

# Annual Report 2015

Haldor Topsøe International A/S  
CVR no. 23 97 22 12

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The annual financial statement is presented and approved at the annual general meeting on March 31, 2016



Chair of the meeting, Louise Jessen Høyer

## Directors' Report

The business of the Company is to provide marketing and engineering consulting services. The activities of the company are mainly conducted through liaison offices in New Delhi and Bahrain and via subsidiaries in India, Canada and Malaysia

The Net Profit for the financial year 2015 has been T.DKK 8,093. In 2016 a similar profit is expected.

No events materially affecting the company's financial position at December 31, 2015 have occurred after the balance sheet date.

The company is a fully owned subsidiary of Haldor Topsøe A/S, Lyngby, Denmark, which is a fully owned subsidiary of Haldor Topsøe Holding A/S, Lyngby, Denmark.

## **Statement by the Management and Board of Directors on the Annual Report**

The Management and Board of Directors have today considered and adopted the Annual Report of Haldor Topsøe International A/S for the financial year January 1 - December 31, 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies applied appropriate and the estimates made reasonable. Furthermore, we

consider the overall annual report presentation true and fair.

Therefore, in our opinion the Financial Statements give a true and fair view of the financial position of the Company at December 31, 2015 and of the results of the Company operations for the financial year January 1 - December 31, 2015.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Lyngby, March 31, 2016

### **Management**

Henrik Topsøe

### **Board of Directors**

Bjerne S. Clausen  
(Chairman)

Lene Ramm

Henrik Topsøe

## Independent Auditor's Report

To the Shareholder of Haldor Topsøe International A/S

### Report on the Financial Statements

We have audited the Financial Statements of Haldor Topsøe International A/S for the financial year 1 January – 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

### Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

Copenhagen, March 31, 2016

### PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab  
CVR nr. 33 77 12 31

Mikkel Sthyr  
State-Authorised Public Accountant

Maj-Britt Nørskov Nannestad  
State-Authorised Public Accountant

## Accounting Policies

The Annual Report of Haldor Topsøe International A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting principles applied remain unchanged from previous years.

The Annual Report has been denominated in DKK 1,000.

### Recognition and Measurement

The accounts have been prepared based on the historical cost basis.

Revenues are recognised in the income statement as earned. Beyond this value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Furthermore, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet, when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet, when it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

### Foreign Currency Translation

Transactions in foreign currency are translated at the exchange rate on the date of transaction. Receivables and payables in foreign currency are converted to DKK at balance sheet day market value. Capital gain and loss is included in the profit and loss account of the year.

Profit and loss account for foreign branches is converted to DKK at the year average market value, while the balance is converted to sheet day market value, except from fixed assets and depreciation of the same, which is converted after the market value on the purchase day.

The income statements for foreign enterprises, that are independent units, are translated at an average exchange rate. Balance sheet items are translated at the exchange rate at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statement at the exchanges rate at the balance sheet date are recognised directly in equity.

## Income Statement

### Revenue

Revenue comprises of service fees from the company's operation of representation offices.

Recognition occurs when:

- delivery has been made before year end,
- a binding sales agreement has been made,
- the sales price has been determined, and
- payment has been received or receipt can be expected with reasonable certainty.

### Other External Expenses

Other external expenses comprise travelling, telephone and office expenses, entertainment, audit etc.

### Staff Expenses

Staff expenses comprise of wages and salaries as well as salary dependant costs.

### Depreciation

Depreciation comprise of depreciation of property, plant and equipment.

### Income from investments in Group Enterprises

The proportionate share of the profit is recognized as "Income from investments in group enterprise" in the income statement.

### Income from investments in Associated Enterprises

The proportionate share of the profit is recognized as "Income from investments in Associated Enterprise" in the income statement.

### Financial Income and Expenses

Financial income and expenses comprise of interest and realised and unrealised exchange adjustments.

### Corporation Tax and Deferred tax

The company is jointly taxed with the ultimate parent company in the mandatory Danish joint taxation. Foreign subsidiaries are not included in the joint taxation.

Tax in the income statement comprises of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity entries is recognised directly in equity. Any share of the tax reported in the income statement arising from profit/loss on extraordinary activities for the year is attributed to such activities, whereas the remaining share is attributed to profit/loss on ordinary activities for the year.

Current tax liabilities and current tax receivable are recognised in receivables in the balance sheet in the event of overpayment of tax on account, in debt in the event of underpayment of tax on account.

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates of the respective countries that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement, except for the effect related to write-up regarding property, plants and equipment booked directly on equity.

## Balance Sheet

### Tangible Fixed Assets

Tangible fixed assets are measured at cost less accumulated depreciation. Depreciation based on cost is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures, equipment and cars	4 - 7 years
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Gains and losses on current replacement of tangible fixed assets are recognised in "Other operating income" and "Other operating expenses".

### Impairment of Fixed Assets

The carrying amounts of tangible fixed assets and financial assets are reviewed on an annual basis

to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, the asset is written down to its lower recoverable amount. Where a recoverable amount cannot be determined for the individual asset, the asset is assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

#### **Investments in Group Enterprises**

Investments in group enterprise are recognized and measured under the equity method. The proportionate share of the company's equity is included in the Balance Sheet under the item "Investments in group enterprise".

#### **Investments in Associated Enterprises**

Investments are recognized and measured under the equity method. The proportionate share of the company's equity is included in the Balance Sheet under the item "Investments in associated enterprise".

#### **Receivables**

Receivables are recognised in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### **Prepayments**

Prepayments include expenses incurred in respect of subsequent financial years. Such expenses are typically prepaid expenses concerning rent.

#### **Other payables**

Debts are initially recognised at cost. Subsequently, they are measured at amortised cost, which for short and no-interest carrying debts as well as for debts with variable interest rate are usually corresponding to nominal value.



**Income Statement January 1 - December 31**

	<u>Note</u>	<u>2015</u> DKK 1000	<u>2014</u> DKK 1000
<b>Revenue</b>		<b>15.833</b>	<b>14.635</b>
Other external expenses		-4.305	-4.529
Staff expenses	1	-9.998	-8.793
Depreciation and impairment loss of property, plant and equipment	2	-189	-129
<b>Earnings Before Interest and Tax</b>		<b>1.341</b>	<b>1.184</b>
Income from investments in group enterprises	3	7.066	4.801
Income from investments in associated enterprises	3	377	-1.301
Financial income	4	593	743
Financial expenses	5	-1.078	-1.525
<b>Profit before tax</b>		<b>8.299</b>	<b>3.902</b>
Tax	6	-206	-118
<b>Net profit</b>		<b>8.093</b>	<b>3.784</b>
 <b>Proposed distribution of profit</b>			
Reserve for net revaluation under the equity method		7.443	3.500
Retained earnings		650	284
		<b>8.093</b>	<b>3.784</b>

**Balance Sheet at December 31**
**Assets**

	<u>Note</u>	<u>2015</u> DKK 1000	<u>2014</u> DKK 1000
Other fixtures and equipment		1.013	563
<b>Property, plant and equipment</b>	7	<b>1.013</b>	<b>563</b>
Investments in associated enterprises		1.289	1.383
Investments in group enterprises		51.312	42.432
Other receivables		173	61
<b>Investments</b>	8	<b>52.774</b>	<b>43.876</b>
<b>Fixed assets</b>		<b>53.787</b>	<b>44.439</b>
Other receivables		184	323
Deferred tax assets	9	74	145
Prepayments		590	269
<b>Receivables</b>		<b>848</b>	<b>737</b>
<b>Cash</b>		<b>9.043</b>	<b>9.489</b>
<b>Current assets</b>		<b>9.891</b>	<b>10.226</b>
<b>Assets</b>		<b>63.678</b>	<b>54.665</b>

**Balance Sheet at December 31**
**Liabilities and Equity**

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		DKK 1000	DKK 1000
Share capital	10	500	500
Reserve for net revaluation under the equity method		31.792	23.006
Retained earnings		15.005	14.357
<b>Equity</b>		<b>47.297</b>	<b>37.863</b>
Other provisions		194	91
<b>Provisions</b>		<b>194</b>	<b>91</b>
Trade payables		0	16
Payables to group enterprises		14.921	15.710
Company taxes		150	77
Other payables		1.116	908
<b>Short-term liabilities</b>		<b>16.187</b>	<b>16.711</b>
<b>Liabilities</b>		<b>16.381</b>	<b>16.802</b>
<b>Liabilities and equity</b>		<b>63.678</b>	<b>54.665</b>
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**Statement of Changes in Equity**

	<u>Share Capital</u> DKK 1000	<u>Reserve under the equity</u> DKK 1000	<u>Retained earnings</u> DKK 1000	<u>Total</u> DKK 1000
Equity at January 1, 2015	500	23.006	14.357	37.863
Exchange adjustments relating to separate foreign legal entities	0	1.343	0	1.343
Net profit	0	7.443	650	8.093
Foreign currency translation adjustment	0	0	-2	-2
<b>Equity at December 31, 2015</b>	<b><u>500</u></b>	<b><u>31.792</u></b>	<b><u>15.005</u></b>	<b><u>47.297</u></b>

**Notes to the Annual Report**

	2015	2014
	DKK 1000	DKK 1000
<b>1 Staff</b>		
Wages and salaries	7.891	6.222
Pension	-168	224
Other social security expenses	2.275	2.347
	<u>9.998</u>	<u>8.793</u>
<p>There has been no payments of salaries or fees to Management or Board of Directors during the years 2015 and 2014.</p>		
<b>2 Depreciation and impairment loss of property, plant and equipment</b>		
Other fixtures and equipment	189	129
	<u>189</u>	<u>129</u>
<b>3 Income from investments in group enterprises</b>		
Share of result of group enterprises, net	7.066	4.801
Share of result of associated enterprises, net	377	-1.301
	<u>7.443</u>	<u>3.500</u>
<b>4 Financial income</b>		
Exchange adjustments	593	743
	<u>593</u>	<u>743</u>
<b>5 Financial expenses</b>		
Interest paid to group enterprises	185	348
Bank interests	12	0
Currency adjustments	881	1.177
	<u>1.078</u>	<u>1.525</u>
<b>6 Tax</b>		
Current tax for the year	150	77
Deferred tax for the year	66	48
Adjustment to prior years	-10	-7
	<u>206</u>	<u>118</u>

## Notes to the Annual Report

### 7 Property, plant and equipment

	<u>Other fixtures and equipment</u>
Cost at January 1, 2015	1.428
Additions for the year	686
Disposals for the year	<u>-359</u>
Cost at December 31, 2015	<u>1.755</u>
Depreciation at January 1, 2015	865
Depreciation for the year	189
Depreciations on sold and scrapped assets	<u>-312</u>
Depreciation at December 31, 2015	<u>742</u>
<b>Book value at December 31, 2015</b>	<b><u>1.013</u></b>

## Notes to the Annual Report

### 8 Investments

	Investments in associated enterprises	Investments in group enterprises	Other receivables
	DKK 1000	DKK 1000	DKK 1000
Cost at January 1, 2015	2.029	18.780	61
Additions for the year	0	0	142
Disposals for the year	0	0	-30
Cost at December 31, 2015	<u>2.029</u>	<u>18.780</u>	<u>173</u>
Revaluations at January 1, 2015	-646	23.652	0
Exchange adjustment	-471	1.814	0
Net profit/(loss) for the year	<u>377</u>	<u>7.066</u>	<u>0</u>
Revaluations at December 31, 2015	<u>-740</u>	<u>32.532</u>	<u>0</u>
<b>Book value at December 31, 2015</b>	<b><u>1.289</u></b>	<b><u>51.312</u></b>	<b><u>173</u></b>

Investments in group enterprises are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Haldor Topsoe India Pvt. Ltd.	New Delhi, India	T.INR 131,063	99,99%
Haldor Topsoe Canada Ltd.	Vancouver, Canada	T.CAD 100	100,00%
Haldor Topsoe Sdb. Bhd.	Kuala Lumpur, Malaysia	T.MYR 1,000	100,00%

## Notes to the Annual Report

	2015 DKK 1000	2014 DKK 1000
<b>9 Deferred tax assets</b>		
Property, plant and equipment	74	145
	<b>74</b>	<b>145</b>

### 10 Share capital

The share capital amounts to DKK 500,000 and consists of shares each with a nominal value of DKK 5,000

### 11 Contractual obligations

As per December 31, 2015 the company has entered into a number of leasing and rental agreements related to premises and equipment. The total lease and rental payments during the non-cancellable periods, which in some cases extend to 2016, amounts to TDKK 586.6 (2014 : TDKK 1,345).

### 12 Consolidated Accounts

Haldor Topsøe A/S prepares Consolidated Accounts in which the company and its subsidiaries are incorporated. The ultimate parent company, who prepares Consolidated Accounts, is Haldor Topsøe Holding A/S.