

# Inbicon A/S

## Annual report for 2017

CVR no. 27 03 66 35

Adopted at the annual general meeting on 25 April  
2018

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Ulrik Jarlov  
chairman

# Contents

	<b>Page</b>
<b>Statements</b>	
Statement by management on the annual report	1
Independent auditor's report	2
<b>Company details</b>	
Company details	5
Income statement 1 January - 31 December	6
Balance sheet 31 December	7
Statement of changes in equity	9
Notes to the annual report	10

## Statement by management on the annual report

The board of directors and executive board have today discussed and approved the annual report of Inbicon A/S for the financial year 1 January - 31 December 2017.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

Management recommends that the annual report should be approved at the annual general meeting.

Skærbæk, 11 April 2018

### Executive board

Hannes Reuter  
Director

### Board of Directors

Thomas Dalsgaard  
chairman

Niels Henriksen  
deputy chairman

Mikael Brandt

## Independent auditor's report

### *To the shareholder of Inbicon A/S*

#### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 december 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Inbicon A/S for the financial year 1 January - 31 December 2017, which comprise a summary of income statement, balance sheet, statement of changes in equity and notes ("financial statements").

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's responsibilities 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.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

## Independent auditor's report

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 11 April 2018

### **PriceWaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31

Rasmus Friis Jørgensen  
State Authorised Public Accountant  
MNE no. mne28705

Claus Damhave  
State Authorised Public Accountant  
MNE no. mne34166

## Company details

### The company

Inbicon A/S  
Kraftværksvej 53  
Skærbæk  
7000 Fredericia

Telephone: +45 99 55 11 11  
Fax: +45 99 55 00 02

Website: [www.orsted.com](http://www.orsted.com)

CVR no.: 27 03 66 35

Reporting period: 1 January - 31 December 2017  
Incorporated: 10. February 2003

Domicile: Fredericia

### Board of Directors

Thomas Dalsgaard, chairman  
Niels Henriksen, deputy chairman  
Mikael Brandt

### Executive board

Hannes Reuter, director

### Auditors

PriceWaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
2900 Hellerup

### Consolidated financial statements

The Company is included in the financial statements of the ultimate parent company, Ørsted A/S, CVR no. 36 21 37 28

The Group Annual Report of Ørsted A/S, CVR no. 36 21 37 28 may be obtained at the following address:

[www.orsted.com](http://www.orsted.com)

## Income statement 1 January - 31 December

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
<b>Gross profit</b>		<b>-4.419</b>	<b>-13.750</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		0	-7.431
Financial income	1	64	59
Financial expense	2	-94	-798
<b>Profit/loss before tax</b>		<b>-4.449</b>	<b>-21.920</b>
Tax on profit/loss for the year		-3.172	5.164
<b>Net profit/loss for the year</b>		<b><u>-7.621</u></b>	<b><u>-16.756</u></b>

## Distribution of profit

Proposed dividend for the year		0	18.000
Retained earnings		-7.621	-34.756
		<b><u>-7.621</u></b>	<b><u>-16.756</u></b>



## Balance sheet 31 December

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
<b>Assets</b>			
Raw materials and consumables		639	639
<b>Stocks</b>		<b>639</b>	<b>639</b>
Trade receivables		0	56
Receivables from group enterprises		313	7.410
Other receivables		7.839	10.626
Deferred tax asset		13.019	16.583
Corporation tax		284	13.518
<b>Receivables</b>		<b>21.455</b>	<b>48.193</b>
<b>Current assets total</b>		<b>22.094</b>	<b>48.832</b>
<b>Assets total</b>		<b>22.094</b>	<b>48.832</b>

## Balance sheet 31 December

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
<b>Liabilities and equity</b>			
Share capital		23.000	23.000
Retained earnings		-1.492	6.130
Proposed dividend for the year		0	18.000
<b>Equity</b>		<b><u>21.508</u></b>	<b><u>47.130</u></b>
Trade payables		358	859
Payables to group enterprises		218	289
Other payables		10	554
<b>Short-term debt</b>		<b><u>586</u></b>	<b><u>1.702</u></b>
<b>Debt total</b>		<b><u>586</u></b>	<b><u>1.702</u></b>
<b>Liabilities and equity total</b>		<b><u><u>22.094</u></u></b>	<b><u><u>48.832</u></u></b>
Micro B enterprises	3		
Main activity	4		
Recognition and measurement uncertainties	5		
Contingent assets, liabilities and other financial obligations	6		

## Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2017	23.000	6.129	18.000	47.129
Ordinary dividend paid	0	0	-18.000	-18.000
Net profit/loss for the year	0	-7.621	0	-7.621
<b>Equity at 31 December 2017</b>	<b>23.000</b>	<b>-1.492</b>	<b>0</b>	<b>21.508</b>

## Notes

	2017 TDKK	2016 TDKK
<b>1 Financial income</b>		
Interest received from group enterprises	14	0
Exchange gains	50	59
	<u>64</u>	<u>59</u>
<b>2 Financial expense</b>		
Financial expenses, group enterprises	58	721
Other financial expense	4	5
Exchange loss	32	72
	<u>94</u>	<u>798</u>

### 3 Micro B enterprises

#### Accounting principles regarding micro B enterprises

The company has adopted the rules applying for micro enterprises according to the Danish Financial Statements Act.

The company will not present accounting principles.

The company has chosen to present the Statement of changes in equity.

### 4 Main activity

Inbicon A/S is a member of Ørsted A/S Group and a subsidiary of Ørsted New Bio Solutions Holding A/S, Fredericia. Reference is made to the annual report of Ørsted A/S.

The company's object is to develop and sell technology for the utilization of biomass and to establish and operate plants based on this technology and its production as well as other related activities.

## Notes

### 5 Recognition and measurement uncertainties

The company has recognised an EU grant, which is classified as a receivable. There is an ongoing dispute regarding some of the project costs that are not currently accepted by EU and gives an uncertainty regarding the receivable.

### 6 Contingent assets, liabilities and other financial obligations

#### Contingent liabilities

The company is party to a dispute regarding government grants from EU. The contingent liability is estimated to 21,8m DKK.

#### Liability in joint taxation

The Group's Danish companies are jointly and severally liable for tax on group jointly taxes income, etc. Reference is made to the annual report for Orsted A/S, the administration company in relation to joint taxation. The Group's Danish companies are also jointly and severally liable for Danish withholding taxes on dividends, royalties and interests within the group of jointly taxed entities. Any subsequent corrections to income and withholding taxes may result in an increase in the entities' liability.

The group's danish entities are jointly and severally liable for joint VAT registration.