Kosan Crisplant a/s

P.O. Pedersens Vej 22
DK-8200 Aarhus N

CVR no 25 69 08 69

Annual Report for 2015

The Annual Report has been presented and adopted at the Annual General Meeting of the Company on 19 April 2016

Chairman

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Management's Statement on the Annual Report

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Kosan Crisplant a/s for the financial year 1 April 2015 – 31 December 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2015 of the Company and the Group and of the results of the Company and Group operations and consolidated cash flows for 2015.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Aarhus, 19 April 2016

Executive Board

Anders C. Anderson CEO	Lars Karlsmose CFO	Bent Lindrup Nielsen COO

Supervisory Board

Abdulkareem Hamad Al-Ayuni Chairman	Adel Abdullah Alhamzah	Yasser Abdulrahman Aldohaim
Lars Christiansen	Henning Krogh Pedersen	

Independent Auditors' report

To the Shareholders of Kosan Crisplant a/s

Report on Consolidated Financial Statements and Parent Company Financial Statements

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Kosan Crisplant a/s for the financial year 1 April 2015 to 31 December 2015, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes for both the Group and the Parent Company, as well as consolidated cash flow statement. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements in accordance with Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements and the Parent Company Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements. The audit procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements.

Independent Auditors' report

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 Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Company at 31 December 2015 and of the results of the Group and Company operations as well as the consolidated cash flows for the financial year 1 April 2015 - 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 Consolidated Financial Statements and the Parent Company Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Consolidated Financial Statements and the Parent Company Financial Statements.

Aarhus, 19 April 2016

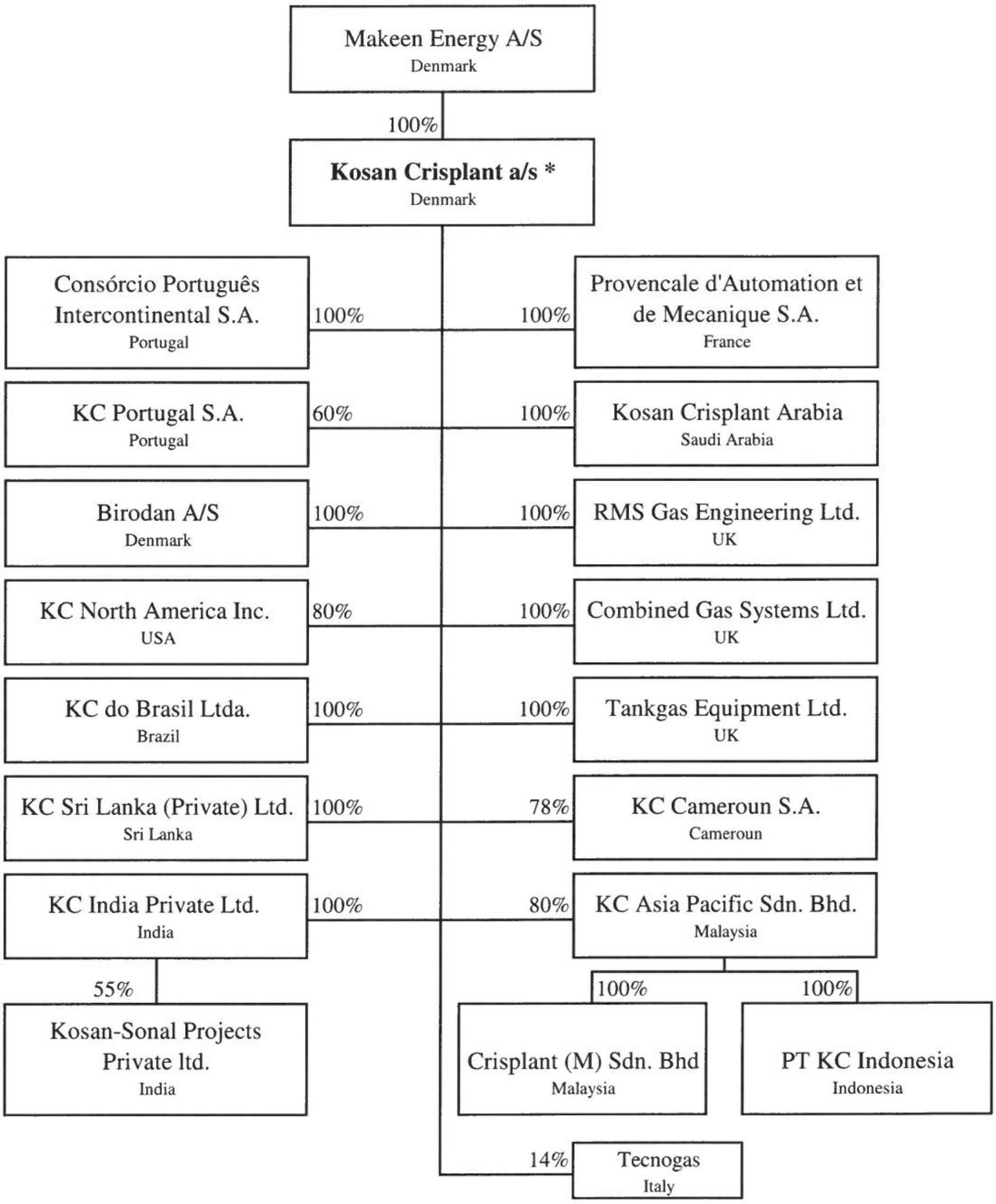
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 33 77 12 31

Claus Lindholm Jacobsen	Thyge Belter
State Authorised Public Accountant	State Authorised Public Accountant

Company information

The Company	Kosan Crisplant a/s P.O. Pedersens Vej 22 DK-8200 Aarhus N Telephone: 87 40 30 00 Facsimile: 87 40 30 10 E-mail: sales@kosancrisplant.com Website: www.kosancrisplant.com CVR no 25 69 08 69 Financial period: 1 April - 31 December Financial year: 16 Municipality of reg. office: Aarhus
Supervisory Board	Abdulkareem Hamad Al-Ayuni (chairman) Adel Abdullah Alhamzah Yasser Abdulrahman Aldohaim Lars Christiansen Henning Krogh Pedersen
Executive Board	Anders C. Anderson Lars Karlsmose Bent Lindrup Nielsen
Auditors	PricewaterhouseCoopers Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Group Overview



* 1 April 2015, Kosan Crisplant a/s was merged with Kosan Crisplant Holding a/s with Kosan Crisplant a/s as the surviving company.

Financial Highlights

	Group				
	2015	2014/15	2013/14	2012/13	2011/12
	DKK mio. (9 months)	DKK mio.	DKK mio.	DKK mio.	DKK mio.
Key figures					
Profit/loss					
Revenue	350,4	571,9	563,8	510,6	447,7
Gross profit/loss	82,4	137,2	143,6	141,4	126,4
EBITDA	4,2	50,2	57,2	59,4	44,4
EBITA	-5,5	38,1	48,2	52,1	38,3
Profit/loss before financial income and expenses	-9,9	25,9	31,9	32,0	22,2
Net financials	-8,9	-3,9	-4,9	-3,3	-3,3
Net profit/loss for the year	-18,7	10,3	15,1	15,3	7,8
Balance sheet					
Balance sheet total	422,2	440,6	420,7	323,4	298,5
Investment in property, plant and equipment	11,6	14,8	19,8	10,0	9,1
Equity	100,7	121,3	119,9	112,0	95,4
Number of employees in Denmark	94	94	96	96	96
Number of employees outside Denmark	538	470	391	289	194
Ratios					
Ratios					
Gross margin	23,5%	24,0%	25,5%	27,7%	28,2%
EBITDA margin	1,2%	8,8%	10,1%	11,6%	9,9%
EBITA margin	-1,6%	6,7%	8,5%	10,2%	8,6%
Profit margin	-2,8%	4,5%	5,7%	6,3%	5,0%
Return on assets	-2,4%	5,9%	7,6%	9,9%	7,4%
Solvency ratio	23,9%	27,5%	28,5%	34,6%	32,0%
Return on equity	-16,8%	8,5%	13,1%	14,7%	8,2%

The ratios have been prepared in accordance with the definitions stated in the section accounting policies.

Financial Highlights

Impact from the merger between Kosan Crisplant a/s and Kosan Crisplant Holding a/s

Effective 1 April 2015, Kosan Crisplant a/s merged with its 100% shareholder, Kosan Crisplant Holding a/s, with Kosan Crisplant a/s as the surviving entity. The key figures above are in accordance with the pooling-of interest method and represent how Kosan Crisplant a/s would had appeared, if the merger retroactively had been effective with effect from 2011/12 or earlier.

The retroactive approach means in particular that Kosan Crisplant Holding a/s' goodwill amortization expense, relating to the ownership of Kosan Crisplant a/s, is deducted in the key figures above. As such, Profit/loss before financials, Net profit, Equity and Total Assets are significantly affected compared to Kosan Crisplant a/s reported key figures before the merger. By comparison, these reported key figures excluding the retroactive impact from the merger are as follows:

Key figures excluding merger impact

			Group		
	2015	2014/15	2013/14	2012/13	2011/12
	DKK mio. (9 months)	DKK mio.	DKK mio.	DKK mio.	DKK mio.
Profit/loss					
Profit/loss before financial income and expenses	-9,9	32,7	43,7	43,6	33,7
Net profit/loss for the year	-18,7	17,7	25,6	26,3	19,3
Balance sheet					
Balance sheet total	388,3	439,4	413,0	305,3	269,0
Equity	96,3	114,3	105,5	82,2	54,6

Review

Presentation of the Company

Kosan Crisplant a/s is the world's leading global supplier of systems, products and services for filling and maintenance of LPG cylinders. Moreover, other requirements within the LPG business, as well as within LNG and technical gasses, are covered where there is a related business or strategic gain.

Development during the Year

On 19 August 2015 the Company was acquired by Makeen Energy A/S, a Danish entity operating within various segments of the energy sector. Consequently, the Company and its subsidiaries have changed accounting year to 1 January - 31 December. The result for the 9 months year ending 31 December 2015 is a loss of DKK 18.7 million versus DKK 10.3 million profit in 2014/15 (12 months). The loss for 2015 includes an one-off expense to repurchase all outstanding share options, issued during 2008-2012, of DKK 6.9 million before tax and DKK 5.3 million after tax. Excluding this one-off expense, the net loss is DKK 13.4 million. The result is lower than expected at the beginning of the year. Significant challenges remain in relation to the fluctuating and declining crude oil prices throughout 2015, a low global growth and the political unrest in significant markets in Northern Africa and the Middle East. The order intake of new LPG projects has been less than expected, however, the Group's activities within after sale services, facility management and trading continue to develop positively. The Group continues to have focus on acquisition of relevant activities, development of strategic business segments, cost price reductions, improvement of product mix, introduction of new products and a generally improved productivity. The order intake was significant during the last months of 2015. The backlog at the end of the year is thus satisfactory and a good starting point for the Group's activities in the coming year.

During the financial year the Group has continued its investments in new business segments, in particular ProSupply (component trading) and facility management, product development and infrastructure. A number of the subsidiaries established during recent years have contributed significantly to turnover and the result for the year. This infrastructure, combined with new products and concepts, ensures the Group a strong position to continuously benefit from the improvement of the market situation, which is expected to continue in the coming year.

Effective 1 April 2015, the Company merged with its owner, Kosan Crisplant Holding A/S, with the Company as the surviving entity. Comparative figures for 2014/15 and earlier years have been changed accordingly.

Special Risks

Macro-economic and Political Conditions

The Group sells products and services world-wide. The geographical distribution ensures a considerable diversification of risks, but also implies that the Group's sales often are influenced positively or negatively by macro-economical or political conditions on specific markets.

Credit and Liquidity Risks

The Group's activities on a large number of markets involve a certain exposure to deferred payments and non-payments from customers. Such risks are met by strict management of payment conditions and use of normal payment instruments.

Review

Foreign Exchange Risks

As the major part of the Group's revenue is generated abroad, results and equity are affected by the development in exchange rates in respect of a number of currencies. However, the risk is limited by a material part of revenue being settled in Euro. It is Group policy to hedge against commercial foreign exchange exposure through forward exchange contracts. The Company does not enter into foreign exchange positions for speculative purposes.

Corporate Social Responsibility

The Group runs its business in an economically and socially responsible way to the benefit of all its stakeholders, i.e. shareholders, employees, customers, suppliers and other stakeholders. The Group determinedly endeavours to obey the legislation in the countries and regional communities in which it has its activities, such as work health and safety acts, working conditions, human rights, anti-corruption laws and environmental requirements, but has no formal policy in that respect. The code of conduct for employees and cooperation partners is defined on the basis of the Group's formulated values. This conduct is continuously assessed against the values, legislation and other rules. As part of the efforts to ensure a good working environment the Group carries out a staff satisfaction survey at regular intervals. Further, it is continuously assessed how processes, including manufacturing and product development, can be optimized to reduce resource consumption and environmental impact.

Composition of genders in management

The Company's highest level of management, the Board of Directors, is currently consisting solely of males. It is the Board of Directors' target that females in 2017 shall be represented by minimum 20% of the members elected by the shareholders.

In the Company's other management levels, females are currently represented by less than 10%. It is the target that females by 2017 shall be represented by at least 20% in these management levels. The target should be seen in conjunction with the limited number of replacements in these management levels, as well as with the composition of the recruiting base. The target shall be achieved through definition of milestones and focus on specific activities, including the internal and external base for recruiting and the recruiting process itself. It is the Company's policy, that recruitments shall be based on qualifications and not gender or similar. In 2015, the Company has had no recruitments at management level. All recruitments in 2015 have been evaluated in order to identify and adjust circumstances, which may affect the composition of genders among the candidates or similar. The composition of genders in management is unchanged in 2015 as the number of recruitments and changes in the Board of Dirctors, as well as the specific circumstances, has not provided the basis for an improvement.

Review

Subsidiaries and Local Offices

A material element in the Group strategy and growth plans is to establish and develop, or acquire, local sales and service enterprises. During 2015, the Group has acquired Tankgas Equipment Ltd. in the United Kingdom. The acquisition is in conjunction with the two recent ProSupply (trading) division acquisitions in the United Kingdom, Re-Manufacturing Services Gas Engineering Ltd. and Combined Gas Systems Ltd. The 3 entities in the United Kingdom have been merged to one combined entity on 1 January 2016, which forms a strong base for continuous development in the United Kingdom as well with ProSupply acivitities globally. The Group's other sale and service subsidiaries continue to develop positively, in particular in after sale and facility management. A number of service contracts were added, and the first facility management contracts in India were obtained.

Expectations for the Year Ahead

For the financial year 2016 the Group expects to improve the operating profit.

Subsequent Events

No events materially affecting the assessment of the financial position of the Company at 31 December 2015 have occurred after the balance sheet date.

Development

This financial year, the Group has incurred expenses for development totalling DKK 4.0 million. DKK 0.6 million out of this amount have been charged as production costs as the Group assesses that these costs do not meet the criteria for recognition in the balance sheet. The remaining amount of DKK 3.4 million have been capitalised as development projects.

Intellectual Capital Resources

The Group gives priority to continuing training of employees in the Parent Company and in the subsidiaries abroad. Training in sales management, project management and general leadership has been carried through during the year. Similar training will continue in the coming year.

External Environment

The Group operations are carried out in an environmentally sound manner, which forms a natural part of the Group in respect of product quality and conditions of production.

Ownership

The Company's share capital of DKK 15,000k at 31 December 2015 is wholly owned by Makeen Energy A/S, P.O. Pedersens Vej 22, DK-8200 Aarhus N, Denmark.

Accounting Policies

Basis of Preparation

The Annual Report of Kosan Crisplant a/s for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C and current Danish Accounting Standards.

For the financial year 1 April 2015 - 31 December 2015 Management has chosen to carry out an early implementation of section 188(4) of the Danish Financial Statements Act regarding minority interests which will become effective for financial years starting 1 January 2016 or later, cf. law No. 738 of 1 June 2015.

The early implementation results in the Company making a separate recognition of minority interests under the Company's equity. The minority interests' share of the result for the year is presented as part of the distribution of profit. In order to ensure comparability, the comparative figures have also been adjusted.

Other changes to the Danish Financial Statements Act becoming effective from 1 January 2016 have not been incorporated into the Company's Financial Statements.

On 19 August 2015 the Company was acquired by Makeen Energy A/S. Consequently, the Company and its subsidiaries have changed accounting year to 1 January - 31 December.

The accounting policies are unchanged compared to previous years.

Effective 1 April 2015, the Company merged with Kosan Crisplant Holding a/s, with the Company as the surviving entity. Comparative figures for 2014/15 and earlier years have been changed accordingly. As a result of the merger, Net profit in 2014/15 has decreased by 7.4 mDKK. As per 31 March 2015 Equity has increased by 7.0 mDKK and total assets by 1.2 mDKK.

Recognition and measurement

The financial statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, 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.

Accounting Policies

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

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.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Kosan Crisplant a/s, and enterprises in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

On acquisition of subsidiaries, the difference between cost of acquisition and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). In this connection any restructuring provisions decided concerning the acquired enterprise are deducted. Any remaining positive differences are recognised in "Investments in subsidiaries" and are amortised on a straight-line basis over the estimated useful life, but not exceeding 20 years.

Due to change in recognition and measurement of net assets, differences from acquired enterprises may be adjusted until the end of the financial year following the year of acquisition. These adjustments are at the same time reflected in the value of goodwill, including amortisation already made.
Amortisation of goodwill is recognised in the item amortisation, goodwill.

Minority interests

On statement of Group results and Group equity, the shares of results and equity of subsidiaries attributable to minority interests are recognised as separate items in the income statement and the balance sheet. Minority interests are recognised on the basis of a re-measurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries. At subsequent changes in minority interests the changed share of results is recognised from the time of the change.

Accounting Policies

Leases

All of the Group's leases are classified as either operating or finance leases. Payments concerning operating leases are recognised in the income statement on a straight-line basis over the leasing period. The payments concerning finance leases are divided between financial expenses and repayments on the leasing debt to obtain a constant interest rate for the remaining leasing debt.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates 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 statements at the exchange rates at the balance sheet date are recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Accounting Policies

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Income Statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- 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 may with reasonable certainty be expected to be received.

Contract work in progress is recognised at the rate of completion of the projects, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the project and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. Contract work in progress includes agreements of delivery of projects with a high level of individual customization.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises purchases for projects, raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Cost of sales also includes development costs that do not qualify for capitalisation.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising, marketing and exhibition expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprises, including gains and losses on the sale of intangible assets and property, plant and equipment.

Accounting Policies

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year after tax.

Income from investments in associates

The item "Income from investments in associates" in the income statement includes the proportionate share of the profit for the year after tax.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, price adjustment of securities as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists 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 transactions is recognised directly in equity.

The Company assesses for Danish tax purposes jointly with the Danish consolidated company. Foreign subsidiaries are not part of the joint taxation.

The effect of the joint taxation is divided among the involved companies according to the taxable profit or loss of each company. The companies that are part of the joint taxation are entered into the tax prepayment scheme.

Balance Sheet

Intangible assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience with the individual business areas. The maximum amortisation period is 20 years, the longest period applying to enterprises acquired for strategic purposes with a strong market position and a long earnings profile.

Development projects and licences

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Accounting Policies

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work, but not exceeding 5 years.

Software licenses are amortised over the agreement period, however maximum 5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	20 years
Plant and machinery	2-10 years
Other fixtures and fittings, tools and equipment	2-10 years
Leasehold improvements	5-12 years

Assets costing less than DKK 20,000 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment 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, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

Accounting Policies

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the Group of assets to which they are attributable.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured under the equity method.

The items "Investments in subsidiaries" and "Investments in associates" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill).

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value. The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods, semi-finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Accounting Policies

Contract work in progress

Contract work in progress is measured at the selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Contract work in progress includes agreements of delivery of projects with a high level of individual customization. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Prepayments and payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Provisions are made for warranty obligations in respect of repair work within the warranty period of 1-2 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Accounting Policies

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

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.

Deferred tax assets and liabilities are offset within the same legal tax jurisdiction.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

Fixed-interest loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Cash Flow Statement

The cash flow statement shows the Group's cash flow for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

No cash flow statement has been prepared for the Parent Company as the Parent Company cash flows are included in the Consolidated Cash Flow Statement.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Accounting Policies

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Credit institutions".
The cash flow statement cannot be immediately derived from the published financial records.

Explanation of financial ratios

Gross margin
$$\frac{\textit{Gross profit x 100}}{\textit{Revenue}}$$

EBITDA margin
$$\frac{\textit{EBITDA x 100}}{\textit{Revenue}}$$

EBITA margin
$$\frac{\textit{EBITA x 100}}{\textit{Revenue}}$$

Profit margin
$$\frac{\textit{Profit before financials x 100}}{\textit{Revenue}}$$

Return on assets
$$\frac{\textit{Profit before financials x 100}}{\textit{Total assets}}$$

Solvency ratio
$$\frac{\textit{Equity at year end x 100}}{\textit{Total assets}}$$

Return on equity
$$\frac{\textit{Net profit for the year x 100}}{\textit{Average equity}}$$

Income Statement 1 April 2015 - 31 December 2015

		Group		Parent Company	
	Note	2015	2014/15	2015	2014/15
		DKK '000	DKK '000	DKK '000	DKK '000
Revenue	1	**350.371**	**571.939**	**157.546**	**304.681**
Cost of sales		-267.927	-434.727	-129.159	-239.248
Gross profit/loss		**82.444**	**137.212**	**28.387**	**65.433**
Distribution expenses		-52.146	-55.085	-24.657	-28.866
Administrative expenses		-37.775	-44.902	-20.125	-23.194
Operating profit/loss		**-7.477**	**37.225**	**-16.395**	**13.373**
Other operating income		1.964	839	0	454
EBITA		**-5.513**	**38.064**	**-16.395**	**13.827**
Goodwill amotisation		-4.424	-12.148	0	-6.653
Profit/loss before financial income and expenses		**-9.937**	**25.916**	**-16.395**	**7.174**
Income from investments in subsidiaries after tax	2	0	0	-5.649	6.550
Income from investments in associates after tax		0	-563	0	-563
Financial income	3	1.928	3.657	1.569	3.484
Financial expenses	4	-10.779	-7.006	-1.912	-4.146
Profit/loss before tax		**-18.788**	**22.004**	**-22.387**	**12.499**
Tax on profit/loss for the year	5	713	-9.257	3.719	-2.234
Profit/loss before minority interests		**-18.075**	**12.747**	**-18.668**	**10.265**
Minority interests' share of net profit/loss of subsidiaries		-593	-2.482	0	0
Net profit/loss for the year		**-18.668**	**10.265**	**-18.668**	**10.265**

Distribution of profit

Proposed distribution of profit		
Net revaluation according to the equity method	-565	6.847
Retained earnings	-18.103	3.418
	-18.668	**10.265**

Balance Sheet 31 December 2015

Assets		Group		Parent Company	
	Note	31 December	31 March	31 December	31 March
		DKK '000	DKK '000	DKK '000	DKK '000
Goodwill		30.166	31.026	0	0
Completed development projects		6.228	4.356	6.228	4.356
Development projects in progress		2.479	2.543	2.479	2.543
Intangible assets	6	**38.873**	**37.925**	**8.707**	**6.899**
Land and buildings		822	914	0	0
Plant and machinery		39.216	35.986	1.366	1.241
Other fixtures and fittings, tools and equipment		13.626	14.340	7.466	6.990
Leasehold improvements		3.081	2.863	1.390	1.580
Property, plant and equipment	7	**56.745**	**54.103**	**10.222**	**9.811**
Investments in subsidiaries		0	0	90.720	92.113
Investments in associates		0	0	0	0
Other investments		155	139	0	0
Deposits		3.976	3.449	2.561	2.578
Receivables from subsidiaries		0	0	4.873	3.104
Fixed asset investments	8	**4.131**	**3.588**	**98.154**	**97.795**
Fixed assets		**99.749**	**95.616**	**117.083**	**114.505**
Inventories	9	**64.540**	**77.824**	**21.554**	**26.524**
Trade receivables		91.649	109.316	31.703	35.816
Contract work in progress	10	110.866	105.496	24.667	26.866
Receivables from group enterprises		2.358	0	56.775	70.495
Other receivables		14.313	16.678	3.543	2.678
Deferred tax asset	12	7.126	8.671	370	1.782
Prepayments	13	5.048	2.542	1.630	1.316
Receivables		**231.360**	**242.703**	**118.688**	**138.953**
Cash at bank and in hand		**26.551**	**24.426**	**3.662**	**5.215**
Current assets		**322.451**	**344.953**	**143.904**	**170.692**
Assets		**422.200**	**440.569**	**260.987**	**285.197**

Balance Sheet 31 December 2015

Liabilities and equity

	Note	Group 31 December	Group 31 March	Parent Company 31 December	Parent Company 31 March
		DKK '000	DKK '000	DKK '000	DKK '000
Share capital		15.000	15.000	15.000	15.000
Net revaluation according to the equity method		0	0	0	565
Retained earnings		85.724	106.317	85.724	105.752
Equity	11	**100.724**	**121.317**	**100.724**	**121.317**
Minority interests		**8.011**	**11.378**	**0**	**0**
Deficit, subsidiaries		0	0	12.489	5.793
Warranty obligations	14	3.404	3.552	2.875	2.875
Provision for deferred tax	12	19.505	34.508	18.858	33.361
Other provisions		17.808	19.005	0	688
Provisions		**40.717**	**57.065**	**34.222**	**42.717**
Credit institutions		3.558	2.911	0	0
Payables to group enterprises		0	0	0	822
Other payables		9.951	9.754	2.781	3.074
Long-term debt	15	**13.509**	**12.665**	**2.781**	**3.896**
Current portion of long-term debt		7.301	1.076	6.937	500
Credit institutions		23.845	18.309	23.822	16.718
Prepayments received from customers	10	49.730	34.989	20.360	30.329
Trade payables		107.552	119.680	25.551	32.488
Payables to group enterprises		1.094	0	15.550	13.249
Deferred income		1.526	518	0	0
Corporation tax		13.976	6.493	11.240	3.400
Other payables		54.215	57.079	19.800	20.583
Short-term debt		**259.239**	**238.144**	**123.260**	**117.267**
Debt		**272.748**	**250.809**	**126.041**	**121.163**
Liabilities and equity		**422.200**	**440.569**	**260.987**	**285.197**

Balance Sheet 31 December 2015

	Note
Contingent assets, liabilities and other financial obligations	16
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Related parties and ownership	19

Cash Flow Statement 1 April 2015 - 31 December 2015

	Note	Group 2015	Group 2014/15
		DKK '000	DKK '000
Net profit/loss for the year		-18.668	10.265
Adjustments	20	21.193	20.778
Change in working capital	21	27.201	-33.991
Cash flows from operating activities before financial income and expenses		**29.726**	**-2.948**
Financial income		1.928	3.657
Financial expenses		-10.779	-7.006
Cash flows from ordinary activities		**20.875**	**-6.297**
Corporation tax paid		-6.145	-10.516
Cash flows from operating activities		**14.730**	**-16.813**
Acquisition of subsidiaries		-4.043	-17.311
Purchase of minority interests		-76	0
Purchase of intangible assets		-3.375	-2.693
Purchase of property, plant and equipment		-11.609	-14.836
Fixed asset investments made		-566	-262
Sale of property, plant and equipment		1.137	39
Sale of fixed asset investments		9	1.521
Cash flows from investing activities		**-18.523**	**-33.542**
Raising/repayment of long-term debt		382	-2.281
Dividend paid to shareholders		0	0
Cash flows from financing activities		**382**	**-2.281**
Change in cash and cash equivalents		**-3.411**	**-52.636**
Cash and cash equivalents at 1 April 2015		6.117	58.753
Cash and cash equivalents at 31 December 2015		**2.706**	**6.117**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		26.551	24.426
Credit institutions		-23.845	-18.309
Cash and cash equivalents at 31 December 2015		**2.706**	**6.117**

Notes to the Annual Report

		Group		Parent Company	
		2015	2014/15	2015	2014/15
		DKK '000	DKK '000	DKK '000	DKK '000
1	**Revenue**				
	Geographical segments				
	Europe	121.108	117.446	47.194	75.103
	Outside Europe	229.263	454.493	110.352	229.578
		350.371	**571.939**	**157.546**	**304.681**

		Parent Company	
		2015	2014/15
		DKK '000	DKK '000
2	**Income from investments in subsidiaries after tax**		
	Share of earnings of subsidiaries after tax	-2.222	10.581
	Amortisation of goodwill	-3.293	-4.031
		-5.515	**6.550**

		Group		Parent Company	
		2015	2014/15	2015	2014/15
		DKK '000	DKK '000	DKK '000	DKK '000
3	**Financial income**				
	Interest received from group enterprises	16	0	1.521	1.147
	Exchange adjustments	254	2.991	48	1.864
	Other financial income	1.658	666	0	473
		1.928	**3.657**	**1.569**	**3.484**
4	**Financial expenses**				
	Interest expenses from group enterprises	0	0	7	243
	Bank charges	1.747	529	854	239
	Exchange adjustments	6.896	4.167	260	2.668
	Other financial expenses	2.136	2.310	791	996
		10.779	**7.006**	**1.912**	**4.146**

Notes to the Annual Report

	Group		Parent Company	
	2015	2014/15	2015	2014/15
	DKK '000	DKK '000	DKK '000	DKK '000
5 Tax on profit/loss for the year				
Current tax for the year	14.743	10.594	10.152	4.070
Adjustment of tax percentage	-738	-1.562	-741	-1.562
Deferred tax for the year	-13.335	-7.528	-12.791	-1.995
Total tax for the year	**670**	**1.504**	**-3.380**	**513**
which breaks down as follows:				
Tax on profit/loss for the year	-713	9.257	-3.719	2.234
Tax on changes in equity	1.383	-7.753	339	-1.721
	670	**1.504**	**-3.380**	**513**

6 Intangible assets

Group	Goodwill	Develop-ment projects	Develop-ment projects in progress
	DKK '000	DKK '000	DKK '000
Cost at 1 April 2015	72.383	16.809	2.543
Exchange adjustments	-790	0	0
Additions for the year	4.342	1.931	1.444
Transferred	0	1.508	-1.508
Cost at 31 December 2015	75.935	20.248	2.479
Amortisation at 1 April 2015	41.357	12.453	0
Amortisation for the year	4.412	1.567	0
Amortisation at 31 December 2015	45.769	14.020	0
Carrying amount at 31 December 2015	**30.166**	**6.228**	**2.479**
Amortised over	5-10 years	3-5 years	

Amortisation and impairment of intangible assets are recognised in the following items:

Cost of sales	1.567
Amortisation, goodwill	4.412
	5.979

Notes to the Annual Report

6 Intangible assets (continued)

Parent Company	Goodwill	Develop-ment projects	Develop-ment projects in progress
	DKK '000	DKK '000	DKK '000
Cost at 1 April 2015	6.606	16.685	2.543
Additions for the year	0	1.931	1.444
Transferred	0	1.508	-1.508
Cost at 31 December 2015	6.606	20.124	2.479
Amortisation at 1 April 2015	6.606	12.329	0
Amortisation for the year	0	1.567	0
Amortisation at 31 December 2015	6.606	13.896	0
Carrying amount at 31 December 2015	**0**	**6.228**	**2.479**
Amortised over	5-10 years	3-5 years	

Amortisation and impairment of intangible assets are recognised in the following items:

Cost of sales	1.567
	1.567

Notes to the Annual Report

7 Property, plant and equipment

Group	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improve-ments
	DKK '000	DKK '000	DKK '000	DKK '000
Cost at 1 April 2015	986	45.566	52.541	3.990
Exchange adjustments	-15	-200	-176	-15
Additions for the year	0	7.178	4.624	547
Disposals for the year	0	0	-1.137	0
Cost at 31 December 2015	971	52.544	55.852	4.522
Impairment losses and depreciation at 1 April 2015	72	9.580	38.201	1.127
Exchange adjustments	-2	3	-29	0
Depreciation for the year	79	3.745	4.054	314
Impairment losses and depreciation at 31 December 2015	149	13.328	42.226	1.441
Carrying amount at 31 December 2015	**822**	**39.216**	**13.626**	**3.081**
Depreciated over	20 years	2-10 years	2-10 years	5-12 years

Depreciation and impairment of property, plant and equipment are recognised in the following items:

	2015
	DKK '000
Cost of sales	3.193
Distribution expenses	3.276
Administrative expenses	1.723
	8.192

Notes to the Annual Report

7 Property, plant and equipment (continued)

Parent Company	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improve-ments
	DKK '000	DKK '000	DKK '000
Cost at 1 April 2015	2.552	31.571	2.401
Exchange adjustments	0	-68	0
Additions for the year	262	3.104	0
Cost at 31 December 2015	2.814	34.607	2.401
Impairment losses and depreciation at 1 April 2015	1.311	24.581	821
Exchange adjustments	0	-40	0
Depreciation for the year	137	2.600	190
Impairment losses and depreciation at 31 December 2015	1.448	27.141	1.011
Carrying amount at 31 December 2015	**1.366**	**7.466**	**1.390**
Depreciated over	2-10 years	2-10 years	5-12 years

Depreciation and impairment of property, plant and equipment are recognised in the following items:

	2015
	DKK '000
Cost of sales	777
Distribution expenses	1.804
Administrative expenses	346
	2.927

Notes to the Annual Report

8 Fixed assets investments

Group	Investments in associates	Securities	Deposits
	DKK '000	DKK '000	DKK '000
Cost at 1 April 2015	2.289	139	3.449
Exchange adjustments	0	0	-30
Additions for the year	0	0	566
Disposals for the year	0	0	-9
Cost at 31 December 2015	2.289	139	3.976
Value adjustment at 1 April 2015	-2.289	0	0
Net profit/loss for the year	0	16	0
Value adjustments at 31 December 2015	-2.289	16	0
Carrying amount at 31 December 2015	**0**	**155**	**3.976**

Parent Company	Investments in subsidiaries	Investments in associates	Deposits	Receivables from subsidiaries
	DKK '000	DKK '000	DKK '000	DKK '000
Cost at 1 April 2015	88.998	1.988	2.578	3.104
Exchange adjustments	-7.370	0	-8	0
Additions for the year	11.896	0	0	2.112
Disposals for the year	0	0	-9	-343
Cost at 31 December 2015	93.524	1.988	2.561	4.873
Value adjustment at 1 April 2015	3.115	-1.988	0	0
Exchange adjustments	5.582	0	0	0
Net profit/loss for the year	-5.951	0	0	0
Dividend to the Parent Company	-11.275	0	0	0
Fair value adjustment of hedging instruments	2.097	0	0	0
Acquisition of minority interests	-3.068	0	0	0
Adjustment of investments with negative net assset value	6.696	0	0	0
Value adjustment at 31 December 2015	-2.804	-1.988	0	0
Carrying amount at 31 December 2015	**90.720**	**0**	**2.561**	**4.873**

Notes to the Annual Report

8 Fixed assets investments *(continued)*

Remaining positive difference included in the above carrying amount at 31 December 2015	23.296

Subsidiaries and associated companies are recognised and measured as separate entities.

Investments in subsidiaries and associates are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Subsidiaries:			
Birodan A/S	Denmark	kDKK 500	100%
Combined Gas Systems Ltd.	UK	kGBP 0,1	100%
- Marshalls Excelsior Europe Ltd.(dormant	UK	kGBP 0,1	100%
S.A.	Portugal	kEUR 200	100%
Kosan Crisplant Arabia	Saudi Arabia	kSAR 100	100%
Kosan Crisplant Asia Pacific Sdn. Bhd.	Malaysia	kMYR 350	80%
- Crisplant (M) Sdn. Bhd	Malaysia	TMYR 350	100%
- Kosan Crisplant Indonesia, PT	Indonesien	TIDR 1.935	100%
Kosan Crisplant do Brasil Ltda.	Brazil	kBRL 516	100%
Kosan Crisplant Cameroon S.A.	Cameroun	kXAF 2.085.56	78%
Kosan Crisplant India Private Ltd.	India	kINR 5.500	100%
- Kosan-Sonal Projects Private Ltd.	India	kINR 5.000	55%
Kosan Crisplant Lanka (Private) Ltd.	Sri Lanka	kLKR 15.000	100%
Kosan Crisplant North America Inc.	USA	kUSD 1	80%
Kosan Crisplant Portugal S.A.	Portugal	kEUR 100	60%
Mecanique S.A.	France	kEUR 425	99,98%
- Alpilles Tech. Services S.A.(dormant)	France	TEUR 200	75%
RMS Gas Engineering Ltd.	UK	kGBP 10	100%
Tankgas Equipment Ltd.	UK	kGBP 5	100%
Associates:			
Tecnogas S.r.L.	Italy	kEUR 347,5	14,79%

RMS Gas Engineering Limited, registered under UK registration number 02536725, Tankgas Equipment Limited, registered under UK registration number 03195305, Combined Gas Systems Limited, registered under UK registration number 3327911 and Marshalls Excelsior Europe Limited, registered under UK registration number 08742573, are entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Notes to the Annual Report

	Group		Parent Company	
	31 December	31 March	31 December	31 March
	DKK '000	DKK '000	DKK '000	DKK '000
9 Inventories				
Raw materials and consumables	59.415	70.661	21.276	26.478
Work in progress	5.125	7.163	278	46
	64.540	**77.824**	**21.554**	**26.524**
10 Contract work in progress				
Selling price of production for the period	724.729	1.010.402	532.877	738.777
Payments received on account	-663.593	-939.895	-528.570	-742.240
Contract work in progress, net	**61.136**	**70.507**	**4.307**	**-3.463**
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	110.866	105.496	24.667	26.866
Prepayments received recognised in debt	-49.730	-34.989	-20.360	-30.329
	61.136	**70.507**	**4.307**	**-3.463**

Notes to the Annual Report

11 Equity

Group

	Share capital	Retained earnings	Total
	DKK '000	DKK '000	DKK '000
Equity at 1 April 2015	15.000	106.317	121.317
Exchange adjustments	0	-2.026	-2.026
Acquisition of minority interests	0	-3.068	-3.068
Fair value adjustment of hedging instruments, end of year	0	4.553	4.553
Tax on equity adjustments	0	-1.384	-1.384
Net profit/loss for the year	0	-18.668	-18.668
Equity at 31 December 2015	**15.000**	**85.724**	**100.724**

The share capital consists of 15.000.000 shares of a nominal amount of DKK 1. No shares carry any special rights.

Share capital for the past five years is specified as follows:

	2015	2014	2013	2012	2011
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Share capital	15.000	15.000	15.000	15.000	15.000

Notes to the Annual Report

11 Equity (continued)

Parent Company

	Share capital	Reserve according to the equity method	Retained earnings	Total
	DKK '000	DKK '000	DKK '000	DKK '000
Equity at 1 April 2015	15.000	565	105.752	121.317
Exchange adjustments	0	0	-2.288	-2.288
Adjustments in subsidiaries	0	0	2.359	2.359
Acquisition of minority interests	0	0	-3.068	-3.068
Fair value adjustment of hedging instruments, end of year	0	0	1.411	1.411
Tax on equity adjustments	0	0	-339	-339
Net profit/loss for the year	0	-565	-18.103	-18.668
Equity at 31 December 2015	**15.000**	**0**	**85.724**	**100.724**

The share capital consists of 15.000.000 shares of a nominal amount of DKK 1. No shares carry any special rights.

Share capital for the past five years is specified as follows:

	2015	2014	2013	2012	2011
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Share capital	15.000	15.000	15.000	15.000	15.000

Notes to the Annual Report

	Group		Parent Company	
	31 December	31 March	31 December	31 March
	DKK '000	DKK '000	DKK '000	DKK '000
12 Provision for deferred tax				
Fixed assets	-1.820	-2.507	-2.467	-3.654
Current assets	25.064	50.878	25.064	50.878
Debt	-840	-1.415	-840	-1.415
Tax loss carry-forward	-2.899	-12.448	-2.899	-12.448
	19.505	**34.508**	**18.858**	**33.361**
Deferred tax asset				
Debt	5.884	6.905	370	610
Tax loss carry-forward	1.242	1.766	0	1.172
	7.126	**8.671**	**370**	**1.782**
13 Prepaid expenses				
Prepayments	5.048	2.542	1.630	1.316
	5.048	**2.542**	**1.630**	**1.316**
14 Warranty obligations				
Within 1 year	3.404	3.552	2.875	2.875
	3.404	**3.552**	**2.875**	**2.875**

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15 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term

The debt falls due for payment as specified below:

	Group		Parent Company	
	31 December	31 March	31 December	31 March
	DKK '000	DKK '000	DKK '000	DKK '000
Credit institutions				
After 5 years	0	1.875	0	0
Between 1 and 5 years	3.558	1.036	0	0
Long-term part	3.558	2.911	0	0
	3.558	**2.911**	**0**	**0**
Payables to group enterprises				
Between 1 and 5 years	0	0	0	822
Long-term part	0	0	0	822
	0	**0**	**0**	**822**
Other payables				
Between 1 and 5 years	9.951	9.754	2.781	3.074
Long-term part	9.951	9.754	2.781	3.074
Within 1 year	7.301	1.076	6.937	500
	17.252	**10.830**	**9.718**	**3.574**

Notes to the Annual Report

16 Contingent assets, liabilities and other financial obligations

Group

As per 31 December 2015 the group has an annual rent contract of DKK 5,923k with a maturity period of maximum 10,25 years. The Group's other annual operational rent and lease obligations as per 31 December 2015 amount to DKK 359k with a maturity period of maximum 4 years.

The Group's banks have at 31 December 2015 issued bank guarantees totalling DKK 147,871k towards the Group's customers and banks.

The Group is a party in a pending claim for damages related to product liability, and also a party in a mutual claim for contract breach. The outcome of these claims are expected not to constitute financial obligations on part of the Group beyond what is allocated in the Annual Report.

Parent Company

As per 31 December 2015 the Comany has an annual rent contract of DKK 4,643k with a maturity period of maximum 10,25 years. The Company's other annual operational rent and lease obligations as per 31 December 2015 amount to DKK 265k with a maturity period of maximum 4 years.

The Group's banks have at 31 December 2015 issued bank guarantees totalling DKK 58,859k towards the Group's customers, and DKK 8,630k towards banks in subsidiaries.

The company has issued a guarantee for PAM S.A.'s engagement with HSBC and BNP Paribas and for CPI S.A.'s engagement with Banco BPI for a total of EUR 10,100k.

The Company is a party in a pending claim for damages related to product liability. The outcome of the claim is expected not to constitute financial obligations on part of the Company beyond what is allocated in the Annual Report.

The Danish companies in the Group are subject to mandatory Danish national joint taxation. The jointly taxed companies share the liability for the Danish income tax etc.

Notes to the Annual Report

	Group		Parent Company	
	31 December	31 March	31 December	31 March
	DKK '000	DKK '000	DKK '000	DKK '000
17 Fee to auditors appointed at the general meeting				
PricewaterhouseCoopers				
Audit fee	572	804	292	416
Other assurance engagements	0	25	0	25
Tax assistance	75	77	70	65
Non-audit services	0	73	0	66
Other audit companies				
Audit fee and non-audit services	935	715	76	104
	1.582	**1.694**	**438**	**676**

	Group		Parent Company	
	31 December	31 March	31 December	31 March
	DKK '000	DKK '000	DKK '000	DKK '000
18 Staff				
Wages and salaries	99.120	110.016	49.950	55.867
Pensions	4.380	5.758	2.926	3.758
Other social security expenses	5.959	4.881	577	910
	109.459	**120.655**	**53.453**	**60.535**
Remuneration to the Executive and Supervisory Boards amounts to:				
Executive Board	5.244	4.471	5.244	4.471
Supervisory Board	163	120	163	120
	5.407	**4.591**	**5.407**	**4.591**

* The booked salaries for the Executive boards for 2015 contains DKK 1,998k concerning repurchase of share options.

Average number of employees	**632**	**564**	**143**	**151**

Notes to the Annual Report

19 Related parties and ownership

	Basis
Controlling interest	
Makeen Energy A/S, P.O. Pedersens Vej 22, 8200 Aarhus N	Majority shareholder
Al Ayuni Investment & Contracting Company That Alsawari, Al Wurud, Riyadh 12251, Saudi Arabia	Ultimate parent company
Other related parties	
AC Hornbaek ApS	Controlling shareholder in the Company is member of the Executive Board
Lindrup.dk ApS	Controlling shareholder in the Company is member of the Executive Board
Emmana Holding ApS	Controlling shareholder in the Company is member of the Executive Board

AC Hornbaek ApS, Lindrip.dk ApS and Emmana Holding ApS ceased to be related parties as at 19 August 2015.

Nørgaard Teknik A/S	A shareholder of the Company is member of the Executive Board

Transactions
The Company has received interest from Makeen Energy A/S for DKK 16k.
The group has purchased goods from Nørgaard Teknik A/S for DKK 5,066k on arms-length basis.

Apart from the above, there have been no transactions with the Supervisory Board, the Executive Board, senior employees or other related parties, except for intercompany transactions and normal management remuneration.

Ownership
The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Makeen Energy A/S
P.O. Pedersens Vej 22
DK-8200 Aarhus N

Notes to the Annual Report

20 Cash flow statement - adjustments

	Group 31 December DKK '000	Group 31 March DKK '000
Financial income	-1.928	-3.657
Financial expenses	10.779	7.006
Income from investments in associates before tax	0	563
Depreciation of property, plant and machinery	8.192	9.453
Amortisation of intangible assets	5.979	15.040
Profit on sold assets	-14	-232
Tax on profit/loss for the year	-713	9.257
Equity adjustments	2.527	-16.631
Change in minority interests' share of equity	-1.546	2.363
Change in other provisions	-2.083	-2.384
	21.193	**20.778**

21 Cash Flow Statement - change in working capital

	Group 31 December DKK '000	Group 31 March DKK '000
Change in inventories	14.540	-13.185
Change in receivables	18.834	-30.703
Change in contract work in progress	-5.370	2.583
Change in other receivables	2.491	1.724
Change in prepayments (assets)	-2.404	1.044
Change in prepayments from customers	14.741	23.266
Change in trade payables etc.	-13.085	-39.674
Change in receivables from group enterprices	-1.264	0
Change in other debt	-2.290	20.768
Change in deferred income	1.008	186
	27.201	**-33.991**