
iQ Power Licensing AG

Zug

***Report of the independent
auditor
to the Board of Directors
on the interim balance
sheet***





Report of the independent auditor to the Board of Directors of iQ Power Licensing AG

Zug

We were engaged by the Board of Directors to audit the accompanying interim balance sheet of iQ Power Licensing AG as of 7 November 2018. The interim balance sheet is prepared in accordance with the requirements of article 11 para. 2 Merger Act and the accounting, disclosure and valuation requirements of Swiss law that are applicable for the preparation of financial statements.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the interim balance sheet in accordance with the requirements of article 11 para. 2 Merger Act and the accounting, disclosure and valuation requirements of Swiss law that are applicable for the preparation of financial statements. This responsibility includes designing, implementing and maintaining an appropriate internal control system relevant to the preparation of the interim balance sheet that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim balance sheet based on our audit. We conducted our audit in accordance with the Recommendation for Audits No. 30: audits in accordance with the Swiss Federal Act on Mergers, Demergers, Transformations and Transfers of Assets and Liabilities. The Recommendation for Audits requires that we adhere to the professional rules of conduct and plan and perform the audit to obtain limited assurance as to whether the interim balance sheet is prepared in accordance with the requirements of article 11 para. 2 Merger Act and the accounting, disclosure and valuation requirements of Swiss law that are applicable for the preparation of financial statements.

The audit consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of the documents available within the company subject to audit. However, the testing of the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of the audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our audit, nothing has come to our attention that causes us to believe that the interim balance sheet as of 7 November 2018 is not prepared in accordance with the requirements of article 11 para. 2



Merger Act and the accounting, disclosure and valuation requirements of Swiss law that are applicable for the preparation of financial statements.

PricewaterhouseCoopers AG

[Signature]

Christian Kessler
Audit expert

[Signature]

Thomas Senn
Audit expert

Zürich, 19 November 2018

Enclosure:

- Interim balance sheet as of 7 November 2018

iQ Power Licensing AG, Zug
Statutory Interim Balance Sheet as at 7 November 2018

CHF 1,000	7 November 2018
Assets *	
Cash and cash equivalents	49
Accounts receivables trade	
Shareholders	2
Affiliates	92
Third parties	0
Other current receivables	
Affiliates	2'397
Third parties	37
Prepayments to suppliers	392
Current assets	2'969
Financial assets	
Loan to shareholder	2'940
Other financial assets	60
Participations	31'483
Tangible assets	412
Non-current assets	34'895
Total assets	37'864
Liabilities and Equity	
Accounts payables trade	
Third parties	470
Short-term interest bearing liabilities	10'056
Other short-term liabilities	
Third parties	94
Accrued expenses	3'453
Short-term provisions	310
Current liabilities	14'383
Long-term interest bearing liabilities	
Borrowings from shareholder	528
Convertible bonds	526
Non-current liabilities	1'054
Share capital	6'864
Legal Reserves from capital contributions **	24'199
Accumulated losses brought forward	-2'940
Loss for the period	-5'696
Equity	22'427
Total liabilities and equity	37'864

* Nearly all assets are assigned as a security in connection with the interest bearing short-term liabilities.

** not yet approved by Federal Tax Authority