TOTAL WIND A/S

Sjællandsvej 5
7330 Brande

Annual report
1 January 2016 - 31 December 2016

The annual report has been presented and approved on the company's general meeting the

09/07/2017

Kurt Bering Sørensen
Chairman of general meeting

Content

Company information

Reporting company	TOTAL WIND A/S Sjællandsvej 5 7330 Brande	
	CVR-nr:	27416837
	Reporting period:	01/01/2016 - 31/12/2016
Auditor	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 København S DK Danmark	
	CVR-nr:	33963556
	P-number:	1017192430

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Total Wind A/S for the financial year 01.01.2016 - 31.12.2016.

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

In our opinion, the financial statements give a true and fair view of the Entity´s financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Brande, the 09/07/2017

Management

Jens Nygaard Laursen
CEO

Board of directors

Kurt Bering Sørensen Chairman	Jens Nygaard Laursen
Lars Blavnsfeldt	Birger Brix

The independent auditor's report on financial statements

To the shareholders of TOTAL WIND A/S

Opinion

We have audited the financial statements of Total Wind A/S for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity’s financial position at 31-12-2016 and of the results of its operations and cash flows for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor’s report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

Material uncertainty concerning going concern

We refer to the management commentary and note 11 in which Management states that the uncertainty attached to the sufficiency of the company’s financial base is influenced by the realisation of the expectations established for the financial year 2017. However, we have not modified our opinion in respect of this issue.

Responsibilities of management 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 Entity’s ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either in-tends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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 Entity’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 Entity’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 Entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management's review

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 09/07/2017

Jens Sejer Pedersen
State Authorised Public Accountant
Deloitte Statsautoriseret Revisionspartnerselskab
CVR: 33963556

Management's Review

Primary activities
The Company's and the Group's activities comprise crane work and turnkey solutions for installation of wind turbines as well as commissioning, service and maintenance activities within the wind energy industry onshore as well as offshore.

The activities are primarily performed in the EMEA-countries and the Americas. The activities are performed from the main office in Denmark and through foreign subsidiaries.

Total Wind is certified to ISO 9001, ISO 14001 and OHSAS 18001. Quality assurance is vital to the Company as a business partner with the professional customers in the world market.

Merger with Group companies
On 1 January 2016, Total Wind A/S merged with the two Group Companies Total Wind Blades ApS (a former subsidiary) and Total Wind Property ApS a company also owned by the parent company Total Wind Group A/S.

The merger was carried out to simplify the Group structure and does not change primary operations.

Development in activities and finances
The Company achieved a net loss of DKK 48 million in 2016 compared to a net loss of DKK 2 million in 2015. Due to this development equity decreased from DKK 45 million to a negative level of DKK 1 million at 31 December 2016.

The result is unsatisfactory and not in line with expectations in the annual report 2015.

The poor result is related to several issues such as: lower level of activity than planned in the beginning of the year, lower yield on capacity than planned, damage to a crane impacting on the ability to deliver to customers, lower profitability on certain projects than anticipated and higher fixed costs than suitable for the level of activity.

The Company has initiated changes to the organisation during 2016. The changes are related to improving internal processes, selection of customers and jobs to ensure profitability, cost savings and other improvements.

The level of total assets has decreased from DKK 190 million end of 2015 to DKK 147 million end of 2016 due to a planned downscaling of the balance sheet.

Outlook
The Company foresees a significantly improved result in 2017 due to the changes made in 2016 including lower fixed costs, more profitable projects and a more streamlined organisation and further changes made after the balance sheet date.

A cautious assesstment has been made of market conditions for 2017. Growth in revenue is expected as well as improved results compared to 2016. An EBITDA - including EBITDA in subsidiaries - in an interval from a small negative amount to a positive amount is expected.

Material assumptions and uncertainties
On presentation of the annual report of the Company. Management has assumed that the annual report is to be presented on a going concern basis and has recognised a tax asset of DKK 10 million, partly to be set off against liabilities under joint taxation.

This is further described in note 11 and 15 to the annual report.

The annual report has not been impacted by unusual circumstances.

Events after the balance sheet date
No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

After the balance sheet date the group has:
Changed the management team and is replacing the CEO in 2017
Implemented a savings plan that has included laying off more than 15 employees during 2017 as well as a general cost savings initiative
Discontinued business with customers with unsustainable profitability
Automated certain internal processes
Changed the internal procedures regarding tendering and accepting new projects

Particular risks
Special risks
The Company's most significant operating risk is attached to the ability to be strongly positioned in the markets where the products are sold and to the ability to ensure that production prices are competitive.

Foreign exchange risks
The Company's revenue and expenses are primarily in Euro and DKK.

The foreign exchange risk is therefore in all material respects limited to the exchange risk of this currency.

Secondarily the Group's cost base is further denominated in Polish Zloty's, British Pounds and Brazilian Reals. The fluctuations among these currencies is wider than among the primary currencies and impose risks.

It is not the Company's policy to hedge the risks and no speculative foreign currency positions are entered.

Exchange adjustment of investment in subsidiary enterprises and associates that are independent entities is recognised directly in the equity. Related exchange risks are not hedged because it is the company's opinion that a current hedging of such long-term investments will not be optimal from an overall risk and cost viewpoint.

Interest risks
The Company has been unable to obtain interest prices on levels similar to the general market level and interest rates for Total Wind A/S have increased in 2016.

Due to this starting point and the level of interest bearing debt it is certain that significant changes to the interest level may have an impact to the earnings of the company. But it is Management's view that such risk is insignificant.

Environmental impact
Total Wind A/S is a part of an industry dedicated to the overall reduction of environmental impact from energy consumption.

Total Wind A/S in general applies man hours to the assembly and service of wind turbines, we cannot avoid impacting the environment when performing our work. We are dedicated to reducing the impact we generate to the lowest extent possible.

We have several initiatives to reduce our impact. In 2016 we added to these initiatives by beginning to sort waste and by electronically reducing maximum potential speed in our cars to reduce gasoline impact to the environment. Total Wind A/S is ISO-ceritified in relation to environmental impact.

Key figures and Financial Ratios

	2016	2015	2014	2013	2012
	tkr.	**tkr.**	**tkr.**	**tkr.**	**tkr.**
Financial highlights					
Gross profit	40,278	61,451	76,314	75,472	65,865
Operating profit/loss	-54,822	-18,071	9,123	2,423	-315
Net financials	459	12,313	10,107	1,792	11,576
Profit/loss for the year	**-49,267**	**-2,225**	**17,237**	**3,889**	**11,938**
Total assets	146,671	190,430	181,169	140,395	121,181
Investments in property, plant and equipment	632	476	89	1,263	1,026
Equity	**-2,525**	**45,847**	**53,192**	**36,327**	**31,088**
Ratios					
Equity ratio (%)	-1,7 %	24,1 %	29,4 %	25,9 %	25,7 %
Average number of employees	**172**	**128**	**112**	**102**	**92**

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class C, medium-size enterprise.

This accounting policies applied for these financial statements are consistent with those applied last year.

Consolidated financial statements
Referring to section 112(1) of the Danish Financial Stateemts Act, no consolidated financial statements have been prepared.

Merger of group companies as of 1 January 2016
As of 1 January 2016 Total Wind A/S merged with the subsidiary Total Wind Blades ApS and the group enterprise Total Wind Property ApS. The merger only relates to enterprises within the same group and is accounting wise treated based on ther consolidation method. This means that comparison numbers for 2015 have not been adapted and financials are consolidated as of 1 January 2016.

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement
Gross profit or loss
Gross profit or loss comprises revenue, work in progress, other operating income, cost of raw materials and consumables and external expenses.

Revenue
Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in

the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Costs of raw materials and consumables
Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year.

Other external expenses
Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Employee expense
Employee expense comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses
Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises and investments in associates
Income from investments in group enterprises and associates are measured in the parent company's income statement under the equity method.

Other financial income
Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The group is jointly taxed with Total Wind Group A/S (CVR. nr. 30555058) and all its Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet
Goodwill
Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is usually five years, however, in certain cases it may be up to 10 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the bebefit from the relevant resources. Goodwill included in the balance sheet is related to the merger with the subsidiary Total Wind Blades ApS. Before the merger the goodwill amount was recognized as part of

"Investments in group enterprises". The item has been amortised based on overall accounting policies for such items.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation, including wages and costs can be directly allocated to the asset. For financial leased assets the cost equals the lowest of the fair value of the asset and the net present value of the future leasing payments, with addition of wages and costs related to improvements of leased assets, that can be directly allocated to the asset.

The basis of depreciation is cost less estimated residual value after the end of useful life. Residual values are reviewed regularly. Straightline depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-8 years (0-30% residual value)
Leasehold improvements	5 years

Equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises and investments in associates
Investments in group enterprises and investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity.

Investments with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill in group enterprises calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortised over its estimated useful life which is normally 5 years, however, in certain cases it may be up to 20 years. The amortization period is longest for strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

The Company applies structured sale of receivables to a financial institution. At the event of sale the majority of the value is settled from the financial institution. Remaining settlement is received in accordance with the final payment from the end-customer to the financial institution or after an agreed time.

This scheme applies the same type of risks to the Company with respect to potential credit note issuance as if sale of the receivable had not taken place.

Risk of lacking payment is limited to 10% of the transferred amount.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Contract work in progress
Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as financing costs are recognised in the income statement as incurred.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Other provisions
Other provisions comprise liabilities regarding investments in group companies.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable
Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash flow statement
The cash flow statement for the company is included in the cash flow statement for the group and is therefore not included in the annual report for the company. Referring to section 86(4) of the Danish Financial Stateemts Act.

Financial highlights
Financial highlights are defined and calculated in accordance with "Recommendations & Financial Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formular	Ratios reflect
Equity ratio (%)	Equity x 100 / Total assets	The finacial strength of the Entity

Income statement 1 Jan 2016 - 31 Dec 2016

	Disclosure	2016 kr.	2015 kr.
Gross Result		**40,277,884**	**61,450,795**
Employee expense	1	-95,028,520	-79,073,245
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets	2	-71,423	-448,968
Profit (loss) from ordinary operating activities		**-54,822,059**	**-18,071,418**
Income from other investments and receivables that are fixed assets	3	6,931,661	11,893,199
Other finance income	4	4,456,253	3,468,233
Other finance expenses	5	-10,928,963	-3,047,532
Profit (loss) from ordinary activities before tax		**-54,363,108**	**-5,757,518**
Tax expense	6	6,126,487	3,532,768
Profit (loss)		**-48,236,621**	**-2,224,750**

Balance sheet 31 December 2016

Assets

	Disclosure	2016 kr.	2015 kr.
Goodwill		4,734,865	0
Intangible assets	**7**	**4,734,865**	**0**
Fixtures, fittings, tools and equipment		876,075	1,005,924
Leasehold improvements		28,000	45,267
Property, plant and equipment	**8**	**904,075**	**1,051,191**
Investments in group enterprises		48,170,631	54,698,756
Receivables from group enterprises		0	7,587,649
Investments in associates		5,672,555	5,060,631
Receivables from associates		1,737,216	1,739,283
Current deferred tax assets		10,450,594	4,202,466
Deposits		3,737,800	3,715,600
Investments	**9**	**69,768,796**	**77,004,385**
Non-current assets		**75,407,736**	**78,055,576**
Inventories		**320,300**	**815,484**
Trade receivables		8,927,506	39,708,436
Contract work in progress		3,008,574	9,488,483
Receivables from group enterprises		52,112,429	53,866,397
Other receivables		4,603,661	5,284,116
Deferred income assets		2,290,993	1,507,287
Receivables		**70,943,163**	**109,854,719**
Cash and cash equivalents		0	1,705,074
Current assets		**71,263,463**	**112,375,277**
Total assets		**146,671,199**	**190,430,853**

Balance sheet 31 December 2016

Liabilities and equity

	Disclosure	2016	2015
		kr.	**kr.**
Contributed capital	10	500,001	500,000
Reserve for net revaluation according to equity method		31,724,780	32,518,000
Retained earnings		-33,720,056	12,829,325
Total equity		**-1,495,275**	**45,847,325**
Other provisions		0	384,000
Provisions for investments in group enterprises		1,378,623	942,000
Long-term liabilities		**1,378,623**	**1,326,000**
Other provisions		280,490	0
Debt to banks		54,068,563	64,214,519
Prepayments received for work in progress		343,574	2,100,000
Trade payables		20,383,670	24,746,593
Payables to group enterprises		51,995,407	30,917,436
Tax payables		0	1,034,000
Other payables		19,716,147	20,244,980
Short-term liabilities		**146,787,851**	**143,257,528**
Liabilities		**148,166,474**	**144,583,528**
Liabilities and equity, gross		**146,671,199**	**190,430,853**

Statement of changes in equity 1 Jan 2016 - 31 Dec 2016

	Contributed capital	Reserve for net revaluation according to equity method	Retained earnings	Total
	kr.	kr.	kr.	kr.
Equity, beginning balance	500,000	32,518,000	12,829,325	45,847,325
Additions to (disposals of) equity through mergers and business combinations	1	-7,412,420	7,307,448	-104,971
Increase (decrease) of equity on demerger and sale of enterprise	0	0	895,847	895,847
Increase (decrease) of investments through net exchange differences [Equity]	0	0	103,145	103,145
Profit (Loss)	0	6,620,199	-54,856,820	-48,236,621
Transferred from share premium		-999	999	0
Equity, ending balance	500,001	31,724,780	-33,720,056	-1,495,275

Disclosures

1. Employee expense

	2016 kr.	2015 kr.
Wages and salaries	81,941,470	67,164,245
Pension costs	10,063,343	8,485,000
Social security contributions	622,319	1,122,000
Other staff costs	2,401,388	2,302,000
	95,028,520	79,073,245

Referring to section 98b(3) of the Danish Financial Statements Act, information about the Executive Board remuneration is not disclosed. No remuneration has been paid to the Company's Board of Directors.

2. Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets

	2016 kr.	2015 kr.
Property, plant and machinery	294,087	454,528
Amortization of goodwill	261,268	0
Profit/loss from sale of property, plant and equipment	-483,932	-5,560
	71,423	448,968

3. Income from other investments and receivables that are fixed assets

Income from investments in group enterprises	2016 kr.	2015 kr.
Share in profit of subsidiaries	6,408,021	12,313,571
Income from associates	311,462	-159,104
Amortization of goodwill	0	-261,268
Other adjustments	212,178	0
	6,931,661	11,893,199

4. Other finance income

	2016 kr.	2015 kr.
Financial income arising from group enterprises	1,833,900	1,875,195
Interest income	383,170	611,634
Exchange rate adjustments	2,239,183	981,404
	4,456,253	3,468,233

5. Other finance expenses

	2016 kr.	2015 kr.
Financial expenses from group enterprises	1,500,993	836,626
Interest expenses	4,543,951	1,888,029
Other financial expenses	0	322,877
Exchange rate adjustments	4,884,019	0
	10,928,963	3,047,532

6. Tax expense

	2016 kr.	2015 kr.
Current tax	0	180,262
Changes in deferred tax for the year	-6,201,294	-5,192,430
Adjustment relating to previous years	74,808	1,479,400
	-6,126,487	-3,532,768

7. Intangible assets

	Goodwill kr.
Cost, beginning of year	0
Related to merger	4,996,133
Cost, end of year	**4,996,133**
Impairment and amortization, beginning of year	0
Amortization in the year	-261,268
Impairment and amortization, end of year	**-261,268**
Carrying value, end of year	**4,734,865**

8. Property, plant and equipment

	Other fixtures, fittings, tools and equipment kr.	Leasehold improvements kr.
Cost, beginning of year	4,686,000	728,264
Additions	631,800	0
Disposal	-969,658	0
Cost, end of year	**4,348,142**	**728,264**
Depreciation and impairment losses beginning of the year	-3,680,000	-682,997
Reversal regarding disposals	484,753	0
Depreciation for the year	-276,820	-17,267
Impairment losses and amortisation, end of year	**-3,472,067**	**-700,264**
Carrying value, end of year	**876,075**	**28,000**

9. Investments

	Investments in group enterprises	Receivables from group enterprises	Investments in associates	Deposits
	tkr.	tkr.	tkr.	tkr.
Cost beginning of year	26,231	7,588	41	3,716
Correction cost after merger	-12,305	0	0	0
Additions	64	0	0	22
Disposals, negative value 01.01.	1,098	-7,588	0	0
Cost end of year	**15,088**	**0**	**41**	**3,738**
Revaluations beginning of year	28,467	0	5,020	0
Previous write-downs of negative equity	-7,523	0	0	0
Exchange rate adjustments	-599	0	301	0
Share of profit/loss after tax	6,408	0	311	0
Dividend	-2,470	0	0	0
Other adjustment	212	0	0	0
Revaluations end of year	**24,495**	**0**	**5,632**	**0**
Carrying amount end of year	**39,583**	**0**	**5,673**	**3,738**
Investments with negative equity depreciated over receivables	7,209			
Investments with negative equity transferred to provision	1,379			
Carrying amount end of year	**48,171**			

Group enterprises with negative equity are measured at kr. 0, and any receivables from these enterprises are written down by the Parent´s share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognized under provisions if the Parent has a legal obligation to cover the liabilities of the relevant enterprise.

Name, legal form and registred office	Registered in	Equity interest	Equity tkr.	The result of the year tkr.
Kysgoz Total Wind A.S.	Turkey	100%	-4,344	-1,446
Total Wind Brazil Ltda	Brazil	75%	12,803	-163
Total Wind Maroc SARL	Marrocco	100%	-396	-1,255
Total Wind Poland Sp. Z.o.o.	Poland	80%	28,640	2,293
*Total Wind Service Sp. Z.o.o.	Poland	100%	402	342
Total Wind UK Ltd.	UK	70%	13,082	4,462
Total Wind GmbH	Germany	100%	6,290	3,820
Total Wind Benelux BV	Holland	70%	296	-303
Total Wind Iberia Lda.	Portugal	100%	-3,848	-2,489

Investments in associates are specified as follows:

Associates:	Registered in	Equity interest	Equity tkr.	The result of the year tkr.
Certion B.V.	Netherlands	31,3%	5,673	311

10. Contributed capital

	Number	Par value kr.	Nominal value kr.
A-shares	500,001	1,00	500,001
Share capital, end of year	**500,001**		**500,001**

11. Disclosure of uncertainties relating to going concern

Uncertainty related to the going concern assumption
The Parent has issued a letter of support to provide necessary funds available to the company.

Consolidated financial statement of the group and the Company are presented on the assumption of going concern.

Based on the expectations for the financial year 2017, the Group has established a financing package that is estimated to support the Group’s projected financial requirements. The financing is based on a quarterly observance of financial performance measures, with the next ordinary annual renegotiation at the end of 2017. Management assesses that the expectations established for 2017 are reasonable as well as realistic, however by nature include a level of uncertainty that potentially may have a negative effect on the sufficiency of the capital resources.

Based on the expectations established for the financial year 2017, Management assesses that the Group and the Company are able to maintain the credit facilities provided as a basis for the Group’s ability to continue as a going concern. In addition, Management expects that the Group’s capital base can be strengthened.

12. Disclosure of contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Total Wind Group A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalty and dividend for the jointly taxed companies.

Unrecoginised rental and lease commitments
The Company has entered into a number of operational leases regarding premises, office machinery etc. The annual payment regarding these contracts is at a level of DKK 2.0 million.

Most of the contracts have a period of notice shorter than 6 months. The notice periode regarding the headquarter premises in Denmark is 4 years.

13. Disclosure of collaterals and assets pledges as security

Collateral securities provided for subsidiaries and group enterprises
The Company has guaranteed the bank debt regarding Total Wind Group A/S and Total Wind Equipment ApS to the bank of the Group. The actual limit of the guarantee is kr. 89 Million.

The Company has deposited a mortgage deed (Fordringspant) registrered to the mortgagor on unsecured claims of kr. 52 Million.

The Company has deposited a mortgage deed with its bank related to Goodwill of Total Wind A/S.

The Company has granted transport in current and future intercompany receivables with a number of Group companies.

A third party financial institutuion (EKF) has on behalf of the company provided a guarantee towards the company´s bank. The nominal value of this guarantee is limited to kr. 22,5 Million at 31 December 2016.

The Company has guaranteed bank debt regarding the financial lease debt in Total Wind Equipment ApS to its bank. As of 31.12.2016 the total financial lease debt amounts to kr. 79 Million.

14. Disclosure of ownership

Ownership

The Company has registered the following shareholders holding more than 5% of the voting rights or nominal value:

Total Wind Group A/S, Brande

Group relations

Included in the consolidated financial statements of: Total Wind Group A/S, Brande, CVR-no. 30 55 50 58

15. Disclosure of deferred tax assets and liabilities

Deferred tax assets	**2016 kr.**	**2015 kr.**
Changes during the year		
Beginning of year	4,202,466	414,026
Related to merger	46,834	
Recognised in the income statement	6,201,294	3,788,440
Recognised directly in equity	0	0
End of year	10,450,594	4,202,466

Deferred tax relates to time differences on fixed assets and tax loss carryforwards.

Disclosure of uncertainties relating to deferred tax asset
The Company is part of a Danish joint taxation arrangement including the other Danish Group companies: Total Wind Group A/S, Total Wind Equipment ApS, Total Wind Service ApS and Bolt Machine ApS. This Group of companies has a gross deferred tax assets of DKK 17 million. On presentation of the annual report the Company has recognized a deferred tax assets of DKK 10 million. On presentation of the annual report the Group of Danish companies has recognized a deferred tax asset of net DKK 6 million. The difference of DKK 11 million has not been recognised in the balance sheet. The asset is overall recognised based on an analyses of the future utilsation of the tax asset. There is uncertainty related to the timing of future utilisation of the deferred tax asset. Management has prepared estimates, prognoses and analyses that show that utilsation of the recognised tax asset of DKK 10 million is likely to happen during the period 2017 to 2020. The future utilisation of this asset is based on certain assumptions regarding future profitability that needs to be met, which is uncertain of its nature.

16. Information on transactions with related parties made on an arm's length basis

Related parties with control
Total Wind Group A/S, Brande holds all shares in the Company and has therefore controlling interest in the Company. Total Wind A/S is included in the consolidated accounts of Total Wind Group A/S.

The Company has had transactions with related parties. These transactions are made an arm´s length basis.

17. Information on average number of employees

	2016	**2015**
Number of employees, beginning balance	128	112
Average number of employees	150	120
Number of employees, ending balance	172	128

18. Proposed distribution of results

	2016	2015
	kr.	**kr.**
Reserve for net revaluation according to equity method	6,620,199	12,854,000
Retained earnings	-54,856,820	-15,079,000
Proposed distribution of profit (loss)	**-48,236,621**	**-2,225,000**