

Ea Energianalyse A/S

Frederiksholms Kanal 4, 3. th., 1220 København K, Denmark

CVR no. 28 98 58 27



Annual report 2016

Approved at the annual general meeting of shareholders on 21 April 2017

Chairman:



Building a better
working world



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Ea Energianalyse A/S for the financial year 1 January - 31 December 2016.

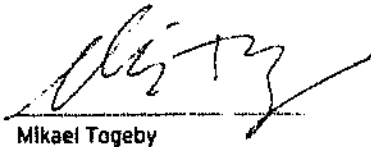
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

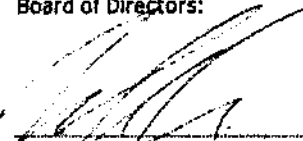

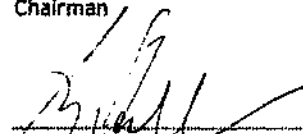
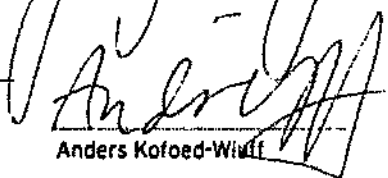
Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 21 April 2017
Executive Board:


Mikael Togeby

Board of Directors:


Hans Henrik Lindboe
Chairman
Jesper Trudsigaard Werling
Mikael Togeby
Lars Møllenbach Bregnbæk
Anders Kofod-Wiuff



Independent auditor's report

To the shareholders of Ea Energianalyse A/S

Opinion

We have audited the financial statements of Ea Energianalyse A/S for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 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 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 rules and 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 the 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 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.

Independent auditor's report

- ▶ 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 conclusion is 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.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note 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.

Statement on Management's review

Management is responsible for the Management's review.

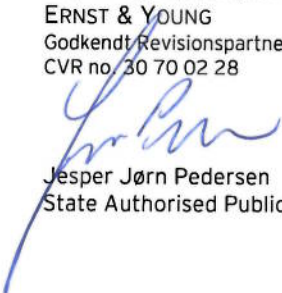
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 21 April 2017
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Jesper Jørn Pedersen
State Authorised Public Accountant



Kim Thomsen
State Authorised Public Accountant



Management's review

Company details

Name	Ea Energianalyse A/S
Address, Postal code, City	Frederiksholms Kanal 4, 3. th., 1220 København K, Denmark
CVR no.	28 98 58 27
Established	7 September 2005
Registered office	Copenhagen, Denmark
Financial year	1 January - 31 December
Board of Directors	Hans Henrik Lindboe, Chairman Jesper Troelsgaard Werling Mikael Togeby Lars Møllenbach Bregnbæk Anders Kofoed-Wiuff
Executive Board	Mikael Togeby
Auditors	Ernst & Young Godkendt Revisionspartnersekskab Osvold Helmutsh Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

The Company's objective is to carry on business in the form of analyses and consultancy and other advisory services regarding the development of new energy systems that safeguard the economy, supply stability and the environment.

The Company can, directly and indirectly, carry on other business which, in the opinion of the Board of Directors, is related to the Company's principal activities.

Financial review

In 2016, the Company's revenue came in at DKK 17,737,622 against DKK 17,407,763 last year. The income statement for 2016 shows a profit of DKK 474,228 against DKK 570,196 last year, and the balance sheet at 31 December 2016 shows equity of DKK 3,649,587.

The profit for the year is not satisfactory due to a loss on operating activities. The Company has an order book totalling DKK 10 million for 2017 and expects an improved profit.

Outlook

The Company's expectations for 2017 are above the 2016 level.



Financial statements for the period 1 January - 31 December

Income statement

Note	2016 DKK	2015 DKK'000
Revenue	17,737,622	17,408
9 Production costs	-7,917,618	-7,381
Gross margin	9,820,004	10,027
9 Administrative expenses	-9,994,450	-9,254
Operating profit/loss	-174,446	773
2 Financial income	826,873	30
Financial expenses	-22,879	-14
Profit before tax	629,548	789
3 Tax for the year	-155,320	-219
Profit for the year	474,228	570
Recommended appropriation of profit		
Proposed dividend recognised under equity	553,282	600
Retained earnings/accumulated loss	-79,054	-30
	474,228	570



Financial statements for the period 1 January - 31 December

Balance sheet

Note	2016 DKK	2015 DKK'000
ASSETS		
Non-current assets		
4 Property, plant and equipment		
Other fixtures and fittings, tools and equipment	88,183	53
Leasehold improvements	37,121	31
	<u>125,304</u>	<u>84</u>
Total non-current assets	<u>125,304</u>	<u>84</u>
Current assets		
Receivables		
Trade receivables	5,437,931	6,138
5 Work in progress for third parties	2,438,326	1,560
6 Other receivables	1,335,683	484
Prepayments	171,887	66
	<u>9,383,827</u>	<u>8,248</u>
Cash	<u>363</u>	<u>1,504</u>
Total Current assets	<u>9,384,190</u>	<u>9,752</u>
TOTAL ASSETS	<u>9,509,494</u>	<u>9,836</u>
EQUITY AND LIABILITIES		
Equity		
7 Share capital	875,000	875
Retained earnings	2,221,305	2,200
Dividend proposed for the year	553,282	600
	<u>3,649,587</u>	<u>3,675</u>
Total equity	<u>3,649,587</u>	<u>3,675</u>
Non-current liabilities		
Deferred tax	953,481	1,101
	<u>953,481</u>	<u>1,101</u>
Total non-current liabilities	<u>953,481</u>	<u>1,101</u>
Current liabilities		
Bank debt	542,283	0
5 Prepayments on work in progress	743,255	881
Trade payables	958,011	298
Income taxes payable	280,925	482
Other payables	2,381,952	3,368
Deferred income	0	31
	<u>4,906,426</u>	<u>5,060</u>
Total current liabilities	<u>4,906,426</u>	<u>5,060</u>
Total liabilities	<u>5,859,907</u>	<u>6,161</u>
TOTAL EQUITY AND LIABILITIES	<u>9,509,494</u>	<u>9,836</u>

- 1 Accounting policies
- 10 Contractual obligations and contingencies, etc.
- 11 Collateral
- 12 Use of derivative financial instruments

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Dividend proposed for the year</u>	<u>Total</u>
Equity at 1 January 2016	875,000	2,200,359	600,000	3,675,359
Transfer, see "Appropriation of profit"	0	-79,054	553,282	474,228
Dividend distributed	0	0	-600,000	-600,000
Dividend, treasury shares	0	100,000	0	100,000
Equity at 31 December 2016	875,000	2,221,305	553,282	3,649,587

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Ea Energianalyse A/S for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Changes in accounting policies

Effective 1 January 2016, the Company has adopted act no. 738 of 1 June 2015. This implies the following changes regarding yearly reassessment of residual values of property, plant and equipment.

In future, residual values of property, plant and equipment will be subject to annual reassessment. The Company has no significant residual values relating to property, plant and equipment.

Consequently, the change is made in accordance with section 4 of the executive order on transitional provisions with future effect only as a change in accounting estimates with no impact on equity.

The above change has no impact on the income statement or the balance sheet for 2016 or the comparative figures.

Apart from the above and new and changed presentation and disclosure requirements, which follow from act no. 738 of 1 June 2015, the accounting policies are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables, respectively, and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on a current basis.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

Revenue from the sale of the Company's services and products is recognised in the income statement provided that delivery and transfer of risk have taken place before year end.

Contract work in progress is recognised as the services are provided. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method). This method is used when total income and expenses relating to the consultancy contract and the stage of completion at the balance sheet date can be reliably measured, and when it is probable that future economic benefits, including payments, will flow to the Company.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Production costs

The item comprises attributable calculated cost of projects in connection with the use of staff resources and other directly attributable costs.

Administrative expenses

Administrative expenses include expenses incurred in the year for purposes of managing and administering the Company, including expenses relating to administrative staff, Management, office premises/expenses as well as amortisation/depreciation of assets used for administrative purposes.

Depreciation

The item comprises depreciation and impairment of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Impairment of non-current assets

The carrying amount of plant and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost, which is usually equivalent to the nominal value. An impairment loss is recognised based on an objective evidence that a receivable or a group of receivables is impaired. Impairment write-down is made to the lower of net realisable value and the carrying amount.

Work in progress for third parties

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 determined as the share of the expenses incurred relative to the expected expenses for the contract. When it is probable that the total project costs will exceed total income from a contract, the expected loss is recognised in the income statement.

When the selling price cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Progress billing and invoicing in advance are deducted from the selling price. The individual contracts are classified as receivables when the net value is positive and as a liability when the net value is negative.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.



Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Treasury shares

Purchases and sales of treasury shares are taken directly to equity under "Retained earnings".

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

	2016 DKK	2015 DKK'000	
2 Financial income			
Fair value adjustments of financial instruments	809,710	0	
Other financial income	17,163	30	
	<u>826,873</u>	<u>30</u>	
3 Tax for the year			
Estimated tax charge for the year	302,925	482	
Deferred tax adjustments in the year	-147,605	-263	
	<u>155,320</u>	<u>219</u>	
4 Property, plant and equipment			
	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
DKK			
Cost at 1 January 2016	502,902	171,153	674,055
Additions in the year	84,764	15,110	99,874
Cost at 31 December 2016	<u>587,666</u>	<u>186,263</u>	<u>773,929</u>
Impairment losses and depreciation at 1 January 2016	449,945	140,510	590,455
Depreciation in the year	49,538	8,632	58,170
Impairment losses and depreciation at 31 December 2016	<u>499,483</u>	<u>149,142</u>	<u>648,625</u>
Carrying amount at 31 December 2016	<u>88,183</u>	<u>37,121</u>	<u>125,304</u>



Financial statements for the period 1 January - 31 December

Notes to the financial statements

	2016 DKK	2015 DKK'000
5 Work in progress for third parties		
Selling price of work performed	10,074,952	12,468
Progress billings	-8,379,881	-11,789
	<u>1,695,071</u>	<u>679</u>
recognised as follows:		
Work in progress for third parties (assets)	2,438,326	1,560
Work in progress for third parties (liabilities)	-743,255	-881
	<u>1,695,071</u>	<u>679</u>
6 Other receivables		
Financial instruments	482,456	0
Financial instruments (realised in 2018)	327,254	0
Other receivables	525,973	484
	<u>1,335,683</u>	<u>484</u>

The financial instruments have a due periode of between 1-5 years.

7 Share capital

The Company's share capital has remained DKK 875,000 over the past 5 years.

8 Treasury shares

	Number	Nominal value DKK	Share of capital
Balance at 1 January 2016	<u>1,458</u>	<u>125,000</u>	<u>16.67%</u>
Balance at 31 December 2016	<u>1,458</u>	<u>125,000</u>	<u>16.67%</u>

At 31 December 2016, the Company's portfolio of treasury shares amounted to 1,458 shares at a nominal value of DKK 145,833, which represents 16.67% of the Company's total capital. The portfolio of treasury shares is attributable to the retirement of one partner from the group of partners.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

	2016 DKK	2015 DKK'000
9 Staff costs		
Wages/salaries	4,916,379	4,382
	<u>4,916,379</u>	<u>4,382</u>

Staff costs are recognised as follows in the financial statements:

Administration	4,916,379	4,382
	<u>4,916,379</u>	<u>4,382</u>

Average number of full-time employees	<u>26</u>	<u>25</u>
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10 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

	2016 DKK	2015 DKK'000
Rent and lease liabilities	<u>550,925</u>	<u>554</u>

11 Collateral

The Company has provided security to its bank in the form of a company charge on the Company's receivables. The company charge amounts to DKK 1,000,000.

12 Use of derivative financial instruments

Financial instruments consist of futures for electricity prices.

The Company's exposure and sensitivity to changes in electricity prices constitute DKK 151 thousand at a fluctuation of 1 percentage point. The Company has invested in 2.25 MW electricity in the period 2019-2021. The cost price of the open futures is DKK 2,888 thousand.