
The Financial Institution (Anti Money Laundering) Regulations

- In terms of The Financial Institution (Anti Money Laundering) Regulations we are required by law to report to the local regulators responsible for collecting information to combat money laundering certain suspicious or unusual transactions, such as those which may involve money laundering, which have no apparent business or lawful purpose, or which may be relevant to an investigation of evasion or attempted evasion of tax. This statutory requirement, which applies to both prospective clients and existing clients, overrides the professional ethics rules of confidentiality, which we observe.

Yours truly,



[Name of Director] *LUKAS GROTH / CFO*



[Name of Director] *INES SCHAECKNER*



Solantis Solar Limited
Financial statements
for the year ended 30
June 2017

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

General Information

Country of incorporation and domicile	Uganda
Nature of business and principal activities	To carry on the business with in the broader field of solar, renewable energy and energy efficiency
Directors	Ms Ines Schreckeneder Mr Lukas Gruener
Registered office	Plot 22C, Prince Charles Drive Kololo, Kampala, Uganda
Postal address	P.O Box 710 Kampala, Uganda
Bankers	Stanbic Bank (U) Limited
Auditors	UHY Thakkar & Associates Certified Public Accountants
Secretary	Winnie Neumbe

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

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The reports and statements set out below comprise the financial statements presented to the shareholders:

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Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Directors' Responsibilities and Approval

The directors are required by the Ugandan Companies Act, (No 1) 2012, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

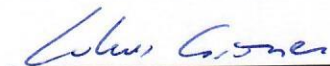
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2018 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor's and their report is presented on page 4.

The financial statements set out on pages 9 to 21, which have been prepared on the going concern basis, were approved by the board of directors on 25/11/2018 and were signed on its behalf by:

Approval of financial statements



Director



Director

Independent Auditor's Report

To the members of Solantis Solar Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Solantis Solar Limited set out on pages 9 to 21, which comprise the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Solantis Solar Limited as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Ugandan Companies Act, (No 1) 2012.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Uganda. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Uganda. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 24 in the financial statements, which indicates that the company incurred a net loss of USh367,313,674 2016 USh. 234,008,198 and Accumulated losses of Ush. 601,321,872 2016 Ush. 234,008,198. As stated in note 24, these events or conditions, along with other matters as set forth in note 24, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Ugandan Companies Act, (No 1) 2012, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work We have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Ugandan Companies Act, (No 1) 2012, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

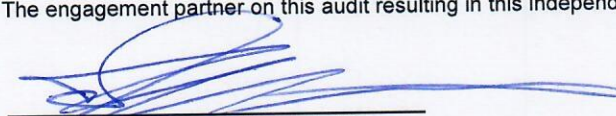
Independent Auditor's Report

Report on other legal and regulatory requirements

As required by the Ugandan Companies Act (No. 1) 2012, we report to you, based on our audit that;

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- ii) In our opinion, books of accounts have been kept by the company, so far as appears from our examination of the books.
- iii) The company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

The engagement partner on this audit resulting in this independent auditor's report is CPA Sam Thakkar- P0179.



Sam Thakkar FCCA (UK), CPA (U)
UHY Thakkar & Associates
Certified Public Accountants
Plot 1, Mackenzie Close
Kololo, Kampala

30/01/2018
Kampala



Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Solantis Solar Limited for the year ended 30 June 2017.

1. Incorporation

The company is incorporated in Uganda under the Ugandan Companies Act (No 1) 2012 and is domiciled in Uganda

2. Nature of business

The company's principal activity is to carry on the business with in the broader field of solar, renewable energy and energy efficiency.

There have been no material changes to the nature of the company's business from the prior year.

3. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Ugandan Companies Act, (No 1) 2012. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

4. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

5. Dividends

No dividend was declared or paid (2016:Nil).

6. Directors

The directors in office at the date of this report are as follows:

Directors	Nationality
Ms Ines Schreckeneder	Austrian
Mr Lukas Gruener	Austrian

7. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

8. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

9. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

10. Auditors

UHY Thakkar & Associates has expressed interest to continue in office in accordance with section 167(2) of the Ugandan Companies Act (No 1) 2012

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

11. Secretary

The company secretary is Winnie Neumbe.

Postal address

P.O Box 26870,
Kampala, Uganda

12. Acknowledgements

Thanks and appreciation are extended to all of our shareholders, staff, suppliers and clients for their continued support of the company.

The financial statements set out on pages 7 to 21, which have been prepared on the going concern basis, were approved by the board of directors on 25/11/2018, and were signed on its behalf by:

By Order of the Board



Company Secretary

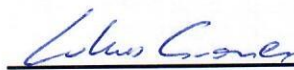
Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Statement of Financial Position as at 30 June 2017

	Note(s)	2017 US\$	2016 Restated * US\$
Assets			
Non-Current Assets			
Property, plant and equipment	3	200,117,671	139,338,261
Current Assets			
Inventories	7	394,219,183	180,117,930
Trade and other receivables	6	551,494,227	28,742,136
Current tax receivable	20	2,754,963	-
Cash and cash equivalents	8	27,439,000	54,785,692
		975,907,373	263,645,758
Total Assets		1,176,025,044	402,984,019
Equity and Liabilities			
Equity			
Share capital	9	50,000,000	50,000,000
Accumulated loss		(601,321,872)	(234,008,198)
		(551,321,872)	(184,008,198)
Liabilities			
Non-Current Liabilities			
Other borrowings	4	1,035,377,688	476,414,061
Related party borrowings	5	567,333,196	86,948,020
Bank Borrowings	11	49,351,948	-
		1,652,062,832	563,362,081
Current Liabilities			
Trade and other payables	10	13,585,040	20,939,904
Provisions	12	61,699,044	2,690,232
		75,284,084	23,630,136
Total Liabilities		1,727,346,916	586,992,217
Total Equity and Liabilities		1,176,025,044	402,984,019

The financial statements and the notes on pages 7 to 21, were approved by the board of directors on the 25/11/2018 and were signed on its behalf by:



Director



Director

The accounting policies on pages 13 to 15 and the notes on pages 16 to 21 form an integral part of the financial statements.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Statement of Comprehensive Income

		2017	2016
	Note(s)	US\$	Restated * US\$
Revenue	13	861,609,144	4,021,626
Cost of sales	14	(318,021,012)	(15,109,904)
Gross profit (loss)		543,588,132	(11,088,278)
Other income	15	-	2,389,921
Operating expenses		(856,594,205)	(223,404,926)
Operating loss		(313,006,073)	(232,103,283)
Finance costs	17	(54,307,601)	(1,904,915)
Loss for the year		(367,313,674)	(234,008,198)
Other comprehensive income		-	-
Total comprehensive loss for the year		(367,313,674)	(234,008,198)

The accounting policies on pages 13 to 15 and the notes on pages 16 to 21 form an integral part of the financial statements.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Statement of Changes in Equity

	Share capital	Accumulated loss	Total equity
	US\$	US\$	US\$
Restated* Balance at 01 July 2015	50,000,000	-	50,000,000
Loss for the year	-	(234,008,198)	(234,008,198)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(234,008,198)	(234,008,198)
Restated* Balance at 01 July 2016	50,000,000	(234,008,198)	(184,008,198)
Loss for the year	-	(367,313,674)	(367,313,674)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(367,313,674)	(367,313,674)
Balance at 30 June 2017	50,000,000	(601,321,872)	(551,321,872)

Note(s)

9

The accounting policies on pages 13 to 15 and the notes on pages 16 to 21 form an integral part of the financial statements.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Statement of Cash Flows

		2017	2016
			Restated *
	Note (s)	Ush	Ush
Cash flows from operating activities			
Profit before taxation		(367,313,674)	(234,008,198)
Adjustments for:			
Depreciation on Property, Plant & Equipment	3	87,995,506	18,584,495
Operating Profit before working capital changes		(279,318,168)	(215,423,703)
Decrease / (Increase) in trade and other receivables		(522,752,091)	(28,742,136)
(Decrease) / Increase in inventories		(214,101,253)	(180,117,930)
Decrease / (Increase) in trade and other payables		51,653,948	23,520,136
Cash generated from operating activities		(964,517,564)	(400,763,633)
Tax paid	21	(2,754,963)	-
Net cash (used in) operating activities		(967,272,527)	(400,763,633)
Cash flows from investing activities			
Purchase of Property, Plant and equipment	3	(148,774,916)	(157,812,756)
Net cash (used in) investing activities		(148,774,916)	(157,812,756)
Cash flows from financing activities			
Issue of share capital		-	50,000,000
(Decrease)/increase in bank borrowings borrowings		49,351,948	-
(Decrease)/increase in other borrowings		558,963,627	-
(Decrease)/increase in related party borrowings		480,385,176	563,362,081
Net cash generated from financing activities		1,088,700,751	613,362,081
Net (decrease)/increase in cash and cash equivalents		(27,346,692)	54,785,692
Cash and cash equivalents at beginning of the year	8	54,785,692	-
Cash and cash equivalents at 30 June 2017	8	27,439,000	54,785,692

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Ugandan Companies Act, (No 1) 2012. The financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in Uganda Shilling.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes; and are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Rate %
Furniture and fixtures	Straight line	20
Motor vehicles	Straight line	25
IT equipment	Straight line	33
Motor cycle	Straight line	25
Solar Molds	Straight line	50
Kitchen Equipment	Straight line	20

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Accounting Policies

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax losses and unused tax credits.

Deferred tax assets and liabilities are measured at an amount that includes the effect of the possible outcomes of a review by the tax authorities using tax rates that, on the basis of enacted or substantively enacted tax law at the end of the reporting period, are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax asset balances are reviewed at every reporting date. When necessary, a valuation allowance is recognised against the deferred tax assets so that the net amount equals the highest amount that is more likely than not to be realised on the basis of current or future taxable profit.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

If the company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Accounting Policies

1.7 Employee benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Termination benefits

Termination benefits are recognised as an expense with its resulting liability when the entity is demonstrably committed either:

- to terminate the employment of an employee or group of employees before the normal retirement date; or
- to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The termination benefits are measured at the best estimate of the expenditure that would be required to settle the obligation at the reporting date.

1.8 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.9 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.10 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.11 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

	2017 US\$	2016 US\$
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2. Changes in accounting policy

Solar Molds

During the year, the company changed its accounting policy with respect to the treatment of Solar Molds. The company now depreciates the Molds at 50%.

3. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Solar Molds	208,392,239	(83,738,737)	124,653,502	142,584,756	(17,823,095)	124,761,661
Furniture and fittings	13,588,000	(3,369,500)	10,218,500	13,588,000	(673,900)	12,914,100
Motor vehicles	59,500,000	(7,002,747)	52,497,253	-	-	-
IT equipment	4,040,000	(482,054)	3,557,946	-	-	-
Kitchen Equipment	1,750,000	(437,500)	1,312,500	1,750,000	(87,500)	1,662,500
Motor cycles	8,733,576	(855,606)	7,877,970	-	-	-
Total	296,003,815	(95,886,144)	200,117,671	157,922,756	(18,584,495)	139,338,261

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Solar Molds	124,761,661	76,501,340	(76,609,499)	124,653,502
Furniture and fittings	12,914,100	-	(2,695,600)	10,218,500
Motor vehicles	-	59,500,000	(7,002,747)	52,497,253
IT equipment	-	4,040,000	(482,054)	3,557,946
Kitchen Equipment	1,662,500	-	(350,000)	1,312,500
Motor cycles	-	8,733,576	(855,606)	7,877,970
	139,338,261	148,774,916	(87,995,506)	200,117,671

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Solar Molds	-	142,584,756	(17,823,095)	124,761,661
Furniture and fittings	-	13,588,000	(673,900)	12,914,100
Kitchen Equipment	-	1,750,000	(87,500)	1,662,500
	-	157,922,756	(18,584,495)	139,338,261

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

	2017 US\$	2016 US\$
4. Other borrowings		
Margarethe Brezovich	(4,078,020)	-
Norbert Hellmich	(40,780,200)	(37,810,000)
Ing. Mag.Christian	(16,312,080)	-
Angelika Mittlmann	(8,156,040)	-
Willfried Feichtinger	(12,234,060)	-
Gruener Edith	(20,390,100)	(18,905,000)
Markus Gruner	(103,989,510)	(75,620,000)
Rudolf Schutz	(12,234,060)	-
Sailer Hansjorg	(20,245,950)	(18,905,000)
Regine Von Spreckelsen Berger	(4,078,020)	-
Stronger Together for Development	(106,028,460)	(98,314,061)
Vesna Urlicic Sogerer	(4,078,020)	-
W. Und. Mag. A. Schwaiger	(81,560,400)	(75,620,000)
Waldboth Meinrad	(163,120,800)	(151,240,000)
Weinberger Stefan	(20,390,100)	-
Wolfgang Gruener	(40,780,200)	-
Stella Asiimwe	(8,472,500)	-
Crowd for projects	(303,200,787)	-
Schreckeneder Wern	(61,170,361)	-
Anna Domschitz	(4,078,020)	-
	(1,035,377,688)	(476,414,061)

On 02 September 2016, the company received a loan from Margarethe Brezovich amounting to Euros 1,000 to finance its working capital requirements at 5 % P.A. The loan is payable within 5 years from the date of receipt.

On 19 May 2016, the company received a loan from Norbert Hellmich amounting to Euros 10,000 to finance its working capital requirements at 8 % P.A. The loan is payable within 3 years from the date of receipt.

On 13 October 2016, the company received a loan from Ing. Mag. Christian amounting to Euros 4,000 to finance its working capital requirements at 9 % P.A. The loan is payable within 4 years from the date of receipt.

On 3 November 2016, the company received a loan from Angelika Mittlmann amounting to Euros 2,000 to finance its working capital requirements at 6 % P.A. The loan is payable within 2 years from the date of receipt.

On 11 November 2016, the company received a loan from Willfried Feichtinger amounting to Euros 3,000 to finance its working capital requirements at 5 % P.A. The loan is payable within 3 years from the date of receipt.

On 19 May 2016, the company received a loan from Edith Gruener amounting to Euros 5,000 to finance its working capital requirements at 3 % P.A. The loan is payable within 1 year from the date of receipt.

On 18 May 2016 and 2nd September 2016, the company received loans from Markus Gruner amounting to Euros 20,000 and 5,500 respectively to finance its working capital requirements at 3 % P.A. The loans are payable within 1 year from the date of receipt.

On 14 December 2016, the company received a loan from Schutz amounting to Euros 3,000 to finance its working capital requirements at 6.75 % P.A. The loan is payable within 3 years from the date of receipt.

On 23 June 2016, the company received a loan from Sailer amounting to Euros 5,000 to finance its working capital requirements at 5% P.A. The loan is payable with 3 years from the date of receipt.

On 14 Feb 2017, the company received a loan from Berger amounting to Euros 1,000 to finance its working capital requirements at 7 % P.A. the loan is payable within 4 years from date of receipt.

On 7 April 2016, the company received a loan from Stronger Together for development amounting to Euros 26,000 to finance its working capital requirements. The loan is interest free and payable 1 year from the date of receipt.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

	2017 US\$	2016 US\$
4. Other borrowings (continued)		
On 4 June 2016, the company received a loan from Waldboth amounting to Euros 40,000 to finance its working capital requirements at PA 5% and payable 3 years from the date of receipt.		
On 16 Feb 2017, the company received a loan from Sogerer amounting to Euros 1,000 to finance its working capital requirements at 7 % P.A. the loan is payable within 4 years from date of receipt.		
On 1 June 2016, the company received a loan from Schwaiger amounting to Euros 20,000 to finance its working capital requirements at 6 % P.A. the loan is payable within 5 years from date of receipt.		
On 10 February 2017, the company received a loan from Weinberger Stefan amounting to Euros 5,000 to finance its working capital requirements at 7% P.A. the loan is payable within 4 years from date of receipt.		
On 31 August 2016, the company received a loan from Wolfgang Gruener amounting to Euros 10,000 to finance its working capital requirements at 3% P.A. the loan is payable within 1 year from date of receipt.		
On 19 September 2016, the company received a loan from Stella Asimwe amounting to Euros 2,500 to finance its working capital requirements at 5% P.A. the loan is payable within 5 years from date of receipt.		
On 7 March 2017, 28th April 2017, 13th June 2017, the company received loans from Crowd for Projects amounting to Euros 44,500, 18,600 and 11,250 to finance its working capital requirements at 7% P.A. The loan is payable within 4.4 years from the date of receipt.		
On 11 October 2016 and 4th October 2016, the company received loans from Schreckeneder of Euros 10,000 and 5000 to finance its working capital requirements at 3% P.A. The loan is payable within a year from the date of receipt.		
On 9 April 2016, the company received loans from Anna of Euros 1,000 to finance its working capital requirements at 5% P.A. The loan is payable within a year from the date of receipt.		
5. Loans to (from) related parties		
Ines Schreckeneder	-	(22,683,840)
Sarah Pirker	(24,469,200)	(22,683,360)
Act innovative GBMH	(216,622,396)	(41,580,820)
Lukas Gruner	(326,241,600)	-
	(567,333,196)	(86,948,020)

On 4 April 2016, the company received a loan from Ines Schreckeneder amounting to Euros 6,000 to finance its working capital requirements at 3% P.A. The loan is payable within 2 years from the date of receipt.

On 31 March 2016, the company received a loan from Sarah Pirker amounting to Euros 6,000 to finance its working capital requirements at 3% P.A. The loan is payable within 2 years from the date of receipt.

On 29 March 2016, 5th April 2016 and 29th July 2016 the company received loans from Act Innovative GMBH amounting to Euros 6,000, 5,000, 40,000 respectively to finance its working capital requirements at 3% Per Annum (per loan). The loan is payable within 2 years from the date of receipt.

On 23 August 2016, 26th August 2016, 26th September 2016, 7th October 2016, 31st October 2016 and 28th November 2016 the company received loans from Lukas Gruner amounting to Euros 30,000, 20,000, 8,000, 4,000, 8,000 and 10,000 respectively to finance its working capital requirements at 3% Per Annum (per loan). The loan is payable within 1 year from the date of receipt.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

	2017 USh	2016 USh
6. Trade and other receivables		
Sundry debtors	493,735,716	-
Employee costs in advance	542,500	150,000
Prepayments-Rent	15,036,061	28,592,136
Immigration deposits	3,163,400	-
Unrealised forex loss/gain	39,016,550	-
	551,494,227	28,742,136
7. Inventories		
Inventory in transit	16,587,808	180,117,930
Inventory	377,631,375	-
	394,219,183	180,117,930
8. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash at hand	2,202,387	5,801,382
Bank balances	17,225,613	48,984,310
Airtel money	140,000	-
MTN Mobile Money	7,871,000	-
	27,439,000	54,785,692
9. Share capital		
Authorised		
1,000 Ordinary shares with par value of Ush. 50,000 each	50,000,000	50,000,000
Issued		
1,000 Ordinary shares with a par value of Ush. 50,000 each	50,000,000	50,000,000
10. Trade and other payables		
Sundry creditors	-	20,939,904
NSSF	3,177,128	-
PAYE payable	5,194,500	-
VAT	4,526,396	-
Amounts due to related parties	413,000	-
WHT	274,016	-
	13,585,040	20,939,904
11. Bank Borrowings		
EFC Financial Services Limited	49,351,948	-
On 25 May 2017, the company acquired a loan from EFC Financial Services Limited amounting to Ush. 55,000,000 to purchase inventory at 40% interest rate per annum. The loan is payable within one year from the date of receipt.		
Non-current liabilities		
At amortised cost	49,351,948	-

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

Notes to the Financial Statements

	2017 US\$	2016 US\$		
12. Provisions				
Reconciliation of provisions - 2017				
	Opening balance	Additions	Reversed during the year	Total
Provision for audit fees	2,690,232	10,933,410	(2,690,232)	10,933,410
Provision for interest on the borrowings	-	50,765,634	-	50,765,634
	2,690,232	61,699,044	(2,690,232)	61,699,044
Reconciliation of provisions - 2016				
	Opening balance	Additions	Total	
Provision for audit fees	-	2,690,232	2,690,232	
13. Revenue				
Sales - Local		859,510,333	-	
Sales - Exports		2,098,811	4,021,626	
		861,609,144	4,021,626	
14. Cost of sales				
Opening stock		180,117,930	-	
Purchases		457,061,984	180,117,930	
Freight charges		34,815,223	14,829,904	
Clearing charges		40,245,058	280,000	
Closing Stock		(394,219,183)	(180,117,930)	
		318,021,012	15,109,904	
15. Other income				
Unrealised exchange gain		-	2,389,921	
16. Employee cost				
Employee costs				
Salaries and wages		132,665,182	-	
NSSF 10% expenses		11,645,105	-	
Terminal benefits		133,871	-	
Casual labour expenses		434,000	370,000	
		144,878,158	370,000	
17. Finance costs				
Interest expense - Other borrowings		50,937,601	-	
Bank interest		3,370,000	-	
Loan commitment charges		-	1,904,915	
		54,307,601	1,904,915	

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

	2017 USh	2016 USh
18. Taxation		
No provision has been made for 2017 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is (521,053,664) 2016 Ush. (249,376,175).		
19. Auditor's remuneration		
Audit Fees	11,094,242	2,690,232
20. Tax refunded		
Tax deposits during the year	2,754,963	-
Balance at end of the year	(2,754,963)	-
	-	-

21. Contingencies and Commitments

The directors are not aware of any commitments and contingencies after the reporting period.

22. Related parties

Relationships
Ines Shreckeneder
Sarah Pirker
Act Innovative Limited
Lukas Gruner

Shareholder
Company Secretary (Resigned Jan 2017)
Shareholder
Director

23. Comparative figures

The reporting period is a year, therefore comparative amounts are not comparable to the current balances i.e. the comparable period is 3 months.

24. Going concern

We draw attention to the fact that at 30 June 2017, the company had net losses of Ush. (367,313,674) 2016 ush (234,008,198) and accumulated losses of (601,321,872) 2016 (234,008,198).

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company.

25. Events after the reporting period

The directors are not aware of any events after the reporting date.

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Detailed Income Statement

	Note(s)	2017 US\$	2016 Restated * US\$
Revenue			
Sale of goods		859,510,333	-
International sales		2,098,811	4,021,626
	13	861,609,144	4,021,626
Cost of sales	14	(318,021,012)	(15,109,904)
Gross profit (loss)		543,588,132	(11,088,278)
Other income			
Unrealised exchange gain		-	2,389,921
Expenses (Refer to page 23)		(856,594,205)	(223,404,926)
Operating loss		(313,006,073)	(232,103,283)
Finance costs	17	(54,307,601)	(1,904,915)
Loss for the year		(367,313,674)	(234,008,198)

* See Note 2

Solantis Solar Limited

Financial Statements for the year ended 30 June 2017

Detailed Income Statement

		2017	2016
	Note(s)	US\$	Restated * US\$
Operating expenses			
Accountancy fees		(12,974,486)	-
Advertising expenses		(46,440,944)	-
Audit fees	19	(11,094,242)	(2,690,232)
Bank charges		(9,045,652)	(2,481,848)
Cleaning expenses		(7,088,400)	-
Commissions		(32,638,280)	-
Consulting fees expenses		(3,848,238)	-
Installation expenses		-	(1,000,000)
Registration fees		-	(400,000)
Depreciation expense	3	(87,995,506)	(18,584,495)
Employee costs	16	(144,878,158)	(370,000)
Accommodation expense		(27,033,119)	(10,430,897)
Water expenses		(1,121,557)	-
Facilitation expense		(35,553,480)	-
Director expenses		(1,285,000)	(100,000)
Gabbage collection expenses		(626,730)	(41,943)
Membership & subscriptions		(694,289)	-
Office expenses		(56,952,030)	(12,242,095)
Round off		4,210	-
Exchange gain/loss		(76,694,089)	-
Electricity expenses		(1,105,848)	-
Insurance expenses		(12,074,365)	-
Legal expenses		(9,154,856)	(26,668,810)
Rent expenses		(90,336,265)	(7,148,035)
Motor vehicle expenses		(640,100)	-
Reimbursements		-	(132,538,006)
Trading licences		(2,629,550)	-
Immigration costs		(9,568,820)	-
Mobile money charges		(33,200)	-
Fuel expenses		(13,820,552)	-
Write off		(10,587,282)	-
Postage Fees expenses		(400,000)	-
Printing and stationery Expenses		(11,723,936)	-
Marketing expenses		-	(169,000)
Repairs and maintenance		(9,881,067)	(2,028,800)
Motor vehicle repairs and maintenance		(2,853,700)	-
Security Expenses		(13,943,100)	(2,118,485)
Staff welfare Expenses		(30,661,999)	(1,834,280)
VAT writeoff		(4,980,805)	-
Telephone and Internet expenses		(13,608,324)	(2,018,000)
Training expenses		(300,000)	(200,000)
Transport expenses		(39,404,184)	(340,000)
Air travel expenses		(22,926,262)	-
		(856,594,205)	(223,404,926)

The accounting policies on pages 13 to 15 and the notes on pages 16 to 21 form an integral part of the financial statements.

* See Note 2

Solantis Solar Limited

TIN No:

YEAR ENDED: 30 June 2017

1 TAX COMPUTATION	Ush	Ush
Loss before tax as per financial Statements		(367,313,674)
Add : Disallowable Items		
Depreciation on property, plant and equipment	87,995,506	
Write-offs	10,587,282	
Interest expenses - Thin capitalisation	50,937,601	
Directors expenses	1,285,000	
Immigration costs	9,568,820	
		160,374,209
Less : Allowable Expenses		
Wear and Tear allowance	(64,738,024)	
		(64,738,024)
Adjusted Loss for the year		(271,677,489)
Tax loss Brought forward		(249,376,175)
Tax Loss carried forward		(521,053,664)
Corporation tax @ 30%		-

2 WEAR AND TEAR SCHEDULE

	Class I 40% Ush	Class II 35% Ush	Class IV 20% Ush	Total Ush
WDV as at 1 July 2016	-	-	126,250,205	126,250,205
Additions	4,040,000	59,500,000	85,234,916	148,774,916
Disposals	-	-	-	-
	4,040,000	59,500,000	211,485,121	275,025,121
Wear & tear allowance	(1,616,000)	(20,825,000)	(42,297,024)	(64,738,024)
WDV as at 30 June 2017	2,424,000	38,675,000	169,188,097	210,287,097