



◦ Annual Report 2018
Industrial Solar Holding Europe AB

www.industrial-solar.se



**We all have a choice.
We can create transformational
action that will safeguard the
future living conditions for
humankind. Or we can continue
with our business as usual, and
fail. That is up to you and me.."**

Greta Thunberg | Special Address, Annual Meeting of the World Economic Forum 2019

Table of Contents

1	The Year in Brief	5
2	Consolidated Key Figures	6
3	Statement from the Chairman and CEO	7
4	Industrial Energy Demand	8
5	100% RE Cooperations Drive Climate Innovation	9
6	Industrial Solar's Business and Sales Activities	10
7	Achievements 2018	11
8	Management Report	13
9	Consolidated Income Statement	16
10	Consolidated Balance Sheet	17
11	Consolidated Cash Flow	18
12	Parent Company Income Statement	20
13	Parent Company Balance Sheet	21
14	Parent Company Cash Flow	22
15	Notes to the Financial Statements	23
16	Independent Auditor Report	29
17	News after the Reporting Period	31
18	Outlook, Risk and Uncertainties	33
19	Share Development	35
20	Financial Calendar	35
21	Statement from the Management	36
22	Contact	37

Statement by the board of Directors

The Board of Directors provides their assurance, that the annual report provides a fair and true overview of the company's operation, financial position and results.

Härnösand on April 2nd 2019, Board of Directors

Joakim Byström	Chairman of the Board
Christian Zahler	Board member and CEO
Olle Olsson	Board member
Jürgen Peterseim	Board member
Tobias Schwind	Board member

1 The Year in Brief

2018 was a very exciting and challenging year, which the company successfully managed. The main activities and achievements are summarized below.

Market and Sales

The market for solar process heat is at an early stage but is picking up momentum. Industrial Solar worked on many international requests and submitted 46 quotations to customers. These inquiries add up to 160 MW thermal peak power with a sales potential of up to 110 m€. Few of these prospects should result into real orders within a typical sales-cycle of 9-24 month.

Business Development and Partnerships

In 2018 Industrial Solar employed a second Business Development Manager being in charge for the Latin America region (LATAM). The other Business Development Manager is focusing on the Middle East North Africa (MENA) region.

Beside addressing multi-national companies, Industrial Solar continuously builds up strategic partnerships. Such partners typically address the same customer groups with complementary technologies and/or services. In 2018 the company prepared a cooperation and recently signed an alliance with GASCO in Australia. GASCO is an established company offering fossil fuel fired boilers. Industrial solar's solutions are complementary technologies for their business.

Technology

The company also managed to work on the cost reduction of its innovative Fresnel collector technology. Due to design improvements the costs could be reduced by 20%. The proceeds from the IPO will be used for further cost reduction.

Financing

During the first half of the year Industrial Solar has been in deep negotiations with a new strategic investor. Due to a conflict of interest between this new investor and an existing investor related to competing business units, which could not be resolved, Industrial Solar GmbH had to restart the business with financial support from Absolicon. In the second half of the year Industrial Solar successfully prepared for listing at the stock market Spotlight and was traded on January 15th, 2019 first time.

R&D

During 2018 Industrial Solar prepared and applied for various public co-funded R&D projects. Industrial Solar is currently in the process to transfer the Horizon 2020 R&D Project SHIP2FAIR (Solar Heat for Industrial Process towards Food and Agro Industries commitment in Renewables) with a total grant for the company of approx. 1,4 m€ and a funding rate of 70% plus overhead. SHIP2FAIR aims to foster the integration of solar heat in processes of the agro-food industry.

2 Consolidated Key Figures

Months from 01.01.2018 to 31.12.2018 (28.04.2017 to 31.12.2017)

- The company's sales amounted to 2.197 (0) TSEK
- Increase in finished goods, inventories and work in progress 0 (0) TSEK
- Other operating income 63 (0) TSEK
- Total Income 2.260 (0) TSEK
- Cost of Material 411 (0) TSEK
- Personnel costs 2.371 (0) TSEK
- Other operating costs 1.419 (0) TSEK
- Depreciation 113 (0) TSEK
- Total Costs 4.314 (0) TSEK
- Earnings before interest and taxes – 2.054 (0) TSEK
- Financial income/expenses -4 (0) TSEK
- Loss after financial items 2.058 (0) TSEK
- Result per share amounted – 0,41 (0) SEK
- The Board proposes the result to be balanced on a new account
- Cash and cash equivalent at the end of the periode 14.654 (0) TSEK
- In 2018 the company submitted 46 quotations in total for 160 MW thermal peak power and a sales potential of 110 m€. Alone 4 projects have a sales potential of 41 m€ together. The other projects have an average sales potential of 1,6 m€.

Results in Brief

The short fiscal year has to be considered as an exemption related to the restructuring of the financing.

Results in Brief in TSEK	* 01.08.2018	** 28.04.2017
	31.12.2018	31.12.2017
Operating Income	2.260	-
Operating Costs	- 4.314	-
Operating Result	- 2.054	-
Result of the Period	- 2.058	-

* The business year 2018 started on August 1st 2018 when the purchased shelf company overtook the assets from the administrator and renamed the company to Industrial Solar

** The shelf company was registered on April 28th 2017 first time without any operations.

3 Statement from the Chairman and CEO

Joakim Byström, Chairman of the Board



Solar thermal is one of the key solutions to reduce industrial emissions. As CEO of Absolicon I know the market and I am excited to cooperate with Industrial Solar. With their long track record and experience in turn-key solutions they are the key player in solar process steam and their running projects prove their expertise. The cooperation allows to cover a large share of the value chain and provides a clear win-win situation. While Absolicon has the experience to upscale production Industrial Solar implements turn-key solutions. I am excited to join forces and bring clean process heat on the ground.

Christian Zahler, CEO



The financial data for the annual report 2018 are referring to the restart from our activities for the period from August to December and thus do not reflect a full business year of our project business for solar process heat turnkey solutions for industrial applications.

In general cleantec has been an incredible dynamic market in the last decade - and it is still taking up momentum. Especially the thermal energy demand in the industry is still a business field with extremely high market and technology potential. Thus Industrial Solar put a huge effort to optimize the design of its innovative Fresnel collector for industrial process heat applications over the last years. Several lighthouse projects have been realized. For some of them we have delivered the complete system as a turnkey-solution. By doing so, there was a clear investment path developed to achieve the next cost reduction and design level for the Fresnel collector technology.

In 2018 the cooperation with Absolicon Solar Collector AB was of great help to get listed at the stock market Spotlight in Sweden and to use the proceeds from the issue for the investment path. Of which 65% will be used for collector and system technology development and 35% for international sales and marketing as well as project development activities.

By taking a look in all the chapters of this report you will receive a good overall description of our business and the potential and short-term outlook of our company.

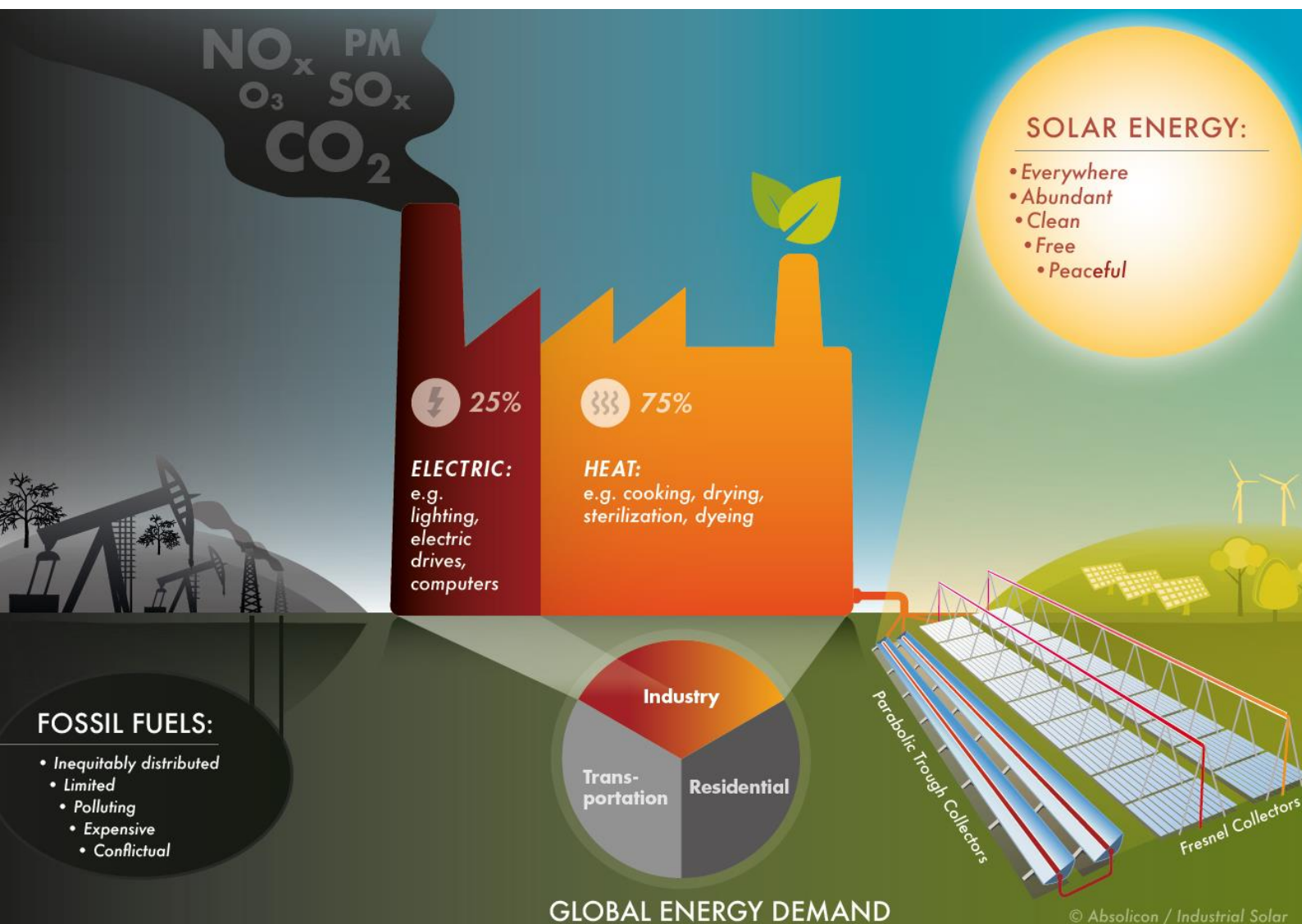
4 Industrial Energy Demand

Industry is responsible for one third of total final energy consumption, with the major share being used for process heating. Since industrial production is expected to grow by almost a factor of 4 until 2050, the growth taking mainly place in Non-OECD countries, industrial process heating is of utmost relevance. Still, so far it was hardly addressed in climate change mitigation and accordingly the share of industrial CO₂ emissions is expected to grow from 24% (2014) to 44% (2050). As we ultimately have to achieve net zero emissions to stabilize the level of greenhouse gases in the atmosphere one of the biggest worries today is industrial heating.

There are reasons why it is lacking behind in the adaptation of clean technologies. High temperature solar heat, meeting industrial standards, has been a challenge in the past. However, the most important one is that industrial investments are biased to short paybacks, even when long returns are high. Yet, technological and commercial solutions are available.

Industrial Solar's first commercial solar process steam generator for example is running successfully for more than three years and financing models become more prominent.

The market for clean industrial heat is determined to flourish and with its expertise Industrial Solar is well positioned to contribute and to take its share as technology leader for Fresnel process heat solutions.



5 100% RE Cooperations Drive Climate Innovation

The struggle for a sustainable use of energy is often perceived as a fight against international corporations and their practices. While they are still responsible for a major share of our carbon footprint the world's most influential companies, committed to 100% renewable power. RE100 is a collaborative, global initiative uniting more and more influential businesses committed to 100% renewable electricity, working to massively increase demand for - and delivery of - renewable energy." Interestingly these companies come from all sectors and continents and each take a specific look on their role and impact – major insurance companies for example started to limit their investment or insurance of coal power plants. Also the pressure on supply chains to adopt sustainable practices increases. At the same time the corporations join hands in initiatives (<http://there100.org/>) to have a strong voice towards policy. Targets are mainly for 2020 to 2030 and the work still needs to be done.



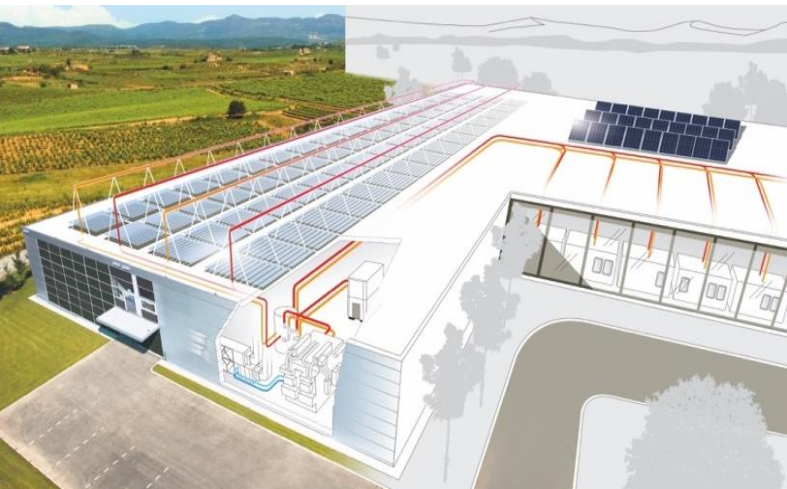
The effects can already be seen when corporations are screening and testing solutions for larger roll-outs. Japan Tobacco International for example installed the Fresnel Collector for solar steam generator in Jordan with the intention of later roll-out in other plants.

6 Industrial Solar's Business and Sales Activities

Solutions

Industrial Solar Holding Europe AB holds 100% of Industrial Solar GmbH in Freiburg/Germany, in which all operational activities are conducted.

Industrial Solar GmbH is an international leading technology and solution provider, which develops projects mainly based on its innovative Fresnel collector technology suitable for fulfilling an expected growing market of solar process heat. As a one-stop-shop Industrial Solar offers turnkey solutions for customers in several industries, such as food, pharmaceutical, chemical, metal, automotive, etc.



Industrial Solar GmbH provides customized solutions for renewable energies and energy efficiency in the medium power range for industrial enterprises. Our systems use solar thermal energy, photovoltaic, combined heat and power or efficiency measures. In addition we offer consulting on optimizing existing energy systems and comprehensive engineering services.

Industrial Solar has extensive know-how and experience in international projects and is world leader in solar Fresnel collector projects for industrial applications.

Strategy

Beside addressing multi-national companies directly, Industrial Solar continuously builds up strategic partnerships with companies addressing the same customer groups with complementary technologies and/or services. In 2018 the company prepared a cooperation and recently signed an alliance with GASCO in Australia. GASCO is an established company offering fossil fuel fired boilers and identified Industrial solar's solutions as a complementary technology for their business.

Market and Sales

The market for solar process heat is at an early stage but is picking up momentum. Industrial Solar worked on many requests in 2018 and submitted 46 quotations to customers mainly in the MENA region beside other countries over the world. These inquiries add up to 160 MW thermal peak power with a sales potential of up to 110 m€. Alone 4 projects have a sales potential of 41 m€ together. Few of these smaller prospects are expected to result into real orders within 9-24 month.

7 Achievements 2018

The year 2018 was very exciting with several efforts and highlights.

Absolicon Cooperation



Absolicon financed the restart of Industrial Solar and both companies entered into a cooperation agreement to join forces in various areas to develop, finance and implement projects, apply for R&D-grants and to sell Absolicon production lines.

Prepared for Listing at Spotlight



The company successfully prepared for listing on Spotlight Stock Market for first trading day on January 15th 2019.

Ongoing Collector Cost Reduction

In parallel our engineers developed and optimized the Fresnel Collector's primary mirror design beside other components which reduced the collector costs by 20% from 250 €/m² to 200 €/m² aperture area. Thus, over the last years we could reduce collector costs by 50% from 400 €/m² to 200 €/m² and we are working on further cost reductions with a clear development and investment path.

Project with Qatar Foundation



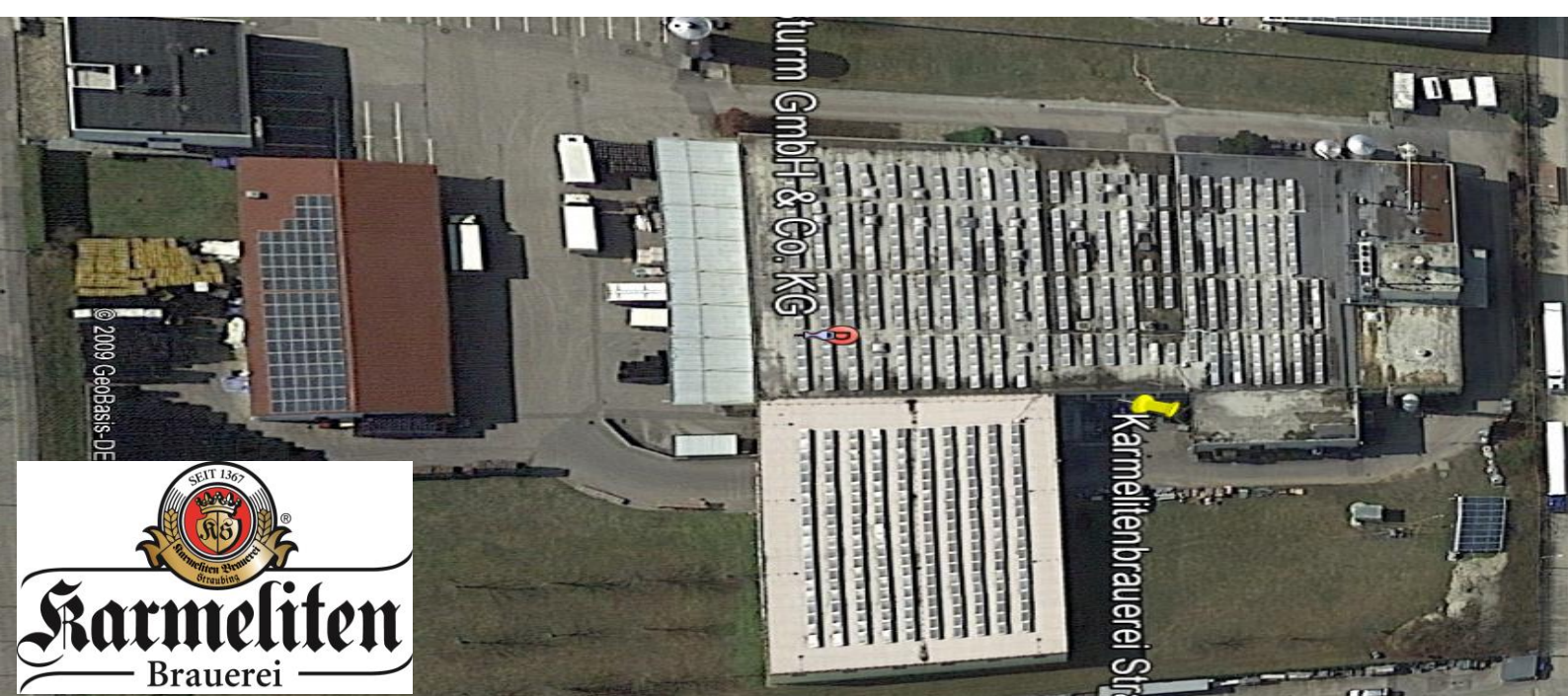
Industrial Solar did build a Fresnel Collector demo system at the Qatar Science and Technology Park in 2011. In 2018 we started to engineer the integration of an ORC-turbine to generate electricity from the heat. The completion is foreseen in April 2019.



Engineering Example Brewery

In the second half of 2018 the company did a small System-Engineering for Karmeliten Brewery in Straubing/Germany. Karmeliten is aiming to become a carbon neutral brewery.

When brewing beer, large volumes must be heated, boiled and cooled again. A very energy intensive process, which is usually done with fossil fuels. But fossil energy is finite and will become more expensive in the future. More efficient plants save energy costs, but also limit the variety of beer, because traditional brewing and fermentation processes are no longer possible. In the Karmeliten Brewery, the required mindfulness is linked with the required technological freedom. The energy-optimized brewing system works with "intelligent energy storage" and distribution systems from renewable energies and energy recovery. The result is a brewing system that does not require fossil fuels and has predictable energy costs in the long run, as well as the freedom to brew the recipe you want.



The outlook statement from Karmeliten

In the future, consumers will increasingly pay attention to the holistic responsibility of companies towards society and the environment. In particular, what impact their behaviors and manufacturing processes of their products have on the quality of life, so that consumer satisfaction becomes consumer wellbeing. With our comprehensive action milestone on energy self-sufficient brewery and the associated high investments, we continue our way of holistic business ethics, which also requires courage, strength and patience. We believe that companies that integrate the environmental and social principles of mindfulness into their business model will exercise their social responsibility and thereby earn the trust and encouragement of the public.

Thus Karmeliten is seriously investigating the integration of solar process heat with Industrial Solar's unique Fresnel collector technology in 2019.

8 Management Report

About the company in general

The corporate group consists of the the parent company Industrial Solar Holding Europe AB (559110-3972) and the fully owned subsidiary Industrial Solar GmbH, Germany.

The corporate group is located in Härnösand, Sweden.

Industrial Solar GmbH

Industrial Solar GmbH is an international leading technology and solution provider, which develops projects mainly based on its innovative Fresnel collector technology suitable for fulfilling an expected growing market of solar process heat. As a one-stop-shop Industrial Solar offers turnkey solutions for customers in several industries, such as food, pharmaceutical, chemical, metal, automotive, etc.

The company group is located in Germany.

The result for Industrial Solar GmbH before taxes and transfers to/from untaxed reserves is – 1 959 TSEK.

The Parent Company

Industrial Solar Holding Europe AB, which was registered 2017-04-28 will, directly or indirectly, develop and manufacture equipment for renewable energy and carry out service, design, sales and financing of projects related to renewable energy. The company has its seat in Härnösand, Sweden.

Development of the company's business, results and position

Corporate Group

(TSEK)

<i>Financial overview</i>	2018	2017
Balance sheet total	16 957	0
Net turnover	2 197	0
Solidity	37 %	
Profit/loss after financial items	- 2	0

Development of the company's business, results and position

Parent Company

(TSEK)

<i>Financial overview</i>	2018	2017
Balance sheet total	18 243	0
Net turnover	0	0
Solidity	44 %	
Profit/loss after financial items	- 444	0

Change in equity Corporate Group (TSEK)	Share capital	Unregistered share capital	Capital surplus	Shareholder's contribution incl. loss of the year	Total
Opening balance 2018-01-01	500	0	0	0	500
New share issue	129	7 450	8 016		15 595
Issue expenses			-615		-615
Translation difference			-54		-54
Shareholder's contribution received				1 034	1 034
Loss for the year				-2 058	-2 058
At the year end 2018-12-31	629	7 450	7 347	-1 024	14 402

Change in equity Parent Company (TSEK)	Share capital	Unregistered share capital	Capital surplus	Shareholder's contribution	Total
Opening balance 2018-01-01	500	0	0	0	500
New share issue	129	7 450	8 016		15 595
Issue expenses			-615		-615
Shareholder's contribution received				1 034	1 034
Loss for the year				-444	-444
At the year end 2018-12-31	629	7 450	7 401	590	16 070

Proposed distribution of profits

Available for the general meeting is:

- Share premium account	7 401 387
- shareholder's contribution received	1 033 680
- loss for the year	<u>- 443 692</u>
	7 991 375

The board suggests that the non-restricted equity is allocated as shown below:

- Repayment of shareholder's contributions	1 033 680
- to be brought forward	<u>6 957 695</u>
	7 991 375

Investments

The investments of this year in the subsidiary amount to 384 TSEK (0 TSEK), out of which other tangible assets 2 TSEK (0 TSEK) and machinery 267 TSEK (0 TSEK) and inventories 115 TSEK (0 TSEK).

Important events during the financial year

During the first half of 2018 Industrial Solar restarted its business with financial support from Absolicon. During the second half of 2018 Industrial Solar was listed on the Swedish stock market Spotlight with a first day of trade on the 15th of January 2019.

Expected future development

The market for industrial solar heat is still at an early state, but the number of stakeholders increases every year. Industrial Solar processed many requests and submitted 46 offers. The requests came mainly from countries in the Middle East and North Africa (the MENA region). New offers in 2018 add up to 160 MW thermal peak power with a sales potential of up to 110 m€. However, the company believes that only a few of these prospects should result in real orders within a typical sales-cycle of 9-24 month.

In 2018, Industrial Solar has prepared and submitted several project proposals for public co-financed R&D-projects.

9 Consolidated Income Statement

The numbers are consolidated from the Industrial Solar GmbH/Germany, a 100% subsidiary and from Industrial Solar Holding Europe AB/Sweden. The numbers from the subsidiary have been reviewed and approved by the German tax consultant. This report has been reviewed by the companies auditor KPMG Sundsvall, Sweden. See also chapter 12 and 13.

Amounts i TSEK	* 01.01.2018 ** 28.04.2017	
	Not	31.12.2018 31.12.2017
Operating income		
Sales		2.197 0
Increase in finished good and inventories and work in progress		0 0
Other operating income		63 0
Total		2.260 0
Cost of materials		-411 0
Personnel costs	2	-2.371 0
Other operating costs		-1.490 0
Depreciation		-42 0
Total		-4.314 0
Earnings Before Interest and Taxes (EBIT)		-2.054 0
Financial income		0 0
		0
		-4
Financial expenses		
Loss after financial items		-2.058 0
Loss for the year		-2.058 0

* The business year 2018 started on August 1st 2018 when the purchased shelf company overtook the assets from the administrator and renamed the company to Industrial Solar.

** The shelf company was registered on April 28th 2017 first time.

The negative results reflects the cost for business product and system development. Extra costs appeared in connection with the restart and going public at Spotlight stock market.

The Board proposes that the non-restricted equity is allocated so that SEK 1,033,680 in previously received shareholder contributions is repaid and SEK 6,957,695 is brought forward.

10 Consolidated Balance Sheet

Amounts i TSEK	Not	2018	2017
Assets			
Non-current assets			
Intangible assets			
Intangible fixed assets	3	2	0
Total		2	0
Machinery and equipment			
Machinery	4	241	0
Equipment	5	99	0
Total		340	0
Financial assets			
Shares in group companies		0	0
Due from Group companies	7	0	500
Total		0	500
<i>Total non-current assets</i>		<i>342</i>	<i>500</i>
Current assets			
Inventories			
Work in progress		0	0
Finished good and merchandise		15	0
Total		15	0
Current receivables			
Accounts receivable		19	0
Accrued non-invoiced revenue		999	0
Other short-term receivables		858	0
Prepaid expenses and accrued income		70	0
Total		1.946	0
<i>Cash and cash equivalents</i>			
Cash and cash equivalents		14.654	0
Total		14.654	0
Total current assets		16.615	0
Total assets		16.957	500

Amounts i TSEK	Not	2018	2017
Equity			
<i>Non-distributable equity</i>			
Share capital		629	500
Unregistered share capital		7.450	0
Total		8.079	500
<i>Distributable equity</i>			
Share premium account		7.347	0
Shareholder's contribution recieved		1.034	0
Loss for the year		-2.058	0
Total		6.323	0
Total equity		14.402	500
Non-current liabilities			
Loans from Group companies		0	0
Total		0	0
Current liabilities			
Accounts payable		90	0
Other short term liabilities		1.866	0
Accrued expenses and deferred income		599	0
Total		2.555	0
TOTAL EQUITY AND LIABILITIES		16.957	500

11 Consolidated Cash Flow

Amounts in TSEK		* 01.01.2018
Consolidated Cash Flow Statement	Note	31.12.2018
Operating activities		
Profit/loss after financial items		-2.054
Adjustments for items not included in cash flow	8	113
Income tax paid		0
Cash flow from operating activities before change in working capital		-1.941
Cash flow from change in working capital		
Change in inventories		-88
Change in operating receivables		-1.931
Change in operating liabilities		2.555
Cash flow from continuing operations before changes in working capital		536
Cash flow from operating activities		-1.405
Investing activities		
Investments in intangible assets		-3
Investments in tangible fixed assets		-460
Divestments of intangible assets		7
Acquisition of financial assets		
Disposal of intangible assets		
Cash flow from investing activities		-456
Financing activities		
Deposit share capital		500
New share issue		8.145
New share issue in progress		7.450
Issue expenses		-614
Shareholder's contribution received		1.034
Cash flow from financing activities		16.515
Cash flow for the year		14.654
Cash and cash equivalents, January 1		0
Cash and equivalents, December 31		14.654

* The business year 2018 started on August 1st 2018 when the purchased shelf company overtook the assets from the administrator and renamed the company to Industrial Solar.

The background image shows an industrial facility, possibly a refinery or power plant, at night. Several tall smokestacks are visible, with thick plumes of smoke or steam rising into the sky. The scene is illuminated by bright, artificial lights, creating a high-contrast, somewhat dramatic atmosphere. The sky is filled with large, dark clouds, some of which are lit from below by the facility's lights, giving them a glowing appearance. The overall tone is somber and industrial, suggesting the 'past' mentioned in the text.

Ditch the Past - Move Forward With Renewables

Forward for a Fossil-Free Future

**RENEWABLE ENERGY
IS NOT ONLY THE BEST OPTION
FROM AN ENVIRONMENTAL POINT OF VIEW BUT,
ESPECIALLY TODAY, ALSO FROM AN
ECONOMIC, SOCIAL AND GEOPOLITICAL PERSPECTIVE**

12 Parent Company Income Statement

Amounts i TSEK	*01.01.2018 *28.04.2017	
	Not	31.12.2018 31.12.2017
Operating Income		
Sales		0 0
Other operating income		0 0
Total		0 0
Operating Expenses		
Other operating costs		-452 0
Depreciation		0 0
Total		-452 0
Earnings Before Interest and Taxes (EBIT)		-452 0
Profit from financial items		
Financial income		9 0
Financial expenses		-1 0
Loss after financial items		-444 0
Allocations		
Change of accrual funds		0 0
Profit before tax		-444 0
Tax on profit for the year		0 0
This year's result		-444 0

* The business year 2018 started on August 1st 2018 when the purchased shelf company overtook the assets from the administrator and renamed the company to Industrial Solar.

** The shelf company was registered on April 28th 2017 first time.

The negative results reflects the cost for business product and system development. Extra costs appeared in connection with the restart and going public at Spotlight stock market.

13 Parent Company Balance Sheet

Amounts i TSEK	Not	31.12.2018	31.12.2017	Amounts i TSEK	Not	31.12.2018	31.12.2017
Assets				EQUITY AND LIABILITIES			
Fixed Assets				Equity			
<i>Financial assets</i>				<i>Non-distributable equity</i>			
Shares in Group companies	6	259	0	Share capital		629	500
Due from Group companies	7	5.656	500	Unregistered share capital		7.450	
Total fixed assets		5.915	500	Total		8.079	500
Current assets				<i>Distributable equity</i>			
Receivable		0	0	Share premium account		7.401	0
Other short-term receivables		533	0	Shareholder's contribution recieved		1.034	0
Prepaid expenses and accrued income		9	0	Loss for the year		-444	0
Total		542	0	Total		7.991	0
<i>Cash and cash equivalents</i>				Total equity		16.070	500
Cash and cash equivalents		11.786	0	Current liabilities			
Total		11.786	0	Accounts payable		25	0
Total current assets		12.328	0	Other short term liabilities		1.786	0
Total assets		18.243	500	Accrued expenses and deferred income		362	0
				Total		2.173	0
				TOTAL EQUITY AND LIABILITIES		18.243	500

14 Parent Company Cash Flow

Amounts in TSEK		* 01.01.2018	28.04.2017
Parent Company	Not	31.12.2018	31.12.2017
Operating Income			
Profit after financial items		-444	0
Adjustments for items not included in the cash flow, etc.		0	0
Paid income tax		0	0
Cash flow from continuing operations before changes in working capital			
		-444	0
Changes in working capital			
- Increase (-) / Decrease (+) of operating receivables			
- Increase (+) / Reduction (-) of debt		-543	0
		2 173	0
Cash flow from continuing operations		1 630	0
		1 186	0
Investment			
Acquisition of tangible fixed assets			
Acquisition of financial fixed assets		0	0
Disposal of tangible fixed assets		- 5 915	0
Divestment of financial fixed assets		0	0
Cash flow from investment activities		0	0
		- 5 915	0
financing activities			
Deposit share capital		500	0
Rights issue		8 145	0
Ongoing new share issue		7 450	0
Issue costs		-614	0
Shareholder contributions		1 034	0
Cash flow from financing activities		16 515	0
the year's cash flow		11 786	0
Cash and cash equivalents at the beginning of the year		0	0
Cash and cash equivalents at year-end		11 786	0

* The business year 2018 started on August 1st 2018 when the purchased shelf company overtook the assets from the administrator and renamed the company to Industrial Solar.

15 Notes to the Financial Statements

Note 1 Accounting principles

The annual report and consolidated financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's generally accepted accounting principles BFNAR 2012:1 Annual report and consolidated accounts (K3). The parent company applies the same accounting principles as the Group except in the cases listed below under the section "Accounting principles in the parent company".

The annual report is prepared for the first time in accordance with BFNAR 2012: 1, Annual Report and consolidated accounts, which means a change of accounting principle. However, this has not materially affected the comparability with the previous year, despite that the company has chosen to apply the relief rules for smaller companies and thus not recalculate the comparative figures.

Receivables

Receivables have been recognized at the amounts at which they are expected to be received.

Other assets, provisions and liabilities

Other assets, provisions and liabilities have been valued at acquisition cost unless otherwise is stated below.

Revenues

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the company and when the income can be calculated reliably. Revenue has been valued at the fair value of what has been received or will be received, less discounts, returns and similar deductions.

Service agreements and construction contract

Revenues from engagement on continuous contracts are recognised as revenues in line with work performed and material delivered or consumed.

Revenues and expenditures from engagement at fixed prices are recognised as revenues and expenses based on the percentage of completion at the balance sheet date, percentage of completion method.

Revenue is only recognised with the amount that corresponds to the incurred engagement expenditures that probably will be compensated by the orderer since the financial outcome cannot be estimated reliably.

An anticipated loss is recognised as an expense when it is probable that the total engagement expenditures will exceed the total engagement income.

The percentage of completion level is estimated paid engagement expenditures for performed work on the balance sheet date in relation to the estimated total engagement expenditures. The difference between reported revenue and invoiced part-payments is reported in the balance sheet. Revenue accrued but not invoiced is reported as current receivables in the item

Revenue but not invoiced. Invoiced but not earned income is reported as current liabilities in the item Invoiced but not earned income.

Intangible assets

Intangible assets are accounted for at acquisition cost less accumulated amortisations and impairments.

Amortisations

The amortisation is made linearly over the asset's estimated useful life, as it reflects the expected consumption of the asset's future economic benefits, taking into account significant residual value. The amortisation is recognized as an expense in the income statement.

Intangible assets:

Acquired intangible assets

Useful life

5 years

Tangible fixed assets

Tangible fixed assets are accounted for at acquisition cost less accumulated depreciations and impairments. The acquisition value includes, in addition to the purchase price, other expenditures directly attributable to the acquisition.

Indirect costs of production, which amount to more than an immaterial part of the total expenditure for the production and amount to more than an insignificant amount, are included in the acquisition value.

Depreciations

The depreciation is made linearly over the asset's estimated useful life, as it reflects the expected consumption of the asset's future economic benefits, taking into account significant residual value. The depreciation is recognized as an expense in the income statement.

For technical equipment, the difference in the useful life of important components has been assessed as significant. Component depreciation is applied to these assets.

Tangible fixed assets:

Technical equipment and machineries
Equipment, tools, fixtures and fittings

Useful life

3 - 10 years
1 -13 years

Financial instruments

Financial assets and liabilities are accounted for in accordance with chapter 11 (Financial instruments valued at acquisition cost) in BFNAR 2012:1

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a part of the financial instrument's contractual agreement. A financial asset is derecognised from the balance sheet when the contractual right to the cash flow from the asset has expired or been settled. A financial liability is derecognised from the balance sheet when the contractual obligation has been fulfilled or expired.

Accounts receivable and other receivables that form current assets are valued individually at to the amount expected to be received after deduction of individually assessed bad debts.

Financial non-current assets are after the first

recognition date valued at acquisition cost with deduction of potential impairments and with addition of potential revaluations.

Financial liabilities are valued at amortised cost.

Leases

A finance lease is a lease agreement according to which the financial risks and benefits associated with owning an asset are in all essentials transferred from the lessor to the lessee. An operating lease is a lease that is not a finance lease.

All lease contracts are accounted for as operating lease contracts. This means that the leasing fee is expensed on a straight-line basis over the lease term.

Inventory

The inventory is recognised at the lowest of the acquisition cost and net realisable value. Thereby risks of obsolescence have been considered.

The acquisition cost consists is estimated according to the weighted average prices principle

In self semi-manufactured and finished goods, the acquisition cost consists of both direct costs of production and the indirect costs that amount to more than an insignificant amount.

Tax

Tax on profit for the year in the income statement consists of current tax and deferred tax. Current tax is the income tax for the current financial year, which refers to the year's taxable profit and the part of earlier financial years' income tax that have not been recognised. Deferred tax is the income tax for taxable profits referring to the future financial years due to earlier transactions or happenings.

In the consolidated balance sheet, untaxed reserves are divided into deferred tax and equity.

Provisions

A provision is recognised in the balance sheet when the Group has a legal or informal obligation due to an occurred event and it is possible that an outflow of resources are required in order to settle the obligation at the balance sheet date. The provision is reviewed at every balance sheet date.

Remuneration to employees

Remuneration to the employees consists of salary, social security contributions, paid holiday, paid absence due to sickness, healthcare and contractual insurance costs.

The remuneration are recognised as a cost and a liability when there is a legal obligation or informal obligation to pay compensation.

Remuneration to employees after terminated employment

The fees for defined contribution plans are recognised as expenses.

For defined contribution plans, determined fees are paid to another company, and the Group does not have any obligation to the employee when the fee is paid.

Receivables and liabilities in foreign currency

Exchange gains and losses regarding operational receivables and liabilities are recognised in the operating profit/loss while the exchange rate changes regarding financial receivables and liabilities are recognised in the financial net.

Public grant

A public grant which is not associated with a demand on future performance is accounted for as a revenue when the terms for receiving the grant are fulfilled.

Public grants related to assets are accounted for in the balance sheet by that the grant reduces the asset's carrying amount.

Contingent liabilities

Contingent liabilities are the common term for such warranties, financial obligations and contingent liabilities not presented in the balance sheet.

Consolidated financial statements

Subsidiaries

Besides the parent company, the consolidated financial statements encompass every company in which the parent holds over 50% of the voting rights, either directly or indirectly, or otherwise has a controlling interest, and is thereby entitled to determine the company's financial and operational strategies with the aim of gaining financial benefits.

The consolidated financial statement is prepared in accordance with the acquisition method. This means that the subsidiaries' equity at the time of the acquisition is determined as the difference between the fair value of the assets and the liabilities, is eliminated in its entirety. The Group's equity thus includes only that part of the subsidiary's equity that has been added after the acquisition.

The company applies the monetary-non-monetary method for translating financial statements for foreign subsidiaries. This means that the foreign subsidiary's monetary assets and liabilities are recalculated at the closing day rate and non-monetary at historical rate. Items included in equity are recalculated to the rates prevailing at the respective acquisition date. All items in the income statement have been recalculated at the average rate over the financial year in addition to depreciation that is translated at historical rates. Translation differences are included in the Group's annual profit.

When valuing assets and liabilities at Group and company level, the tax effect is taken into account, which is reported as deferred tax asset and tax liability. However, deferred tax on consolidated positive or negative goodwill is not taken into account.

Internal profits within the Group are eliminated

Group contributions

Group contributions provided are recognised as an appropriation in the income statement.

Key ratios definitions

Solidity

Visible equity in relation to total assets at year-end.

Note 2: Employees and personal costs	2018	2017
---	-------------	-------------

Group		
<i>Average numbers of employees</i>		
Male	10	-
Female	4	-
Whereof men	71%	0%
Group		
<i>Disclosure of gender in the compays management</i>	<i>Proportion Women</i>	<i>Proportion Women</i>
Board of directors	0%	0%
Other Senior management	0%	0%
Parent Company		
Board of directors	0%	0%
Group		
<i>Salaries and other renumerations</i>	<i>2018</i>	<i>2017</i>
Board of directors and Managing directors	686	-
Other employees	1.243	-
Total	1.929	-
<i>Social secuirty expenses including pension expenses</i>	<i>2018</i>	<i>2017</i>
Pension expenses, managing director and board members	-	-
Pension expenses other employees	-	-
Social security expenses	430	-
Total	430	-
Parent Company		
The parent company had no employees, no wages or board fees paid		

Note 3: Other intangible assets	2018	2017
--	-------------	-------------

Group		
<i>Accumulated acquistion costs</i>		
At the beginning of the year	-	-
Acquisitions	2	-
At the end of the year	2	-
<i>Accumulated amortisation</i>		
At the beginning of the year	-	-
Amortisation during the year	-	-
At the end of the year	2	-

Note 4: Technical equipment and machineries	2018	2017
--	-------------	-------------

Group		
<i>Accumulated acquistion costs</i>		
At the beginning of the year	-	-
Acquisition	267	-
At the end of the year	267	-
<i>Accumulated depreciation</i>		
At the beginning of the year	-	-
Depreciation during the year	26	-
At the end of the year	241	-

Note 5: Equipment, tools, fixtures and fittings	2018	2017
---	------	------

Group		
<i>Accumulated acquisition costs</i>		
At the beginning of the year	-	-
Acquisitions	115	-
Disposals	-	-
<i>At the end of the year</i>	115	-
<i>Accumulated depreciation</i>		
At the beginning of the year	-	-
Disposals	-	-
Depreciation during the year	- 16	-
	- 16	-
At the end of the year	99	-

Note 6: Participation in group companies	2018	2017
--	------	------

<i>Accumulated acquisition costs</i>		
Acquisition	259	-
At the end of the year	259	-

Specification of the Company's participation in group companies

Subsidiary

Industrial Solar GmbH

Number of Shares	Voting share	Carrying amount
	100%	259

Note 7: Receivables from group companies	2018	2017
--	------	------

<i>Parent company</i>		
Accumulated acquisition costs	500	-
Additional receivables	5.656	500
Settled receivables	- 500	-
At the end of the year	5.656	500

Note 8: Adjustments for non-cash items	2018	2017
--	------	------

Group		
Depreciation and amortisation	113	-
Total	113	-

Note 9: Pledged assets and contingents liabilities	2018	2017
--	------	------

Group		
<i>For liabilities to credit institutions</i>		
Chattel mortgages	50.000	-

Note 10: Significant events from the end of the financial year
--

During the autumn of 2018, the parent company applied and was approved for listing on Spotlight Stock Market, the first trading day was January 15, 2019.

16 Independent Auditor Report



Translation from the Swedish original

Auditor's Report

To the general meeting of the shareholders of Industrial Solar Holding Europe AB (publ), 559110-3972

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Industrial Solar Holding Europe AB for the year 2018. The annual accounts and consolidated accounts of the company are included on pages 13-36 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company and the group as of 31 December 2018 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Other Matter

The audit of the annual accounts for the financial year 2017-04-28—2017-12-31 was performed by another auditor who submitted an auditor's report dated 13 March 2018, with unmodified opinions in the Report on the annual accounts.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, 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 opinions. 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 the company's internal control relevant to our 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 Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group'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 annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

45



Translation from the Swedish original

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

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Industrial Solar Holding Europe AB for the year 2018 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Härnösand 2 April 2019

KPMG AB

Lars Skoglund
Authorized Public Accountant

17 News after the Reporting Period

Collaboration with GASCO



Industrial Solar signed a cooperation agreement with GASCO, a boiler manufacturers in Australia having direct access to industrial clients. The cooperation with industrial boiler manufactures is mutually beneficial because it combines market access, engineering capabilities and low carbon energy solutions by integrating solar collectors.

Further information about GASCO are available at <https://www.gasco.net.au/>

Team-Workshop in Härnösand with Absolicon Solar Collectors AB



From January 9th to 12th the teams of both companies had a first workshop to join forces. Specific tasks have been to get a common understanding of both teams, the business model, technology and synergies especially for market activities and technological developments to strengthen each other.

Beside technical discussions, the Absolicon T 160 parabolic trough collector and it's production line technology was introduced and evaluated. Also the ENERGIPARK in Härnösand was visited.

A team building event took place where our teams jointly cooked a dinner under the supervision of Persson Fredrik a culinary expert.



Financing Workshop in Stockholm

End of February Industrial Solar joint a financing workshop in Stockholm organised by Absolicon. In total 4 Solar companies joint the workshop presenting interesting projects whichh could be financed. The workshop was also participated by WWF, SEB, Handelsbanken, Swedish Energy Agency beside others.



ABSOLICON
S O L A R C O L L E C T O R S



**Swedish
Energy Agency**



**BRIGHT
SUNDAY**

Next steps are concrete discussion how to finance projects and to initiate a process to prepare for a financing scheme for international solar process heat projects.

18 Outlook, Risk and Uncertainties

Transfer of Ship2Fair H2020 R&D Project with 2 Fresnel system installations

Industrial Solar is currently in the process of transferring the Horizon2020 R&D Project SHIP2FAIR (Solar Heat for Industrial Process towards Food and Agro Industries commitment in Renewables) with a total grant for the company of approx. 1,4 m€ and a funding rate of 70% plus overhead. SHIP2FAIR aims to foster the integration of solar heat in industrial processes of the agro-food industry. With this purpose, SHIP2FAIR will develop and demonstrate a set of tools and methods for the development of industrial solar heat projects during their whole life-cycle.

Demonstration and validation will take place at four real industrial sites, representative of the agro-food sector: spirits distillation (Italy), ham-cooking (France), sugar boiling (Portugal) and wine fermentation and stabilization (Spain). SHIP2FAIR is a project developed by 15 partners from all over Europe and with the support of the European Commission. More information is available at <http://ship2fair-h2020.eu/>. Industrial Solar is already in close contact with Martini (Italy) and RAR (Portugal) to pre-define the basics for the demo sites.



www.martini.com



www.rar.com

Projects

In one of our hot spot markets (Jordan) two potential customers signed an LOI which states their commitment and interest to install our collector technology. A major chemical company as well as a stock listed pharmaceutical company. For one we have started to investigate the installation of a 600 kW system.

We expect to receive one order at the end of this year out of our Jordan sales pipeline including these two LOIs.

European Solar Thermal Technology Panel (ESTTP)



European Solar Thermal Technology Panel

Christian Zahler has been elected as a member of the Steering Committee of the RHC / ESTTP. The first session of the participating countries took place on January 29th in Brussel. The Secretary General stated that the European Commission is aware of the extremely large market potential of solar process heat and currently conducts various internal activities to initiate funding schemes for the use of renewable energies at industrial facilities.

Potential Project Closings during the year 2019

Industry Projects

Industrial Solar is in ongoing discussions with a couple of customers. As the solutions require capital expenditure, such investments have to be approved for the yearly budget and the company is optimistic to start contract negotiations within the next six month and get orders signed until the end of the year.

R&D Projects

Additionally we expect to get awarded for at least two public co-funded R&D projects partly combined with some orders.

Financing Projects

Industrial Solar is also enlarging its network with financing partners. The company has started to build a pipeline of potential projects with customers which are willing to sign an energy contracting agreement. First discussions between customers and financing partners have been initiated. The company expects that this newly started activity will enable to increase the number of projects and thus the turnover in the mid-term.

Risk and Uncertainties

The market for solar process heat systems is at an early stage but is picking up as the pressure for companies to reduce their carbon footprint is getting continuously stronger. However the sales-cycle are in this market phase typically 12-36 month. Thus a delay for getting orders could appear. Further uncertainties are the price developments of fossil fuels and their taxation/subsidies which has a direct impact on the economics for our projects and customers. Thus the business is difficult to predict. However more and more governments, companies, investors and private people are increasing their contribution and pressure towards a fossil free future.

19 Share Development

On December 28th, 2018, the number of shares outstanding amounted to 5.081.055.

On December 28th, 2018 the company had around 3.000 shareholders. The management Christian Zahler and Tobias Schwind, Eniara AB and Priono AB have been the four largest shareholders in the company on December 28th, 2018 and owned 63,4% of all outstanding shares.

Below table shows the 10 largest shareholder as of December 28th, 2018 before the capital increase. The numbers differ from the Euroclear list due to a wrong transfer of shares by SEB between Christian Zahler, Tobias Schwind and Eniara.

Largest Shareholder as of December 28th, 2018	#	%
CHRISTIAN ZAHLER	1.244.859	24,50%
TOBIAS SCHWIND	1.244.858	24,50%
ENIARA AB	627.872	12,36%
PRIONO AKTIEBOLAG	330.046	6,50%
FASTIGHETS AKTIEBOLAG PONORD	144.090	2,84%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	80.260	1,58%
NORDNET PENSIONS FÖRSÄKRING AB	78.926	1,55%
KNUTSSON, BENGT	24.224	0,48%
NORDENHED, KARL ERIK PATRIK	14.902	0,29%
SETEK INVEST AKTIEBOLAG	12.788	0,25%
OTHER SHAREHOLDER	1.278.230	25,16%
Total Shares	5.081.055	100,00%

20 Financial Calendar

The Board proposes that the non-restricted equity is allocated so that SEK 1,033,680 in previously received shareholder contributions is repaid and SEK 6,957,695 is brought forward. The annual shareholder meeting will take place on May 24th in Stockholm. The Board proposes that the previously received shareholder contribution of € 100,000 is repaid and then relended by Absolicon to a normal loan between the companies.

Annual Report	02. Apr
Annual Shareholder Meeting Stockholm	24. Mai
1. Quarterly Report	29. Mai
2. Quarterly Report	30. Aug
3. Quarterly Report	26. Nov
4. Quarterly Report	20. Feb

21 Statement from the Management

The Board of Directors and the Executive Board have today considered and approved the Annual Report of Industrial Solar Holding Europe AB for the fiscal year 01.01.2018 - 31.12.2018. The annual report is presented in accordance with the Swedish K3 accounting standards.

In our opinion, the financial statements give a true and fair view of the entity's financial position at 31.12.2018 and of the results of its operations and cash flows for the fiscal year 01.01.2018 – 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein. We recommend that the Annual Report with its accompanying financial statements be adopted at the Annual General Meeting.

Härnösand, April 2nd 2019



Joakim Byström
Chairman
Of the Board



Christian Zahler
CEO and
Board Member



Tobias Schwind
CFO
Board Member



Olle Ollsen
Board Member



Jürgen Peterseim
Board Member

Härnösand 2 April 2019

KPMG AB

Lars Skoglund
Authorized Public Accountant

INDUSTRIAL SOLAR

renewables onsite



Industrial Solar Holding Europe AB, Fiskaregatan 11, SE-871 33 Härnösand, Sweden
T 0611-55 70 00, F 0611-557210, Org.nr: 559110-3972, BG: 173-7691,
info@industrial-solar.se, www.industrial-solar.se