

WIND DYNAMIC APS  
Staktoften 16, 2950 Vedbæk

Annual report for the period  
1 January to 31 December 2016

Adopted at the annual general meeting on  
4 May 2017

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John Korsø Jensen  
Chairman

CVR-nr. 30 07 12 04

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## STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Executive and Supervisory Boards have today discussed and approved the annual report of Wind Dynamic ApS for the financial year 1 January - 31 December 2016.

The annual report has been 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 2016 and of the results of the the Company's operations for the financial year 1 January - 31 December 2016.

In our opinion, Management's review includes a fair review of the matters dealt with in the Management's review

We recommend the adoption of the annual report at the annual general meeting.

Vedbæk, 4 May 2017

**Board of executives**

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Lisbeth Tonsberg Dahl

**Board of directors**

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Jesper Bernhoft  
Chairman

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Annette Bernhoft Andersen

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John Korsø Jensen

# INDEPENDENT AUDITOR'S REPORT

To the shareholder of Wind Dynamic ApS

## **Opinion**

We have audited the financial statements of Wind Dynamic ApS for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared under 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 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 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

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:

## INDEPENDENT AUDITOR'S REPORT

- 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.
- 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.

### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

## **INDEPENDENT AUDITOR'S REPORT**

Based on the work we have performed, we conclude that 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 Management's Review.

København, 4 May 2017

### **MAZARS**

Statsautoriseret Revisionspartnerselskab  
CVR-nr. 31 06 17 41

Kurt Christensen  
Statsautoriseret revisor  
(State-authorized Public Accountant)

## COMPANY DETAILS

The Company	Wind Dynamic ApS Staktoften 16
	Tel: 45890133
	CVR no.: 30 07 12 04
	Reporting period: 1 January - 31 December
	Domicile: Rudersdal
Board of directors	Jesper Bernhoft, Chairman Annette Bernhoft Andersen John Korsø Jensen
Board of executives	Lisbeth Tonsberg Dahl
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Østerfælled Torv 10, 2. sal 2100 København Ø

## **MANAGEMENT'S REVIEW**

### **Business activities**

The company's activity is developing, producing and selling axial impellers to small size windmills and similar activities within the axial impeller industry.

### **Financial review**

The Company's income statement for the year ended 31 December shows a loss of DKK 4.522, and the balance sheet at 31 December 2016 shows equity of DKK 11.692.

Considering the activities of the Company and the current market conditions, the net result for the year is considered satisfactory.

### **Events after the reporting period**

After the closing of the financial year no events have occurred, which could significantly affect the Company's financial position.



## ACCOUNTING POLICIES

The annual report of Wind Dynamic ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2016 is presented in DKK

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company's 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 from the company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report are presented and which confirm or invalidate matters existing at the balance sheet date.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

#### **Revenue**

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

## ACCOUNTING POLICIES

Revenue from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk has taken place and that the income can be measured reliably and is expected to be received.

### **Other external expenses**

Other external expenses include expenses related to administration etc.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on foreign currency transactions etc.

### **Tax on profit/loss for the year**

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

### **Balance sheet**

#### **Stocks**

Stocks are measured using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

#### **Receivables**

Receivables are measured at amortised cost, which usually corresponds, to nominal value. Bad debts are written down to net realisable value.

## ACCOUNTING POLICIES

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss allowed for carry forward are measured at the value to which the asset is expected to be realised, either by elimination in tax on future income or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

### **Liabilities**

Liabilities to suppliers and other liabilities are measured at amortised cost, normally corresponding to nominal value.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2016 DKK	2015 TDKK
<b>GROSS PROFIT</b>		48.498	-46
Financial costs	1	-54.272	-97
<b>PROFIT/LOSS BEFORE TAX</b>		-5.774	-143
Tax on profit/loss for the year	2	1.252	33
<b>Net profit/loss for the year</b>		-4.522	-110
 <b>Proposed distribution of profit</b>			
Proposed dividend for the year		0	0
Retained earnings		-4.522	-110
		-4.522	-110

## BALANCE SHEET 31 DECEMBER

	Note	2016 DKK	2015 TDKK
<b>ASSETS</b>			
Finished goods and goods for resale		1.323.203	1.003
<b>Stocks</b>		1.323.203	1.003
Trade receivables		85.875	201
Receivables from group companies		26.438	41
Deferred tax asset		3.964	5
Corporation tax		2.574	36
<b>Receivables</b>		118.851	283
<b>Cash at bank and in hand</b>		547.412	907
<b>CURRENT ASSETS TOTAL</b>		1.989.466	2.193
<b>ASSETS TOTAL</b>		1.989.466	2.193

## BALANCE SHEET 31 DECEMBER

	Note	2016 DKK	2015 TDKK
<b>LIABILITIES AND EQUITY</b>			
Share capital		125.000	125
Retained earnings		-113.308	-109
<b>Equity</b>	3	<b>11.692</b>	<b>16</b>
Trade payables		31.507	72
Payables to group companies		1.929.252	2.099
Other payables		17.015	6
<b>Short-term debt</b>		<b>1.977.774</b>	<b>2.177</b>
<b>DEBT TOTAL</b>		<b>1.977.774</b>	<b>2.177</b>
<b>LIABILITIES AND EQUITY TOTAL</b>		<b>1.989.466</b>	<b>2.193</b>
Contingent assets, liabilities and other financial obligations	4		
Charges and securities	5		

## NOTES

	2016 DKK	2015 TDKK	
<b>1 FINANCIAL COSTS</b>			
Financial expenses, group entities	51.625	96	
Other financial costs	1.787	0	
Exchange adjustments costs	860	1	
	54.272	97	
<b>2 TAX ON PROFIT/LOSS FOR THE YEAR</b>			
Current tax for the year	-2.574	-35	
Deferred tax for the year	1.322	2	
	-1.252	-33	
<b>3 EQUITY</b>			
	Share capital	Retained earnings	Total
Equity at 1 January 2016	125.000	-108.786	16.214
Net profit/loss for the year	0	-4.522	-4.522
<b>Equity at 31 December 2016</b>	125.000	-113.308	11.692

## NOTES

### 4 CONTINGENT ASSETS, LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

#### **Contingent liabilities etc.**

The Company is jointly taxed with other Danish companies in the Multi-Wing Group. The Danish companies of the Group are jointly and severally liable to tax of the Group's jointly taxed income etc. The total payable corporate tax is shown in MWH af 2015 ApS' annual report, registration no. 36 96 68 90, who is managing company in relation to the joint taxation. Furthermore, the Danish companies of the Group are jointly and severally liable to the Danish withholding taxes in form of dividend tax, royalty tax and interest tax. Any future corrections to corporate taxes and withholding taxes can result in a larger amount of the Company's liability.

The company is jointly registered for VAT with Multi-Wing Group ApS and Multi-Wing International A/S. These companies are jointly and severally liable to VAT under this registration.

### 5 CHARGES AND SECURITIES

The Company is jointly and severally guaranteed towards group enterprise Multi-Wing International A/S.