

IN-DEPTH CREDIT REPORT

References

Customer name: Sample Customer
 Customer ref: 11192999
 Our ref: 383888

Status

Date: 11-08-2014
 Speed: Express
 Report: Final

IDENTIFICATION

Given

Subject name: Sample Company (Pty) Limited
 Address: Unit 1, Sample address, Milnerton
 Town: Cape Town
 Zip/postal code: 7441
 Country: South Africa

Verified

Subject name: SAMPLE COMPANY (PTY) LIMITED
 Address: Unit 1, Sample Building, Sample Drive, Montague Park
 Town: Milnerton
 State/province: Western Cape
 Zip/postal code: 7445
 Country: South Africa
 Telephone: +27 (21) 3000000
 Mobile phone: +27 3999999966
 Fax: +27 (21) 8333333
 Email: info.za@sample.com
 Website: www.samplecompany.com
 Remarks: The Subject's registered address is:
 1 Sample Road
 Sample Town, 9876
 South Africa

Postal address: PO Box 11111
 Town: Menlo Park
 Zip/postal code: 0111

EXECUTIVE SUMMARY

Date registered: 30-10-2012
 Legal form: Private Limited Liability Company
 Authorised capital: N/A
 Sales turnover: EUR 271,036,000 (Group consolidated, 31-12-2013)
 Main activities: Manufacturer of power electronic systems and solutions
 Employees: 50 (as declared)

CREDIT RISK RATING

Risk Rating

As at 20.08.2018

Analysis

 Excellent
 Good
 Satisfactory
 **> Passable**
 Poor
 No classification

- Organisational structure is acceptable
- Management is modestly experienced
- No detrimental records found
- Group financial performance is poor
- Operational trend is in development
- Payment punctuality is undetermined

Interpretation Developing operational base; some indications of group financial weakness. More caution advisable when considering granting credit. Smaller credits plus guarantees an advantage. A strict credit control policy applies.

Credit Limit Recommended limit: Fully secured terms preferable

REGISTRY DATA

Key Facts

Date registered: 30-10-2012
Legal form: Private Limited Liability Company
Registration no: 2012/33333333
Registry auth: Companies and Intellectual Property Commission
Registry status: Live/Active
Previous names: SAMPLE COMPANY LIMITED changed on 27-09-2014

LEGAL FILINGS

Bankruptcy filings: None
Court judgements: None
Tax liens: None
Other: None

MANAGEMENT & STAFF

Key Managers

Name: Sample Name 1
Job title: Director

Name: Sample Name 2
Job title: Director

Name: Sample Name 3
Job title: Director

Name: Sample Name 4
Job title: Director

Name: Sample Name 5
Job title: Director

Name: Sample Name 6
Job title: Finance Director

Key Advisors

Auditor: KPMG

Staff

No of employees 50 (as declared)

BOARD OF DIRECTORS / OTHER APPOINTMENTS

Appointments

Name: Sample Name 2
Board function: Director
ID number: 33333333
Date appointed: 30-10-2012
Address: South Africa

Name: Sample Name 1
Board function: Director
Date appointed: 27-02-2014
Address: South Africa

Name: Sample Name 2
Board function: Director
Date appointed: 27-02-2014
Address: South Africa

Name: Sample Name 3
Board function: Director
Date appointed: 27-02-2014
Address: South Africa

Name: Sample Name 4
Board function: Director
Date appointed: 27-02-2014
Address: South Africa

SHARE CAPITAL

Composition

Authorised: N/A
Issued: 120 ordinary shares

SHAREHOLDERS/OWNERS

How Listed

Full List- as declared by Mr Sample Person

Composition

Name: SAMPLE CO GMBH
No. of shares: 61 ordinary shares
Address: Germany

Name: SAMPLE METAL LIMITED
No. of shares: 59 ordinary shares

CORPORATE AFFILIATIONS

Structure

Name: SAMPLE CO GMBH
Affiliation type: Ultimate Holding Company
Address: Sample Street 29
PO Box XXX
NL - 9872 AB Zwanenburg (Amsterdam)
The Netherlands

Name: SAMPLE METAL GMBH
Affiliation type: Parent Company
Address: Germany
Comment: SAMPLE METAL GMBH is a world provider of power electronics. It offers product and service portfolios in uninterruptable power supply (UPS), power conversion and control, for customers spanning the infrastructure markets of energy, telecom, lighting, transportation and general industrial sectors. The Group developed a range of products for the solar energy industry, from solar central inverters, software monitoring, turn-key electrical balance

of systems and has invested in areas of power management within distributed power generation and smart micro grids.

Name: SAMPLE INVESTMENTS (PTY)LIMITED
 Affiliation type: Shareholder
 Address: South Africa

Comments A list of major affiliated companies is attached to this report.

FINANCIAL ACCOUNTS

Description

Required to file: Yes
 Source: Commercial Registry Filings
 Presentation: Attached to this report / Summarised below
 Date of accounts: 31-12-2013
 Type of accounts: Full audited
 Currency: European Euro (EUR)
 Exchange rate: USD 1 = EUR 0.75 as of 11-08-2014

Summarised

Consolidation: Period:	31-12-2013 Group consolidated 12 months	31-12-2012 Group consolidated 12 months
Sales turnover:	271,036,000	383,092,000
Gross profit:	43,165,000	80,863,000
Operating profit:	-65,480,000	-196,032,000
Profit before tax:	-81,675,000	-209,672,000
Profit after tax:	-81,482,000	-177,872,000
Non-current assets:	101,293,000	129,929,000
Current assets:	139,883,000	234,044,000
Total assets:	241,176,000	363,973,000
Current liabilities:	87,799,000	123,478,000
Non-current liabilities:	135,577,000	143,695,000
Total liabilities:	223,376,000	363,876,200
Shareholders' equity:	17,800,000	96,800

Comments The Subject's financial statements were not available. The above group consolidated figures relate to the Subject's Ultimate Holding Company SAMPLE CO GMBH and its subsidiaries.

OPERATIONS & HISTORY

Activities

Full description: The Subject is engaged in manufacturing of power electronic systems and solutions for industrial power supplies and renewable energies.

Group description: The Group operates in two segments, Renewable Energy Solutions ("RES") and Energy Efficiency Solutions ("EES"). RES comprises the Power Controllers and Solar (including skytron) business units. EES includes the Energy Management Solutions ("EMS") and DC Telecom converters

PROPERTY & ASSETS

Premises

The Subject principally operates from premises located at the heading address, consisting of production facilities, a warehouse and administrative offices.

PAYMENTS

Purchase Terms

Local: Cash
Credits 14-30 days
Imports: L/Cs
Credits 30 days net

Sales Terms

Local: Cash
Credits 14-30 days

Debt Collections / Judgements

No negative information was found.

Payment Experience

Payment behaviour: As trade references were not supplied, the Subject's payment track record history CANNOT BE ACCURATELY DETERMINED.

INVESTIGATIVE NOTES

Sources:

Interviews and material provided by Mr Garron Stewart
Other official and local business sources

ATTACHMENTS

Attachments:

Group consolidated financial statements
List of affiliated companies

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION As of December 31

in thousands of euros	Note	2013	2012 ¹
Assets			
Property, plant and equipment	15	30,152	36,617
Intangible assets	16	54,441	72,956
Goodwill	16	13,052	15,052
Other non-current financial assets	17	3,648	5,304
Total non-current assets		101,293	129,929
Inventories	19	45,888	56,883
Trade and other receivables	20	60,664	126,629
Prepayments	21	585	722
Cash and cash equivalents	22	32,746	42,500
Assets held for sale	7	-	7,310
Total current assets		139,883	234,044
Total assets		241,176	363,973
Equity			
Share capital	23	12,520	12,520
Share premium	23	383,836	383,836
Retained earnings		(359,322)	(277,690)
Reserve for own shares	23	(22,870)	(23,596)
Cumulative translation adjustment	23	3,636	1,730
Total equity attributable to equity holders of the Company		17,800	96,800
Liabilities			
Loans and borrowings	25	99,267	98,879
Employee benefits	26	26,124	27,470
Deferred tax liabilities	18	3,793	9,257
Provisions	27	6,393	8,089
Total non-current liabilities		135,577	143,695
Loans and borrowings	25	6,221	8,795
Trade and other payables	28	69,388	81,553
Income tax liabilities		842	1,825
Deferred income	29	5,823	16,736
Provisions	27	5,525	6,605
Liabilities held for sale	7	-	7,964
Total current liabilities		87,799	123,478
Total liabilities		223,376	267,173
Total equity and liabilities		241,176	363,973

¹ As restated for IAS 19 revised application.

CONSOLIDATED STATEMENT OF INCOME For the year ended December 31

in thousands of euros	Note	2013	2012 ¹
Revenue	6	271,036	383,092
Cost of sales	9	(227,871)	(302,229)
Gross profit		43,165	80,863
Selling, general and administrative expenses		(64,670)	(73,818)
Research and development expenses		(30,488)	(40,627)
Other income/(expenses)	10	(13,487)	(162,450)
Earnings/(loss) before interest and tax (EBIT)²		(65,480)	(196,032)
Finance income		1,970	1,778
Finance costs		(18,165)	(15,418)
Net finance (costs)/income	13	(16,195)	(13,640)
Loss before income tax		(81,675)	(209,672)
Income tax benefit	14	193	31,800
Loss from operations		(81,482)	(177,872)
Net loss		(81,482)	(177,872)
Net loss attributable to:			
Owners of the Company		(81,482)	(177,872)
Non-controlling interest		-	-
Net loss		(81,482)	(177,872)
Earnings per share			
Basic loss per share (euro)	24	(1,70)	(3,72)

¹ As restated for IAS 19 revised application and re-presented for Lannion reclassification as held for use in 2013.

² The interest referred to in earnings before interest and tax (EBIT) comprises all financial items included within net finance income/costs.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the year ended December 31

in thousands of euros	Note	2013	2012 ¹
Net loss for the year		(81,482)	(177,872)
Other comprehensive income			
Items that are or may be reclassified to profit or loss:			
Foreign currency translation differences for foreign operations		1,906	413
Subtotal		1,906	413
Items that will never be reclassified to profit or loss:			
Unrealized gains and losses on pension liabilities		1,085	(4,774)
Income tax (charge)/benefit on other comprehensive income		(366)	1,443
Subtotal		719	(3,331)
Other comprehensive income/(loss) for the year		2,625	(2,918)
Total comprehensive loss for the year		(78,857)	(180,790)
Total comprehensive loss attributable to:			
Owners of the Company		(78,857)	(180,790)
Total comprehensive loss for the year		(78,857)	(180,790)

¹ As restated for IAS 19 revised application and re-presented for Lannion reclassification as held for use in 2013.

CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended December 31

in thousands of euros	Note	2013	2012
Cash flows from operating activities			
Net loss for the year		(81,482)	(177,872)
Adjustments for non-cash items:			
Depreciation and impairment	15	8,396	8,279
Amortization and impairment of intangible assets and goodwill	16	26,685	198,980
Change in provisions	19, 20, 27	21,178	32,457
Share-based payments	11, 33	(143)	432
Change in other non-cash transactions	10	(1,473)	(13,874)
Change in other non-current financial assets	17	(46)	(227)
Finance (expense)/income (net)	13	16,195	13,640
Income tax	14	(193)	(31,800)
Cash flow from operations before changes in working capital		(10,883)	30,015
Change in inventories	19	(2,578)	8,049
Change in trade and other receivables	20	70,112	(17,848)
Change in prepayments	21	62	257
Change in trade and other payables	28	(23,942)	(27,058)
Change in employee benefits	26	(518)	2,245
Change in provisions	27	(9,150)	(10,644)
Change in deferred income	29	(9,284)	(11,899)
Cash used in operating activities		24,702	(56,898)
Income tax paid		(3,964)	(8,270)
Net cash from/(used in) operating activities		9,855	(35,153)
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	8	(956)	-
Decrease/(increase) in non-consolidated investment	17	1,614	(1,943)
Acquisition of property, plant and equipment	15	(2,588)	(7,530)
Proceeds from sale of property, plant and equipment	15	187	5,577
Acquisition of intangible assets	16	(433)	(1,170)
Capitalized internal development expenditure	16	(5,419)	(7,389)
Net cash used in investing activities		(7,595)	(12,455)
Cash flows from financing activities			
Interest paid		(9,866)	(9,694)
Interest received		576	436
Change in other long- and short-term debt	25	(3,624)	(875)
Proceeds from new short-term debt raised	7	-	17,554
Net cash (used in)/from financing activities		(12,914)	7,421
Effect of movement in exchange rates		(365)	742
Net (decrease)/increase in cash and cash equivalents		(11,019)	(39,445)
Cash and cash equivalents at beginning of year		42,892	82,337
Cash and cash equivalents at end of year	22	31,873	42,892

List of affiliated companies / subsidiaries of 3W POWER | AEG POWER SOLUTIONS B.V.

SUBSIDIARIES

	Country of incorporation	Ownership interest	
		2013	2012
PSS Holdings (France) S.A.S.	France	100	100
AEG PS S.A.S	France	100	100
AEG PS (France) S.A.S.	France	100	100
AEG Power Holding GmbH	Germany	100	100
AEG PS GmbH	Germany	100	100
Skytron Energy GmbH	Germany	100	100
Fluxpower GmbH	Germany	100	100
AEG PS Ltd	United Kingdom	100	100
AEG PS Iberica SL	Spain	100	100
Opción Dos Energia Natural SL ¹	Spain	100	100
AEG PS S.p.A.	Italy	100	100
Primetech S.r.l.	Italy	100	-
AEG PS Pte Ltd	Singapore	100	100
AEG PS (Penang) SDN BHD	Malaysia	-	100
AEG PS SDN BHD	Malaysia	100	100
AEG PS USA, Inc.	USA	100	100
AEG PS Inc ¹	Canada	100	100
AEG PS (Russia) LLC	Russia	100	100
AEG PS Co.	China	100	100
3W Power Ukraine TOV	Ukraine	100	100
AEG PS (India) PVT Ltd	India	100	100
3W Power Holdings B.V.	The Netherlands	100	100
AEG Power Solutions B.V.	The Netherlands	100	100
3W Power (South Africa) Pty Ltd	South Africa	100	100
AEG PS Aram. Kft.	Hungary	100	100

¹ AEG Power Solutions Inc. (Canada) and Opción Dos Energia Natural SL are currently being wound down.
 AEG Power Solutions (Penang) SDN BHD closed operations during 2013.