

---

# *Envikraft Invest A/S*

Norgesvej 1, DK-9560 Hadsund

## Annual Report for 1 July 2015 - 30 June 2016

---

CVR No 31 08 24 98

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
13/12 2016

Lars Thorsgaard Jensen  
Chairman



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report on the Financial Statements	2
<b>Company Information</b>	
Company Information	4
Management's Review	5
<b>Financial Statements</b>	
Income Statement 1 July - 30 June	6
Balance Sheet 30 June	7
Statement of Changes in Equity	9
Notes to the Financial Statements	10
Accounting Policies	15

# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Envikraft Invest A/S for the financial year 1 July 2015 - 30 June 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 at 30 June 2016 of the Company and of the results of the Company operations for 2015/16.

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

Hadsund, 13 December 2016

## Direktion

Michael Engsted

## Bestyrelse

Jacob Østergaard Bergenholtz  
Chairman

David James Williams

Lars Thorsgaard Jensen

Søren Piilgaard Barkholt

# **Independent Auditor's Report on the Financial Statements**

To the Shareholder of Envikraft Invest A/S

## **Report on the Financial Statements**

We have audited the Financial Statements of Envikraft Invest A/S for the financial year 1 July 2015 - 30 June 2016, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's Responsibility 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2016 and of the results of the Company operations for the financial year 1 July 2015 - 30 June 2016 in accordance with the Danish Financial Statements Act.

# **Independent Auditor's Report on the Financial Statements**

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

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Odense, 13 December 2016

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Line Hedam  
State Authorised Public Accountant

Brian Petersen  
State Authorised Public Accountant

## Company Information

### **The Company**

Envikraft Invest A/S  
Norgesvej 1  
DK-9560 Hadsund

CVR No: 31 08 24 98  
Financial period: 1 July - 30 June  
Municipality of reg. office: Mariagerfjord

### **Board of Directors**

Jacob Østergaard Bergenholtz, Chairman  
David James Williams  
Lars Thorsgaard Jensen  
Søren Pilgaard Barkholt

### **Executive Board**

Michael Engsted

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Rytterkasernen 21  
Postboks 370  
DK-5100 Odense C

# **Management's Review**

## **Main activity**

The Company's main purpose is to hold shares in Envikraft A/S and Weiss A/S.

## **Development in the year**

The income statement of the Company for 2015/16 shows a loss of DKK 67,252,315, and at 30 June 2016 the balance sheet of the Company shows negative equity of DKK 13,619,236.

## **Uncertainty relating to recognition and measurement**

Uncertainty exists regarding the Company's wholly-owned subsidiary Weiss A/S as a going concern and regarding the valuation of its deferred tax asset and its fixed assets. Hence, uncertainty also exists regarding the Company as a going concern and regarding the valuation of "Investments in subsidiaries". Please refer to note 1 of the Annual Report.

## **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income Statement 1 July - 30 June

	Note	2015/16 DKK	2014/15 DKK
<b>Gross profit/loss</b>		<b>0</b>	<b>0</b>
Administrative expenses		2.875	-74.433
<b>Operating profit/loss</b>		<b>2.875</b>	<b>-74.433</b>
<b>Profit/loss before financial income and expenses</b>		<b>2.875</b>	<b>-74.433</b>
Income from investments in subsidiaries	2	-65.667.950	-55.267.468
Financial income	3	41.745	645.312
Financial expenses	4	-898.099	-1.285.817
<b>Profit/loss before tax</b>		<b>-66.521.429</b>	<b>-55.982.406</b>
Tax on profit/loss for the year	5	-730.886	159.756
<b>Net profit/loss for the year</b>		<b>-67.252.315</b>	<b>-55.822.650</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-67.252.315	-55.822.650
		<b>-67.252.315</b>	<b>-55.822.650</b>



## Balance Sheet 30 June

### Assets

	Note	2015/16 DKK	2014/15 DKK
Investments in subsidiaries	6	35.622.145	68.654.496
<b>Fixed asset investments</b>		<b>35.622.145</b>	<b>68.654.496</b>
<b>Fixed assets</b>		<b>35.622.145</b>	<b>68.654.496</b>
Receivables from group enterprises		865.284	870.958
Other receivables		42.150	0
Deferred tax asset		0	730.886
<b>Receivables</b>		<b>907.434</b>	<b>1.601.844</b>
<b>Cash at bank and in hand</b>		<b>53</b>	<b>90.060</b>
<b>Currents assets</b>		<b>907.487</b>	<b>1.691.904</b>
<b>Assets</b>		<b>36.529.632</b>	<b>70.346.400</b>

# Balance Sheet 30 June

## Liabilities and equity

	Note	2015/16 DKK	2014/15 DKK
Share capital		1.600.000	1.600.000
Retained earnings		-15.219.236	23.189.234
<b>Equity</b>	7	<b>-13.619.236</b>	<b>24.789.234</b>
Provisions relating to investments in group enterprises		31.337.122	27.545.367
<b>Provisions</b>		<b>31.337.122</b>	<b>27.545.367</b>
Subordinate loan capital		18.779.572	17.885.306
<b>Long-term debt</b>	8	<b>18.779.572</b>	<b>17.885.306</b>
Trade payables		10.875	654
Corporation tax		0	97.439
Other payables		21.299	28.400
<b>Short-term debt</b>		<b>32.174</b>	<b>126.493</b>
<b>Debt</b>		<b>18.811.746</b>	<b>18.011.799</b>
<b>Liabilities and equity</b>		<b>36.529.632</b>	<b>70.346.400</b>
Going concern and uncertainty relating to recognition and measurement	1		
Contingent assets, liabilities and other financial obligations	9		
Related parties and ownership	10		

## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 July	1.600.000	23.189.234	24.789.234
Exchange adjustments relating to foreign entities	0	-1.156.155	-1.156.155
Group contribution	0	30.000.000	30.000.000
Net profit/loss for the year	0	-67.252.315	-67.252.315
<b>Equity at 30 June</b>	<b><u>1.600.000</u></b>	<b><u>-15.219.236</u></b>	<b><u>-13.619.236</u></b>

# Notes to the Financial Statements

## 1 Going concern and uncertainty relating to recognition and measurement

On the basis of the below mentioned uncertainties regarding the Company's wholly-owned subsidiary Weiss A/S, uncertainty exists relating to the Company as a going concern and to the valuation of "Investments in subsidiaries".

As it is management's overall assessment that the subsidiary Weiss A/S is a going concern and that material assets are appropriately valued, management assesses that the Company is a going concern and that "Investment in subsidiaries" are appropriately valued.

### Weiss A/S

The Company's wholly-owned subsidiary Weiss A/S has realized a deficit of TDKK 39.949 in 2014/15 and a deficit of TDKK 61.876 in 2015/16. Uncertainty exists relating to the company as a going concern, to the valuation of its deferred tax asset and fixed assets.

On the basis of a liquidity forecast for 2016/17, a forecast on the taxable income for the next approx. 5 years and an impairment test of the company's fixed assets, it is management's overall assessment that the subsidiary is a going concern and that the valuations are appropriate.

	<u>2015/16</u> DKK	<u>2014/15</u> DKK
<b>2 Income from investments in subsidiaries</b>		
Share of profits of subsidiaries	<u>-65.667.950</u>	<u>-55.267.468</u>
	<b>-65.667.950</b>	<b>-55.267.468</b>
<b>3 Financial income</b>		
Interest received from group enterprises	<u>41.745</u>	<u>645.312</u>
	<b>41.745</b>	<b>645.312</b>
<b>4 Financial expenses</b>		
Interest paid to group enterprises	0	423.073
Other financial expenses	<u>898.099</u>	<u>862.744</u>
	<b>898.099</b>	<b>1.285.817</b>

## Notes to the Financial Statements

	<u>2015/16</u>	<u>2014/15</u>
	DKK	DKK
<b>5 Tax on profit/loss for the year</b>		
Current tax for the year	0	0
Deferred tax for the year	0	-192.366
Adjustment of deferred tax concerning previous years	730.886	-2.469
	<u><b>730.886</b></u>	<u><b>-194.835</b></u>
which breaks down as follows:		
Tax on profit/loss for the year	730.886	-159.756
Tax on changes in equity	0	-35.079
	<u><b>730.886</b></u>	<u><b>-194.835</b></u>

## Notes to the Financial Statements

	2015/16 DKK	2014/15 DKK
<b>6 Investments in subsidiaries</b>		
Cost at 1 July	134.232.379	104.232.379
Additions for the year	<u>30.000.000</u>	<u>30.000.000</u>
Cost at 30 June	<u>164.232.379</u>	<u>134.232.379</u>
Value adjustments at 1 July	-93.123.250	-37.565.389
Exchange adjustment	-1.156.155	-166.025
Net profit/loss for the year	-65.667.951	-55.267.467
Fair value adjustment of hedging instruments for the year	<u>0</u>	<u>-124.369</u>
Value adjustments at 30 June	<u>-159.947.356</u>	<u>-93.123.250</u>
Equity investments with negative net asset value transferred to provisions	<u>31.337.122</u>	<u>27.545.367</u>
<b>Carrying amount at 30 June</b>	<b><u>35.622.145</u></b>	<b><u>68.654.496</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Envikraft A/S	Hadsund	TDKK 1.000	100%	-31.337.122	-3.791.755
Weiss A/S	Hadsund	TDKK 1.010	100%	35.622.145	-61.876.196

## 7 Equity

The share capital consists of 1,600,000 shares of a nominal value of DKK 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

# Notes to the Financial Statements

## 8 Long-term debt

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

The debt falls due for payment as specified below:

	<u>2015/16</u> DKK	<u>2014/15</u> DKK
<b>Subordinate loan capital</b>		
Between 1 and 5 years	<u>18.779.572</u>	<u>17.885.306</u>
Long-term part	18.779.572	17.885.306
Within 1 year	<u>0</u>	<u>0</u>
	<b><u>18.779.572</u></b>	<b><u>17.885.306</u></b>

The subordinate loans are subordinated claims against Envikraft Invest A/S from the company's other creditors in the event of dissolution or bankruptcy. The loans bear interest at 5% per annum and fall due when all existing obligations towards banks are settled or earlier if agreed upon with the existing banks.

## 9 Contingent assets, liabilities and other financial obligations

### Security

The following assets have been placed as security with a subsidiary's bankers (credit facilities of TDKK 80,000 of which TDKK 54,660 used and performance guarantees up to TDKK 130,000 of which TDKK 71,000 used as per 30 June 2016):

Shareholding in Weiss A/S with a carrying value of	35.622.145	0
--	------------	---

### Contingent liabilities

The Danish companies of the group are jointly and severally liable for tax on consolidated taxable income.

The company has provided guarantees for the debt of subsidiaries totaling TDKK 14,425. Further the company has issued a letter of support for its subsidiary Envikraft A/S, which has a total equity as per 30 June 2016 of TDKK -31,337, which has been recognized as a provision.

# Notes to the Financial Statements

## 10 Related parties and ownership

### Basis

---

#### Controlling interest

Weiss Partners A/S  
Anpartsselskabet af 14. oktober 2013

Parent company  
Ultimate parent company

#### Ownership

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

Weiss Partners A/S, Avderødvej 27 C, 2980 Kokkedal

#### **Consolidated Financial Statements**

The Company is included in the Group Annual Report of Weiss Partners A/S, Avderødvej 27 C, 2980 Kokkedal, Cvr.: 35 51 81 85 .

Furthermore, the Company is included in the Group Annual Report of the ultimate parent Anpartsselskabet af 14. oktober 2013, Avderødvej 27 C, 2780 Kokkedal, Cvr.: 35 51 55 77.



## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of Envikraft Invest A/S for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015/16 are presented in DKK.

### **Consolidated financial statements**

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of , the Company has not prepared consolidated financial statements.

### **Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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

# Accounting Policies

## Income Statement

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

### Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc. Amortisation of goodwill is also included to the extent that goodwill relates to administrative activities.

### Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## Balance Sheet

### Investments in subsidiaries

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

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

## **Accounting Policies**

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

Subsidiaries and associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

### **Equity**

#### ***Dividend***

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

### **Provisions**

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

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work. Provisions with an expected maturity exceeding 1 year from the balance sheet date are discounted at the average bond yield.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

## **Accounting Policies**

### **Financial debts**

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