Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2017 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	942 542 887
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	JACOBSEN ELEKTRO AS
Forretningsadresse:	Sankt Hallvards vei 3 3414 LIERSTRANDA

Regnskapsår

Årsregnskapets periode:	01.01.2017 - 31.12.2017

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Johan Svendsen
Dato for fastsettelse av årsregnskapet:	13.11.2018

Grunnlag for avgivelse

År 2017: Årsregnskapet er elektronisk innlevert

År 2016: Tall er hentet fra elektronisk innlevert årsregnskap fra 2017

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 11.10.2019

Resultatregnskap

Beløp i: NOK	Note	2017	2016
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		301 018 782	1 070 164 498
Annen driftsinntekt			295 822
Sum inntekter		**301 018 782**	**1 070 460 320**
Kostnader			
Varekostnad		259 692 791	963 869 218
Lønnskostnad		24 107 953	7 974 080
Avskrivning på varige driftsmidler og immaterielle eiendeler		444 435	521 153
Annen driftskostnad		64 227 525	82 221 292
Sum kostnader		**348 472 703**	**1 054 585 743**
Driftsresultat		**-47 453 921**	**15 874 577**
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		432 366	543 626
Annen renteinntekt		4 990	1 596
Annen finansinntekt		8 616 313	5 857 946
Sum finansinntekter		**9 053 669**	**6 403 168**
Annen rentekostnad		12 256 565	17 024 338
Sum finanskostnader		**12 256 565**	**17 024 338**
Netto finans		**-3 202 897**	**-10 621 169**
Ordinært resultat før skattekostnad		**-50 656 818**	**5 253 408**
Skattekostnad på ordinært resultat		-11 616 127	5 695 189
Ordinært resultat etter skattekostnad		**-39 040 691**	**-441 781**
Årsresultat		**-39 040 691**	**-441 781**
Årsresultat etter minoritetsinteresser		**-39 040 691**	**-441 781**
Totalresultat		**-39 040 691**	**-441 781**

Resultatregnskap

Beløp i: NOK	Note	2017	2016
Overføringer og disponeringer			
Udekket tap		-39 040 691	-441 781
Sum overføringer og disponeringer		**-39 040 691**	**-441 781**

Balanse

Beløp i: NOK	Note	2017	2016
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		566 813	566 813
Sum immaterielle eiendeler		**566 813**	**566 813**
Varige driftsmidler			
Maskiner og anlegg		172 246	354 107
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		1 288 917	554 154
Sum varige driftsmidler		**1 461 163**	**908 261**
Finansielle anleggsmidler			
Investering i datterselskap		71 400	71 400
Lån til foretak i samme konsern		68 730 240	30 802 130
Sum finansielle anleggsmidler		**68 801 640**	**30 873 530**
Sum anleggsmidler		**70 829 616**	**32 348 604**
Omløpsmidler			
Varer			
Sum varer			**550 175**
Fordringer			
Kundefordringer		394 181 326	649 401 358
Andre fordringer		295 343 678	437 848 477
Konsernfordringer		36 062 868	30 238 226
Sum fordringer		**725 587 872**	**1 117 488 061**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		4 593 493	18 740 173
Sum bankinnskudd, kontanter og lignende		**4 593 493**	**18 740 173**
Sum omløpsmidler		**730 181 365**	**1 136 778 410**
SUM EIENDELER		**801 010 981**	**1 169 127 014**

Balanse

Beløp i: NOK	Note	2017	2016
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		6 000 000	6 000 000
Overkurs		6 324 683	6 324 683
Annen innskutt egenkapital		7 922 929	6 433 740
Sum innskutt egenkapital		**20 247 612**	**18 758 423**
Opptjent egenkapital			
Annen egenkapital		119 943 808	158 984 499
Sum opptjent egenkapital		**119 943 808**	**158 984 499**
Sum egenkapital		**140 191 420**	**177 742 922**
Gjeld			
Langsiktig gjeld			
Utsatt skatt		20 594 689	32 260 867
Sum avsetninger for forpliktelser		**20 594 689**	**32 260 867**
Annen langsiktig gjeld			
Sum langsiktig gjeld		**20 594 689**	**32 260 867**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		90 128 605	122 757 847
Leverandørgjeld		391 401 274	499 744 738
Skyldige offentlige avgifter		10 635 953	11 551 921
Annen kortsiktig gjeld		148 059 041	325 068 720
Sum kortsiktig gjeld		**640 224 873**	**959 123 225**
Sum gjeld		**660 819 562**	**991 384 092**
SUM EGENKAPITAL OG GJELD		**801 010 981**	**1 169 127 014**

Annual Report for 2017

Jacobsen Elektro AS

- Board of Directors Report
- Profit & Loss Accounts
- Balance Sheet
- Cash Flow Statement
- Notes
- Auditor's Report

THE BOARD OF DIRECTORS REPORT 2017

1. Areas of activity

Jacobsen Elektro AS is a project-based company located in Norway but with market focus areas within Sub-Saharan Africa, Asia and Eastern Europe together with our home market. The Company specializes in the turnkey supply of new or refurbished transformer stations, and complete power plants. The Company actively works to strengthen its position in the field of renewable energy. In addition, the Company has a strong focus on the sale of expertise through its consulting department for relay planning and services, including training activities in both domestic and international markets.

The Company's customer base consists mainly of utilities. For the international customers, the supply contracts are often combined with customer finance solutions involving guarantees from Export Credit Agencies and financing from international banks as well as Development Finance Institutions. The ability to offer attractive financing to its customers in this manner is an integral part of the total value offered by the Company.

The Norwegian Energy market is in strong growth, and the Company has increased the focus on the Norwegian market, especially for turnkey projects for sub stations and projects related to Protection and Control, to supplement its already leading position in the consultancy market for relay planning and service in Norway.

The Company's head office is in Lier, Norway.

2. Review of the year

The Company has experienced a reduction in its project activity in 2017 in the market outside Norway compared to 2016 which was an historic record year with the highest ever revenues. During 2017, the Company has been engaged in the following projects:

- Kinyerezi 1 Extension: The extension of the 150 MW Kinyerezi 1 project (finalized in 2016) by adding another 185 MW at the same area. The project was effective in 2016 and is scheduled to be finalized in 2019.
- Kupang, Indonesia, a 40MW power plant.
- Fløytvika EPC a transformer station project.
- The company has been working on several call offs of the valid Frame Agreement with Statnett for Protection and Control Systems in new and existing substations. In Q4 2016 the Company won the pilot project for Digital Substations with Statnett. This is the pilot for the future control and protection solutions within Statnett and highlight the Company's strong technical position in Norway. The project has been delivered.
- EPC contract for Skillemoen and Balsfjord to build one new and upgrade one transformer station.
- EPC contract for Sylling to rehabilitate the transformer station and protection and control during a four years period while the station is on operation.

3. Financials

3.1 Profit & Loss Accounts, Balance Sheet and Cash Flow Statement

In 2017, Jacobsen Elektro AS' operating Revenue of 301,0 MNOK was on the low side compared to 1070.5 the year before. The reduction in Revenue in 2017 compared to 2016 was mainly due to the fact that a major project (Kinyerezi) had low progress due to lack of payment from the Government in Tanzania. The operating loss from ordinary activities before tax and finance was 47,4 MNOK compared with 15.9 MNOK in 2016. The loss for the year after tax was 38,2 MNOK compared to loss of 0,4 MNOK in the previous year.

The total Balance as per 31.12.2017 was 799,1_MNOK compared to 1169.1 MNOK in 2016.

The company's Equity as per 31.12.2017 was 139,5 MNOK equal to 17,5 % of the total Balance.

Total Current Assets were 728,2 MNOK equal to 91,1 %. Short-term Liabilities were 640,2 MNOK while the long-term Liabilities were 19,3 MNOK. Trade Receivables are in total 394,1 MNOK.

The short-term (Bridge Loan Facility) Liability to CRDB Bank Tanzania is 70,2 MNOK. Due date for this Liability is January 31, 2019.

Liabilities in Jelcem Ghana Ltd are secured by a Corporate Guarantee from Jacobsen Elektro AS with a total of appr 11 MUSD.

Net Cash Flow from operations was 37.2 MNOK compared to 34.2 MNOK in 2016.

The Cash Flow from investments was -18.7MNOK. The Cash Flow from financing activities was -32.6 MNOK due to bank overdraft. The net change in liquid Assets was thus 32.6MNOK.

At the close of the year the company's holdings of bank Deposits and liquid Assets were 4,6 MNOK compared to 18.7 MNOK in 2016.

The Board of Directors is of the opinion that the Annual Accounts and Annual Report provide a true and correct picture of the Company's Assets and Liabilities, financial position and the Profit/Loss at the close of the accounting year 2017.

3.2 Currency risk

Jacobsen Elektro AS is exposed to currency risk as a portion of the Company's expenses are in NOK, while a larger portion of the Company's income is in other currencies like USD and EUR. The Company seeks to eliminate the exposure to exchange rate fluctuations that arise because of having different income and expense currencies in the projects, through contractual changes and the currency risk can, thus, be considerably reduced for the individual projects. Further, the Company makes every effort to reduce the sum of currency fluctuation exposure in the individual projects by adapting the income and cost currencies to the highest degree possible.

The Company had no currency hedging contracts per 31.12.2017.

3.3 Going concern, liquidity risk and financial situation

The financial statements for the year ended 31 December 2017 have been prepared under the going concern assumption.

The company's focus in the year ahead are:

a) Successful contract awards
b) Strengthening the liquidity position
c) Improved solidity by restructuring of The Jacobsen Elektro Group
d) Handling of the present sister company guarantee

Ref a) Several new projects in Norway and abroad have been identified and a revised strategy plan has been developed to win these projects. The necessary guarantees have been secured in 2018 to support the corresponding tenders and contracts. A high award rate in the coming months and year is urgent for both increasing the revenue and for strengthening the weak liquidity position. For further comments related to contract awards 2018, ref point 4 below.

Ref b) Constraints related to the Company's liquidity position are mainly caused by two factors:

1) Late payments of trade receivables: The risk of not receiving any payment against trade receivables is deemed to be minor. The Norwegian trade receivables have an excellent payment record in this regard. In respect of the international projects and the Kinyerezi projects in particular, delayed payments from this latter client has had a

negative impact on the Company's liquidity position, at times, and on its ability to make thorough liquidity forecasts. The Kinyerezi trade receivable is amounting to 347,5 MNOK (88% of total trade receivables).

2) Internal borrowing: The Company's receivables from its holding company and its sister companies of approximately 102,8 MNOK, cannot be collected in the short term, but is expected to be partly paid back based on sale of assets in the medium term.

Ref c) The Board of Directors of the Jacobsen Elektro Group has initiated several processes, incl sale of assets in order to improve the Group's solidity. For further comments related to sale of assets, ref point 10 below.

Ref d) The Company is guaranteeing for a loan to a sister company. Up until recently the sister company, Jelcem, has not been able to honour its local debt, utilized for investments in building up its facility in Ghana. The Company has therefore supported Jelcem in its effort to make payments under the loan agreement due to the Company's guarantee obligation. Jelcem has in 2018 started to pay down minor installments of the said loan. The loan is amounting to approximately 11 MUSD.

4. Order backlog

Norway

The company's consulting and service activities, which are mainly focused on the Norwegian market, has had a very satisfactory influx of orders, and the positive trend has continued in 2018.

The renewed Frame Agreement with Statnett for control and protection systems in Norway was effective by June 2015 (by completing the pilot station) and has an estimated remaining value of 150-200 MNOK over the remaining 2-year period ending January 1st. 2020. The company has won the pilot project for 'Digital Substation' with Statnett. This is the pilot for the future control and protection solutions within Statnett.

The company has during 2017 given offers to several EPC substations both to Statnett and other grid owners and we are in a good position to win new orders both with Statnett and other grid owners.

Export Market

The major order backlog consists of the following:
Kinyerezi 1 Extension project 185MW Power plant (Tanzania): 755 MNOK.

At the close of the year, the Company had a total order backlog of approximately 828 MNOK

5. Market and future prospects

The Norwegian market was satisfactory in 2017 and continues this trend into 2018, with good activity for the Company within its consultancy business in particular. Also, the Framework Agreement with Statnett has developed in accordance with expectations in 2017.

The Norwegian EPC market was very competitive in 2017 and this trend has continued in 2018;

The Company continues to work to secure new contracts in Norway and internationally and has a pipeline of potential new projects.

Although expectations of future earnings and growth imply some uncertainty, the Board of Directors' assessment is that the market in which the Company operates is good and represents a potential for further growth and development of the Company.

6. The working environment

The Company has an excellent working environment with little distance between management and the employees characterized by the high level of teamwork, informal and effective decision-making processes and procedures. The Company's total absence through illness was 1,68 %.

The Company is certified according to SA 8000 (Social Accountability) as the first company in the Nordic region. This certification confirms the Company's responsibility regarding human rights including child labor, forced and compulsory labor, health and safety, freedom of association, discrimination and disciplinary practices, working hours and remuneration in all projects we are involved in, both international and domestic.

7. Equal opportunity

The average number of employees in the Company in 2017 was 67. The Company had 71 employees at the close of the year. Of these, 5 were women and 66 were men. The Company's policy is that equal salaries shall be paid for equal work. The Company's Board of Directors consists of 2 men.

8. The external environment

The Company generates low volumes of waste products in the form of waste oils and metals. Return arrangements have been established for metals, while environmental waste is sent to a receiving depot. Electronic equipment is returned in accordance with the applicable recycling arrangement. There is a requirement in connection with the financing of certain projects that an environmental study is prepared and approved with the subsequent requirements that are to be incorporated in HES routines in the individual projects. The Company hires external consultants to prepare the environmental studies. The Company has during June 2017 been awarded the Certificate for ISO 14001 in order to comply with environmental requirements stipulated by the authorities, customers and suppliers.

Our Environmental Policy:

- We commit to involve our suppliers in our Environmental Policy
- We commit to identify, and evaluate how to prioritize, our environmental aspects
- We shall work continually to identify environmental aspects, and to avoid and reduce negative environmental impact

9. Appropriation of profit/loss for the year

The Board of Directors proposes that the result for the year of -38,2 MNOK is taken from the retained earnings.

10. Event after 31.12.2017

Jacobsen Elektro Holding AS has entered into a Letter of Intent (LOI) with an international reputable industrial investor to sell all its shares in Jelco AS, including its subsidiaries. The sales includes the transfer of all thermal power plant projects that are under development in Jacobsen Elektro AS and Jelco AS. The purchasing party is at its final stage of due diligence and the transaction is expected to be concluded within 2018/2019.

The major part and value of the LOI is related to the Ghana 360 IPP power plant project.
The EPC contract under this project has a value of approximately 415 MUSD and the Company is expected to book a total revenue under a sub contract with a value of approximately 250 – 300 MNOK and a gross margin of approximately 50 MNOK.
The net value for the Company, of the sale of Jelco AS and its project portfolio, is estimated to be 100 MNOK while the accrued development cost under the project is 77 MNOK.

Lierstranda 23 November 2018
The board of Directors

Johan Svendsen
Chairman of the board

Clas Eirik Strand
Member of the Board

Geir Gjersdal
Managing Director

Jacobsen Elektro AS

INCOME STATEMENT

(Amounts in NOK 1000)

	Note	2017	2016
Revenue	5,14	301 019	1 070 164
Other operating income	14	0	296
Total revenue		**301 019**	**1 070 460**
Project expense	15	256 274	959 006
Cost of good sold		3 419	4 863
Employee expense	9,16	24 108	7 974
Depreciation	1	444	521
Other operating expenses	8,16	64 228	82 221
Total operating expenses		**348 473**	**1 054 586**
Operating profit		**-47 454**	**15 875**
Interest from group companies		432	544
Interest income		5	2
Other financial income	18	8 616	5 858
Interest to group companies		0	0
Interest expenses	15	12 257	17 024
Other financial expenses	18	0	0
Net financial income and expenses		**-3 203**	**-10 621**
Profit before tax		**-50 657**	**5 253**
Income tax expense	13	-11 616	5 695
Net profit or loss for the year	10	**-39 041**	**-442**
Transferred from retained earnings	10	**-39 041**	**-442**
Transferred to retained earnings	10	**0**	**0**
Group contribution	10	**0**	**0**

Jacobsen Elektro AS

BALANCE SHEET AT 31.12.

(Amounts in NOK 1000)

ASSETS	Note	2017	2016
Incurred witholding tax	13	567	567
Total intangible assets		**567**	**567**
Land, buildings and other property	1,6	0	0
Machinery and movables	1,6	172	354
Fixtures and fittings, tools, office machinery and equipment	1,6	1 289	554
Total tangible assets		**1 461**	**908**
Investments in subsidiaries	2	71	71
Loans to group companies	6,8	68 730	30 802
Total financial fixed assets		**68 802**	**30 874**
TOTAL FIXED ASSETS		**70 830**	**32 349**
Inventories	**3, 6**	**0**	**550**
Trade receivables	6,8	394 181	649 401
Work in progress, not invoiced	5,6	136 883	252 729
Other receivables group companies	6,8	36 063	30 238
Other receivables	6	4 288	6 653
Activated contractual cost	4	154 172	178 466
Total receivables		**725 588**	**1 117 488**
Cash and bank deposits	**6,7**	**4 593**	**18 740**
TOTAL CURRENT ASSETS		**730 181**	**1 136 778**
TOTAL ASSETS		**801 011**	**1 169 127**

Jacobsen Elektro AS

BALANCE SHEET AT 31.12.

(Amounts in NOK 1000)

EQUITY AND LIABILITIES	Note	2017	2016
Share capital	10,11	6 000	6 000
Share premium	10	6 325	6 325
Other paid-in equity	10	7 923	6 434
Total paid-in equity		**20 248**	**18 758**
Retained earnings	10	119 944	158 984
Total retained earnings		**119 944**	**158 984**
TOTAL EQUITY	10	**140 191**	**177 743**
Deferred tax	13	20 595	32 261
Total provisions		**20 595**	**32 261**
Liabilities to financial institutions	6,7	90 129	122 758
Trade creditors	8	391 401	499 745
Public duties payable		10 636	11 552
Other short term liabilities	5	141 579	314 902
Invoiced, work in progress	5	6 480	10 167
Total short-term liabilities		**640 225**	**959 123**
TOTAL LIABILITIES		**660 820**	**991 384**
TOTAL EQUITY AND LIABILITIES		**801 011**	**1 169 127**

Lierstranda, 23 November 2018

Johan Svendsen
Chairman of the Board of Directors

Geir Gjersdal
Managing Director

Clas-Erik Strand
Member of the Board of Directors

Kontantstrømoppstilling

Jacobsen Elektro AS

	2017	2016
Kontantstrømmer fra operasjonelle aktiviteter		
Resultat før skattekostnad	-50 657	5 253
Avskrivninger	444	521
Endring i varelager	550	228
Endring i kundefordringer	367 466	-645 001
Endring i vareleverandørgjeld	-108 344	295 711
Endring i andre tidsavgrensingsposter	-172 234	377 463
Netto kontantstrøm fra operasjonelle aktiviteter	**37 226**	**34 175**
Kontantstrøm fra investeringsaktiviteter		
Utbetalinger ved kjøp av varige driftsmidler	-1 159	0
Innbetalinger på lånefordring konsern (korts./langs.)	0	33
Utbetalinger på lånefordring konsern (korts./langs.)	-41 793	0
Innbetalinger på andre lånefordringer (korts./langs)	24 208	0
Utbetalinger på andre lånefordringer (korts./langs)	0	-9 748
Netto kontantstrøm fra investeringsaktiviteter	**-18 744**	**-9 714**
Kontantstrømmer fra finansieringsaktiviteter		
Netto innbetaling kassekreditt	11 134	0
Netto utbetaling kassekreditt	0	-438
Innbetalinger ved opptak av annen gjeld (korts./langs.)	-43 764	-17 987
Innbetalinger av konsernbidrag fra MS	0	6 930
Netto kontantstrømmer fra finansieringsaktiviteter	**-32 629**	**-11 495**
Netto kontantstrøm for perioden	**-14 147**	**12 966**
Effekt av valutakursendringer på kontanter og kontantekvivalenter	0	0
Kontanter og kontantekvivalenter ved periodens begynnelse	18 740	5 775
Kontanter og kontantekvivalenter ved periodens slutt	**4 593**	**18 740**
Denne består av:		
Bankinnskudd m.v.	**4 593**	**18 740**

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To the General Meeting of Jacobsen Elektro AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jacobsen Elektro AS showing a loss of NOK 39 040 691. The financial statements comprise the balance sheet as at 31 December 2017, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the Board of Directors' report and note going concern in the financial statements which indicate that the company incurred a net loss of NOK 39 mill. during the year ended 31 December 2017. In the event the company should be forced to realize its assets, no assurance can be given that these will not be realized at a significantly lower value than their carrying value. These conditions, along with other matters as set forth in the Board of Directors' report, indicate the existence of a material uncertainty that may cast doubt about the company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report, but 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 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

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment 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. We 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 management.

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- conclude on the appropriateness of management's 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 Board of 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.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

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Independent Auditor's Report - Jacobsen Elektro AS

Other Matters

The Company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

This audit report replaces our previous audit report as of 30.06.2018, which was issued at the statutory deadline for holding the annual shareholders meeting. Complete annual financial statements and Board of Directors report were at this point in time not submitted by the Board of Directors and Managing Director.

Oslo, 23 November 2018
PricewaterhouseCoopers AS

Bjørn Rydland
State Authorised Public Accountant

(4)

Accounting principles

The annual accounts have been prepared in accordance with the Accounting Act and accounting principles generally accepted in Norway.

Use of estimates

The preparation of financial statements in accordance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which contain such assessments, have a high degree of complexity, or where assumptions and estimates are significant for the financial statements, are described in the notes.

Subsidiaries

The purchase method of accounting is used to account for the acquisition of subsidiaries, associates and joint ventures. The investment is carried at cost price for the shares unless a write-down has been necessary. Group contributions, less tax, increase the cost price for the shares. Dividends/group contributions are recognized the same year as they are recognized in the subsidiary/associate/joint venture. When a dividend/group contribution materially exceeds retained earnings after the acquisition/purchase the exceeding amount is considered repayment of invested capital and reduces the value of the investment on the balance sheet.

Recognition of income – construction contracts

The Company's activities consist primarily of the execution of turnkey projects including design, engeneering, procurement and construction. Most of the construction is conducted by subcontractors. Construction contracts are accounted for in accordance with NRS 2.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The group uses the 'percentage-of-completion method 'to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

On the balance sheet, the group reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.

Recognition of income – other items

Income is recognised upon delivery. Services are recognised as income in accordance with the proportion of work performed.

Capitalised contract costs

Capitalised contract costs are recognised in accordance with NRS 2. Expenses incurred in connection with projects where management concludes that there is more than 50 % probability that the Company will sign a contract with the customer are capitalised at cost.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Purchase costs
The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

Fixed assets
Land is not depreciated. Fixed assets are valued at cost and reduced with cumulative amortisation and depreciation, using the straight-line method. When assets are sold, the cost and cumulative amortisation and depreciation are reversed in the accounts, and any gain or loss from the sale is booked in the income statement. The cost for the asset is the purchase price, including fees and taxes and direct purchasing costs related to enable the asset to be used. Expenses occurring after the asset is taken into use, like repairs and maintenance, are normally booked as costs in the income statement. If changes in the depreciation plan occur, the effect is distributed over the remaining depreciation period.

Asset impairments
Fixed assets that are depreciated are assessed for impairment when indicators exist that future earnings cannot justify the value in the balance sheet. An impairment loss measured as the difference between the balance sheet value and the recoverable amount is booked in the income statement. Recoverable amount is the higher of actual value less estimated selling costs and the utility value.

Previous impairment charges, except writedown of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

Inventories
Inventories, including raw materials, are valued at the lower of cost and fair value less costs to sell after provisions for obsolete inventories. Inventories are measured using the FIFO principle. Finished goods and work in progress include variable costs and fixed costs that can be allocated to goods based on normal capacity. Obsolete inventories have been fully recognised as impairment losses.

Debtors
Trade debtors are recognised in the balance sheet after a provision for bad debt. The bad debt provision is made on the basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial diffciculties of customers, the likelihood that the customer will become bankrupt or experience financial restructuring, as well as postponements and insufficient payments, are all considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes, this is not carried out. Provisions for bad debt are valued the same way as for trade debtors.

Foreign currencies
Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as operating income and cost of goods sold. The functional and presentation currency is NOK.

Liabilities
Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Guarantee commitments
Provisions for warranty relating to completed sales are valued at the estimated cost of such work. The estimate is made on the basis of historical figures for guarantee work, but adjusted for expected differences due to, for instance, changes in quality assurance routines and changes in product range. The provision is recognised under 'Other short term liabilities' and changes in the provision are recognised in income.

Pensions
The company has various pension schemes. The pension schemes are financed through payments to insurance companies, with the exception of the early retirement pension scheme (AFP). The company has both defined contribution plans and defined benefit plans.

Taxes
The tax charge in the income statement includes both tax payable for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. The deferred tax liability and deferred tax asset which may be shown in the balance sheet are presented net.

The tax deduction related to group contributions given and the tax withheld on group contributions received are booked as a reduction of cost price or taken directly to equity, and are booked directly against tax in the balance sheet (offset against tax payable, as appropriate, or offset against deferred taxes, as appropriate).

Deferred tax is reflected at nominal value.

Cash flow statement
The cash flow statement is presented according to the indirect method. The term cash and cash equivalents includes: currency, bank deposits, and short-term, highly liquid investments with a maturity of three months or less at the time of purchase.

Jacobsen Elektro AS **Notes to the accounts for 2017**

Going Concern

The financial statements for the year ended 31 December 2017 have been prepared under the going concern assumption.
The company's focus in the year ahead are:
a) Successful contract awards
b) Strengthening the liquidity position
c) Improved solidity by restructuring of The Jacobsen Elektro Group
d) Handling of the present sister company guarantee

Ref a) Several new projects in Norway and abroad have been identified and a revised strategy plan has been developed to win these projects. The necessary guarantees have been secured in 2018 to support the corresponding tenders and contracts. A high award rate in the coming months and year is urgent for both increasing the revenue and for strengthening the weak liquidity position. For further comments related to contract awards 2018, ref point 4 below.
Ref b) Constraints related to the Company's liquidity position are mainly caused by two factors:
1) Late payments of trade receivables: The risk of not receiving any payment against trade receivables is deemed to be minor. The Norwegian trade receivables have an excellent payment record in this regard. In respect of the international projects and the Kinyerezi projects in particular, delayed payments from this latter client has had a negative impact on the Company's liquidity position, at times, and on its ability to make thorough liquidity forecasts. The Kinyerezi trade receivable is amounting to 347,5 MNOK (88% of total trade receivables).
2) Internal borrowing: The Company's receivables from its holding company and its sister companies of approximately 102,8 MNOK, cannot be collected in the short term, but is expected to be partly paid back based on sale of assets in the medium term.
Ref c) The Board of Directors of the Jacobsen Elektro Group has initiated several processes, incl sale of assets in order to improve the Group's solidity. For further comments related to sale of assets, ref point 10 below.
Ref d) The Company is guaranteeing for a loan to a sister company. Up until recently the sister company, Jelcem, has not been able to honour its local debt, utilized for investments in building up its facility in Ghana. The Company has therefore supported Jelcem in its effort to make payments under the loan agreement due to the Company's guarantee obligation. Jelcem has in 2018 started to pay down minor installments of the said loan. The loan is amounting to approximately 11 MUSD.

Note 1 Fixed assets

Fixed assets	**Buildings and land**	**Machines**	**Movables**	**Total fixed assets**
Purchase cost 01.01.	0	4 832	7 131	11 963
Additions	0	0	1 159	1 159
Disposals	0	0	0	0
Purchase cost 31.12.	0	4 832	8 290	13 123
Accumulated depreciation 31.12.	0	4 661	7 001	11 661
Net book value 31.12.	**0**	**172**	**1 289**	**1 461**
Depreciation expense	0	182	425	**607**
Project related cost (Note 15)				**-162**
Deprecation total				**444**
Expected useful life		5 years	3 - 5 years	
Depreciation method		Straight line	Straight line	

Note 2 Subsidiaries, associated companies, and joint ventures

Investments in subsidiaries, associated companies and joint ventures are booked according to the cost method.

Subsidiaries	**Location**	**Ownership/ voting right**	**Balance sheet value**
Jacobsen Elektro Italia SRL	Italia	85 %	71
Balance sheet value 31.12.			**71**

Jacobsen Elektro AS **Notes to the accounts for 2017**

There has not been any significant activity in Jacobsen Elektro Italia SRL in 2017.

Note 3 Inventories

	2017	2016
Raw materials	0	550
Total	**0**	**550**

There is no obsolete inventory

Note 4 Capitalised contract expenses

	2017	2016
Capitalised contract expenses	154 172	178 466

(1)A still valid implementation agreement of (IA) was signed in 2011 in respect of a 50 MW IPP power plant at Maria Gleta in Benin. A corresponding Power Purchase Agreement was negotiated in 2012. The local authority's ambitions have increased the desired capacity form an original output of 50 MW. New elections in 2016 held back the progress, but the new President tasked the Minister of Energy to move forward. The first priority in this respect was to implement a 120 MW EPC power plant project at Maria Gleta. The EPC contract was signed in Q3 2107. In parallel, together with two other companies, JEL was awarded the supply of 120 MW power plant to be installed in Maria Glèta. JEL was not selected at the first of the three projects to be implemented but is likely to be the second of the three. The target of The Government of Benin is to start the construction of a first 120 MW IPP project in first half 2018 and to begin the next IPP project early 2018. The third IPP to be delayed with start of construction in 2020.

(2) Power plant Ghana 360 – The EPC part of an IPP project of 360 MW based on Wartsila equipment (Dual Fuel Engines) where Jacobsen Elektro AS will be the EPC contractor. The expected value of the EPC contract is 550 MUSD under the current project structure. We have been working with the project for approximately 7 years. Negotiations with relevant authorities progressed well until the election process in Q3/Q4 2016. Thereafter, there was a halt in the progress as the new government took office and reviewed energy strategies for the first three quarters of 2017. Early October 2017, we were contacted again by Government of Ghana, through Ministry of Finance, to restart the PCOA and PPA negotiation process, enabling the project to move forward towards Financial Closing and project implementation. Negotiations with Government of Ghana are expected to start in the first half of 2018.

In 2017 we wrote down Namawe Conversion with tnok 5460 and another with tnok 40.

Contracts	**Country**	**2017**	**2016**
Power plant (UETCL)	Uganda	27 500	27 500
Substations (YESB)	Myanmar	9 717	9 365
Substations (EDM)	Mozambique	0	0
Namawe Conversion (UETCL)	Uganda	0	5 460
Nengo bridge HEPP (UETCL)	Uganda	7 030	7 030
Substation and transmission (OST)	Albania	869	869
Substations - phase III in Ghana (ECG, GRIDCo)	Ghana	2 436	2 215
Substation (Statnett)	Norway	1 389	574
Power plant	Benin	20 159	18 865
Power plant 360 MW	Ghana	75 866	96 813
Kinyerezi Extention (Tanesco)	Tanzania	0	0
Ubungo Extension (Tanesco)	Tanzania	7 350	7 350
Purchase of land for power plant (Rockinol Uganda)	Uganda	957	957

Jacobsen Elektro AS **Notes to the accounts for 2017**

Hydro power plant (Langonan Holdings Corp)	Philippines	899	899
PLN Kupang	Indonesia	0	569
Total		**154 172**	**178 466**

Note 5 Long term contracts

Balance sheet value of projects	**2017**	**2016**
Work in progress, not invoiced	136 883	252 729
Retained payments according to contract	0	0
Deferred income, invoiced amount in excess of earned	6 480	10 167

Income statement items related to projects	**2017**	**2016**
Result of work in progress (Accumulated)		
Total income in the income statement	1 139 973	2 076 036
Estimated contract profit	155 551	230 919
Loss-making long term contracts		
Remaining production	0	0

All ongoing projects at 31.12.2017 have recognised profits. The degree of completion of all current projects at 31.12.2017 is calculated on the basis of the relationship between accrued project costs and estimated total project costs.

Note 6 Receivables and liabilities

Trade receivables	**2017**	**2016**
Trade receivables at nominal value	394 181	649 401
Bad debts provision	0	0
Trade receivables in the balance sheet	**394 181**	**649 401**

Long term receivables which fall due later than one year	**2017**	**2016**
Other long term receivables	68 730	30 802
Total	**68 730**	**30 802**

	2017	**2016**
Liabilities secured by collateral	70 220	113 984
Balance sheet value of assets pledged as collateral:		
Inventory	-	550
Trade receivables	394 181	649 401
Other receivables incl. recievables from group companies	36 063	30 238
Work in progress, not invoiced	136 883	252 729
Fixed assets	1 461	908
Bank deposits (unrestricted)	680	15 173

Jacobsen Elektro AS **Notes to the accounts for 2017**

Bank deposits (restricted)	3 914	3 567
Total	**573 182**	**952 567**

The assets are pledged as collateral for the following:

Bank overdraft	19 908	8 773
Total	**19 908**	**8 773**

Off balance sheet commitments

Contractual guarantees	44 092	112 821
Loan guarantees to group companies	77 729	106 457
Total	**121 821**	**219 278**

In addition to assets specified above, are assets in Jarlsø AS, Jelco AS and Jacobsen Elektro Holding AS pledged as collateral for Jacobsen Elektro AS's liabilities. Jacobsen Elektro AS's liabilities are also secured by an corporate guarantees given by Jacobsen Elektro Holding AS. Liabilities in Jelcem Ghana Ltd are secured by a corporate guarantees from Jacobsen Elektro AS with a total of TNOK 77 729.

Note 7 Restricted bank deposits, overdraft facilities

Restricted bank deposits	**2017**	**2016**
Withheld employee taxes	3 699	3 353
Other restricted bank deposits	215	214
Total	**3 914**	**3 567**

Overdraft facilities granted	**2017**	**2016**
Unused bank overdraft	4 192	6 227
Unused loan facility CRDB Bank (Overdraft facility Limit USD 15 000 000)	52 510	15 316
Total	**56 701**	**21 543**

Note 8 Balances with group companies, etc.

	Other long term receivables		**Other receivables**		**Trade receivables**	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Group companies	68 730	30 802	37 756	30 238	11 939	10 917

	Other long term liabilities		**Other liabilities**		**Trade creditors**	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Group companies	0	0	0	0	0	4 999

In 2016 Jacobsen Elektro AS wrote down receivables to group companies with TNOK 33 591. The loss is recognized as other operating expenses.

Note 9 Pensions

Jacobsen Elektro AS **Notes to the accounts for 2017**

OTP
According to the Norwegian Accounting Act §7-30a, the Company is required to contribute to the compulsory pension benefit program "Obligatorisk tjenestepensjon (OTP)". The benefit contribution is charged as an expense through the fiscal year.
The Company has entered into a contribution-based pension arrangement that covers 65 employees. The pension arrangements meet with the requirements of the Accounting Act. Pensions expense for the year was TNOK 2.396

CP
The Company participates in a LO/NHO arrangement that results in all employees having a choice to elect early retirement from the age of 62. There was a ruling which stated that this plan would be discontinued from February, 2010, and that it would only be possible to elect early retirement under the previous plan up until 31.12.2010. When the old plan was discontinued, a considerable funding deficit was identified. The deficit must be covered by the member companies continuing to make payments to the old plan for five years after discontinuation. The Company's share of the deficit is estimated to be TNOK 35, which has been allocated accordingly in the financial statements. The Company had no active retirees under the old plan per 31.12.2017.

The previous CP plan was replaced by a new CP plan. The new CP plan includes, as opposed to the previous one, an arrangement that provides a life-long contribution option to the ordinary pension. Employees can choose to take out the new CP plan when reaching 62 years in age, including while they are employed, which will provide further accrual until the age of 67. The new CP plan is a contribution-based multi-company plan and is financed through premiums calculated as a percentage of wages. The plan is classified in the accounts as a contribution-based pension scheme where the premium is recognised as incurred and no provisions are made in the accounts.

Annual premium fees for the new CP plans total TNOK 769.

Note 10 Shareholders' equity

Equity	Share capital	Share premium	Othe paid-in equity	Retained earnings	Total
Equity 01.01.	6 000	6 325	6 434	158 984	177 743
Profit for the year	0	0	0	-39 041	-39 041
Group Contribrution	0	0	0	1 489	1489
Equity 31.12.	**6 000**	**6 325**	**6 434**	**121 433**	**140 191**

Note 11 Share capital and shareholder information

The parent company Jacobsen Elektro Holding AS has its registered offices in Ringeriksveien 16, 3414 Lierstranda, where the consolidated accounts which include the company can be obtained.

The share capital of TNOK 6 000 consists of 6 000 000 shares with a nominal value of NOK 1 each.

List of shareholders at 31.12.	Number of shares	Ownership
Jacobsen Elektro Holding AS	5 994 000	99,9 %
Svein Haugen	6 000	0,1 %
Total number of shares	**6 000 000**	**100 %**

Note 12 Covenants

The company has an Overdraft Facility with Swedbank. The Company and Swedbank have agreed to gradually reduce the existing Overdraft Facility. As per 31.12.2017 the drawings under the facility was 23.4MNOK.
Developments in 2018:
The facility has been further reduced in 2018, and drawings under the facility is 5.1MNOK as of 31.10.2018.

Jacobsen Elektro AS **Notes to the accounts for 2017**

Note 13 Taxes

Calculation of deferred tax liability/asset

Temporary differences	**2017**	**2016**
Fixed assets	-1 700	-1 900
Long term assets	942	479
Manufacturing contracts not completed at year end	155 551	230 919
Accounts receivable	-1 624	-424
Accrual AFP	0	0
Net temporary differences	153 169	229 074
Tax losses carried forward	-63 627	-94 654
Basis for deferred tax	**89 542**	**134 420**
Deferred tax 23 %	20 595	32 261
Deferred tax in the balance sheet	**20 595**	**32 261**
Witholding tax (to incurred, not yet paid tax for Uganda)	-567	-567

Basis for income tax expense, changes in deferred tax and tax payable

Profit before tax	-50 657	5 253
Permanent differences	3 819	22 904
Basis for the tax expense for the year	**-46 838**	**28 158**
Change in temporary differences	75 905	-74 700
Change in loss carryforward	-31 027	39 613
Basis for tax payable in the income statement	**-1 959**	**-6 929**
+/- Group contributions received/given	1 959	6 930
Taxable income (basis for tax payable in the balance sheet)	**0**	**0**

Note 13 Taxes - continuance

Components of income tax expense	**2017**	**2016**
Tax payable on this year's profit	0	0
Adjustment in respect of priors	0	0
Total tax payable	**0**	**0**
Change in deferred tax based on original tax rate	-10 240	8 772
Change in deferred tax due to change in tax rate	-1 426	-1 344
Witholding Tax	520	0
Tax effect of group contribution	-470	-1 732
Tax expense	**-11 616**	**5 695**

Reconciliation of the tax expense

Profit before tax	-50 657	5 253
Calculated tax 24/25 %	-12 158	1 313
Tax expense	-11 616	5 695
Difference	542	4 382

The difference consists of:

Jacobsen Elektro AS **Notes to the accounts for 2017**

24% of permanent differences	917	5 726
Change in deferred tax due to change in tax rate	-1 426	-1 344
Other	1 051	0
Total differences	542	4 382

Tax payable in the balance sheet		
Tax payable in the tax charge	0	0
Tax effect of group contribution	0	0
Tax payable in the balance sheet	**0**	**0**

Note 14 Operating income

	2017	**2016**
Sales income	301 019	1 070 164
Other operational income	0	296
Total	**301 019**	**1 070 461**

Activity distribution	**2017**	**2016**
Project revenue	229 655	1 013 788
Service revenue	70 915	55 147
Intercompany	449	1 230
Gains from sale of land	0	0
Other income	0	296
Total	**301 019**	**1 070 460**

Geographical distribution	**2017**	**2016**
Norway	139 041	120 963
Ghana	-2 430	15 462
Liberia	1 772	37 283
Tanzania	123 097	896 752
Indonesia	39 540	-
Total	**301 019**	**1 070 460**

The increase in revenues is related to revenue recognition of the Kinyerezi I Extension power plant project. See also note 5.

Note 15 Project expenses

Specification of project expenses:	**2017**	**2016**
Cost of goods and raw materials	129 359	794 302
Payroll expenses	55 223	62 528
Depreciation	162	142
Other operating expenses	74 949	106 896
Interest expenses	0	0
Total project expenses	**259 693**	**963 869**

Note 16 Payroll expenses, number of employees, remuneration, loans to employees, etc.

Payroll expenses	**2017**	**2016**
Salaries/wages	65 557	61 907
Social security fees	9 442	9 056

Jacobsen Elektro AS **Notes to the accounts for 2017**

Pension expenses	3 165	3 023
Other remuneration	2 842	1 087
Activated sales cost	-1 676	-4 572
Payroll expenses capitalised as contract expenses	-55 223	-62 528
Total payroll expenses	**24 108**	**7 974**

Average employees during the year:	88	77

Remuneration to executives	**Managing director**	**The Board of Directors**
Salaries/board of directors fee	1 809	0
Pension expenses	16	0
Other remuneration	177	0

The Managing Director is covered under the Company's ordinary pension plan and has a bonus agreement for the achievement of results over budget, limited to 6-months' salary. The Managing director has been paid a bonus of NOK 17 271 for the accounting year 2017.

Board of Directors are remunerated from Jacobsen Elektro Holding AS

No loans/sureties have been granted to the Managing Director, the Chairman of the Board of Directors or other related parties.

Audit fee	**2017**	**2016**
Statutory audit (incl. technical assistance with financial statements)	550	555
Other assurance services	0	0
Tax advisory fee (incl. technical assistance with tax return)	50	50
Other assistance	0	0
Total audit fees	**600**	**605**

VAT is not included in the audit fee.

Note 17 Related party transactions

Related-party transactions:	**2017**	**2016**
a) Sales of goods and services		
Sales of services:		
- Group companies	449	1 383
b) Purchases of goods and services		
Purchases of services		
- Group companies	40 135	39 709

Note 18 Specification of financial income and expense

Other financial income	**2017**	**2016**
Gains financial assets		0
Net foreign exchange gains	8 616	5 858
Total	**8 616**	**5 858**

Jacobsen Elektro AS **Notes to the accounts for 2017**

Other financial expense	**2 017**	**2 016**
Net foreign exchange losses	0	0
Total	**0**	**0**

Note 19 Subsequent events

Benin 120 MW.
The implementation of the first IPP project has been delayed, and the final signing between government and the project is still outstanding. The Company has maintained close contact with government and expect to re-engage during first half of 2019.

Ghana 360 MW.
On March 1, 2018, we received a letter from Electricity Company Ghana (ECG), our counterparty on the Power Purchase Agreement, confirming their intent to continue the PCOA/PPA negotiations with us. A revised commercial offer was sent to the GoG team on June 8, 2016, to which the GoG team responded on June 29, 2018 with certain comments and feedback. We will meet the GoG team for negotiations mid-December 2018.
In early June 2018, Jacobsen Elektro Holding AS entered into a Letter of Intent with a reputable international company in relation to among other the Ghana 360 Project. If the LoI leads to a firm agreement Jacobsen Elektro AS will be entitled to a staged and success-based compensation for the Ghana 360 project and will also have the right to bid for the sub-station part of the EPC contract. The sub-station contract is estimated at 35-40 MUSD.

2 1 MARS 2014

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Rune Tystad	13.03.2014	19.03.2014
Telefon	Deres referanse	Vår referanse
977 59 464	SBR	2014/179175

ADVOKATFIRMAET PRICEWATERHOUSECOOPERS AS
Postboks 748 Sentrum
0106 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Jacobsen Elektro Holding AS med datterselskaper

Vi viser til deres brev av 13. mars 2014 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for

Jacobsen Elektro Holding AS,	org.nr. 935 374 324
Jacobsen Elektro AS,	org.nr. 942 542 887
Jelcem AS,	org.nr. 997 761 391
Jarlsø AS,	org.nr. 996 804 623
Jelco AS,	org.nr. 973 194 607
JEL Oil & Gas AS,	org.nr. 989 127 829
JJG Holding AS,	org.nr. 912 748 529.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskapene tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
Jacobsen Elektro Holding AS med datterselskaper (heretter Jacobsen Elektro) er et norskeiet konsern med fem forretningsområder organisert som datterselskaper: Jacobsen Elektro AS, Jelcem AS, Jarlsø AS, Jelco AS, med datterselskapet JJG Holding AS, og JEL Oil & Gas AS. Jacobsen Elektro Holding AS er eiet med 99,5 % av Svetek Holding AS. Konsernets hovedaktivitet er leveranse av nøkkelferdige elektrotekniske løsninger, herunder transformator- og kraftstasjoner. Selskapets forretningsidé er å levere løsningene i utviklingsland som har et stort behov for elektroteknisk infrastruktur. I dag er 90 % av selskapets kunder utenlandske - primært afrikanske private- og offentlige aktører. Selskapets leveranser, herunder oppføringen av kraftstasjoner og transformatorer, skjer således primært til- og i utlandet. Ettersom selskapet i hovedsak opererer i utlandet, er 95 % av selskapets leverandører også utenlandske. Utenlandske finansieringsinstitusjoner finansierer mesteparten av konsernets prosjekter i utlandet. Av selskapets 140 ansatte er 70 utenlandske. For øvrig leies det også inn lokal arbeidskraft der de tekniske anleggene bygges. Ettersom Jacobsen Elektro i hovedsak driver virksomhet i utlandet, og de aller fleste regnskapsbrukerne ikke snakker eller leser norsk, må selskapet i tillegg til de norske-, utarbeide engelske versjoner av årsregnskapet og årsberetningen.

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Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal årsregnskapet og årsberetningen være på norsk. Departementet kan ved enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> *Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at konsernet er eiet med 99,5 % av et annet norsk selskap og at eierkretsen dermed er begrenset. Videre er det vektlagt at 90 % av selskapets kunder er utenlandske og at selskapet i hovedsak opererer i utlandet.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad