

# First half Report 2019

# Green Cube Innovations AS

Consolidated

Org.nr. 922 735 778



**General information:**

The unaudited interim report is prepared in accordance with simplified IFRS.

**Nature and location of activities:**

AS Green Cube Innovations is a privately owned company with headquarters in Oslo and operates as a distributor of both biofuel and fossil fuel through their two brands Eco-1 and Automat 1.

Eco-1 distributes renewable biofuel and bio heating oil in Norway and Sweden through four business areas - Professional, Heating, Bulk and Station. Automat 1 operates 37 automated gas stations in the Norwegian market. The stations are located from Hamar and Gjøvik in the north to Sarpsborg and Arendal in the south.

The company has its main office and administration in Oslo, Norway.

**Review of first half 2019 accounts:**

The group had operating income in the period of MNOK 824,8. The groups operating expenses were MNOK 800,7. Operating profit for the period was MNOK 24,1. The group balance sheet has MNOK 405,1 of interests bearing debt. The total equity and liabilities in the group accumulate to MNOK 702,4.

The company has a positive outlook on 2019 based on the efficient operational model of the company and the strategic location of company's stations. Through profitable operations the company will significantly strengthen its balance sheet in the years to come.

**Cash flow in the period:**

Net cash flow from operating activities was MNOK -7,8. Net cash flow from investing activities was MNOK -17,5. Net cash flow from financing activities was MNOK 0.

**Business Outlook:**

Despite the rise in the number of electrically powered vehicles the company sees a good demand for heating, diesel and gas products. Population growth and a healthy economic outlook characterize the company's primary markets. Competition remains strong in all markets where the company operates unmanned gas stations.

Through a cost-efficient operational structure, the company will continue to be profitable in the years to come. We are convinced the group has one of the most efficient logistics and operational structures in the market and will therefore remain competitive.

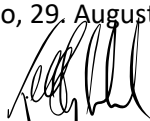
**Events after the balance sheet date:**

There have been no significant events after the end of first half that have material impact on the evaluation of the Group's profit and loss account or balance sheet as of 30.06.2019.

**Statement from the CFO:**

I hereby declare that to the best of my knowledge the interim accounts for the first half of 2019 are prepared in accordance with simplified IFRS – Interim financial reporting, and that the information in the financial statements portrays a true picture of the company's assets, liabilities, financial position and result as a whole, as well as the more important risk and uncertainty factors to which the company might be exposed in the next financial period.

Oslo, 29. August 2019

A handwritten signature in black ink, appearing to read 'Kjell Hugo Aasland', written over the printed name.

Kjell Hugo Aasland  
CFO

**Income statement**  
AS Green Cube Innovations  
All amounts in NOK 1 000

**Group**  
**1.1-30.6.2019**

**Operating income and operating expenses**

Revenues	824 772
<b>Operating Income</b>	<b>824 772</b>

Cost of goods sold	753 324
Payroll expenses	8 733
Depreciation and amortisation expense	4 185
Other operating expenses	34 416
<b>Operating expenses</b>	<b>800 658</b>

<b>Operating profit</b>	<b>24 114</b>
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**Financial income and expenses**

Other interest income	103
Other financial income	43 987
Other Interest expenses	12 020
Other financial expenses	11 524
<b>Net financial income and expenses</b>	<b>20 546</b>

<b>Earnings before income taxes</b>	<b>44 660</b>
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Income taxes	9 825
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<b>Net income</b>	<b>34 835</b>
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**Balance sheet**

AS Green Cube Innovations

All amounts in NOK 1 000

**Group**  
**30.6.2019****Assets****Fixed assets****Intangible fixed assets**

Goodwill 285 389

**Total intangible assets 285 389****Tangible fixed assets**

Buildings and land 167 628

Machinery 13 924

Equipment and other movables 4 595

**Total tangible fixed assets 186 148****Financial fixed assets**

Loans to group companies 17 450

Other receivables 419

**Total financial fixed assets 17 869****Total fixed assets 489 405****Current assets**

Inventories 29 447

**Receivables**

Accounts receivables 135 394

Other receivables 9 590

Group receivables 1 369

**Total receivables 146 354**

Cash and bank deposits 37 181

**Total current assets 212 982****Total assets 702 387**

**Balance sheet**

AS Green Cube Innovations

All amounts in NOK 1 000

**Group**  
**30.6.2019****Equity and liabilities****Restricted equity**

Share capital	200
Share premium reserve	20 440
Other paid-in equity	9 240
<b>Total restricted equity</b>	<b>29 880</b>

**Retained earnings**

Revaluation surplus	22 620
Other equity	43 143
<b>Total retained earnings</b>	<b>65 763</b>

**Total equity****95 643****Liabilities****Provisions**

Deferred tax	28 607
<b>Total provisions</b>	<b>28 607</b>

**Other non current liabilities**

Bonds	400 000
Liabilities to financial institutions	5 148
<b>Total other non current liabilities</b>	<b>405 148</b>

**Current liabilities**

Trade creditors	127 349
Public duties payable	36 420
Group liabilities	1 691
Other short term liabilities	7 529
<b>Total current liabilities</b>	<b>172 989</b>

**Total liabilities****606 744****Total equity and liabilities****702 387**

## NOTES

All amounts in NOK 1 000 unless otherwise stated.

### NOTE 1 – ACCOUNTING PRINCIPLES

This report has been prepared in accordance with simplified IFRS (“Simplified IFRS” – Norwegian: “Forenklet IFRS”).

The report shows the consolidated accounts where the parent company AS Green Cube Innovations and all of its subsidiaries are included.

In May 2019 the group made certain changes in its corporate structure. All the material assets and liabilities in AS Green Cube Innovation Holding (previously AS Green Cube Innovation) were transferred to AS Green Cube Innovations. This was a restructure with unchanged ownership where accounting continuity is used when transferring the assets and liabilities. Group continuity have been used where this have been applicable.

The financial statement is prepared based on historical cost, with exception of land that is measured to fair market value.

The group expects that IFRS 16 *Leases* will not have a material effect on the consolidated financial statements. Based on a materiality assessment the Group has not recognized any right-of-use assets and lease liabilities in the financial statements.

The interim report is not audited.

### NOTE 2 – REVENUES

	<b>Consolidated group</b>
<b>Income specified by business area</b>	<b>1. half of 2019</b>
Sale of fossil fuels	538 499
Sale of renewable fuels, incl. heat	283 710
Leasing income	751
Other operating income	1 811
<b>Sum</b>	<b>824 772</b>

	<b>Consolidated group</b>
<b>Sale specified by geographical area</b>	<b>1. half of 2019</b>
Norway	727 260
Rest of Europe	97 512
<b>Sum</b>	<b>824 772</b>

### NOTE 3 – CASH FLOW

	Consolidated group
<b>Cash flow from operations</b>	<b>1. half of 2019</b>
Profit before income tax	44 660
- Income taxes paid	0
+ Depreciation	4 185
+/- Change in other current balance sheet items	-36 079
- Financial income / + Financial expenses	-20 546
<b>= Net cash flow from operating activities</b>	<b>-7 781</b>
Cash flow from investing activities	-17 522
Cash flow from financing activities	0
<b>= Net change in cash flow</b>	<b>-25 302</b>
+ Cash and cash equiv. at the beginning of the period	62 483
<b>= Cash and cash equivalents at period end</b>	<b>37 181</b>

### NOTE 4 – EQUITY

	Share capital	Share premium reserve	Other paid-in equity	Revaluation surplus	Retained equity	Sum
Equity per 1.1.2019	369	13 464	0	22 620	16 677	53 130
Net income	0	0	0	0	34 835	34 835
Effects from restructuring	-169	6 976	7 690	0	-8 368	6 129
Other changes	0	0	1 550	0	0	1 550
<b>Equity pr. 30.6.2019</b>	<b>200</b>	<b>20 440</b>	<b>9 240</b>	<b>22 620</b>	<b>43 143</b>	<b>95 643</b>



**ATTACHMENT 1  
COMPLIANCE CERTIFICATE**

[date]

29-08-2019

Dear Sirs,

**AS GREEN CUBE INNOVATIONS FRN SENIOR SECURED NOK 500,000,000 BONDS  
2019/2022 – ISIN NO0010852973**

*[Alternative no. 1 - Compliance Certificate delivered under paragraph (a)(i) of Clause 12.3 (Compliance Certificate):*

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to paragraph (a)(i) of Clause 12.3 (*Compliance Certificate*) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee. Capitalised terms used herein will have the same meaning as in the Bond Terms.

This letter constitutes the Compliance Certificate for the period ending [\*\*].

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate and there has been no material adverse change to the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

The Financial Covenants set out in paragraphs (a)(i) and (a)(ii) of Clause 13.20 (*Financial Covenants*) are met, please see the calculations and figures in respect of the ratios and requirements attached hereto.

The names of the Material Group Companies, the Standalone Subsidiaries and the Project Company are all set out below, and where the Material Group Company/ies listed in [\*\*] to [\*\*] below are newly nominated Material Group Companies:

No.	Name, country of incorporation and company registration number	Designation
1	[**], [**] and [**]	[Material Group Company]/[Standalone Subsidiary]/[Project Company]
2	[**], [**] and [**]	[Material Group Company]/[Standalone Subsidiary]/[Project Company]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.]

*[Alternative no. 2 - Compliance Certificate delivered under paragraph (a)(ii) of Clause 12.3 (Compliance Certificate):*

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to paragraph (a)(ii) of Clause 12.3 (*Compliance Certificate*) of the Bond Terms, a Compliance Certificate shall be issued in connection with each Incurrence Test made. Capitalised terms used herein will have the same meaning as in the Bond Terms.

Please be informed that we have made and satisfied an Incurrence Test under paragraph (b)[(i)]/[(ii)]/[(iii)] of Clause 13.13 (*Financial Covenants*) with respect to [*include description of relevant event or circumstance*], please see the calculations and figures in respect of the ratios and requirements attached hereto.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.]

Yours faithfully,

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**Kjell Hugo Aasland**  
*Name of authorised person*

*Enclosure: [Annual Financial Statements]/[Interim Accounts];[and any other written documentation]*