Connected Wind Services A/S

Nyballevej 8, 8444 Balle

CVR no. 31 15 62 70

Annual report 2018

The annual report was presented and approved at the Company's annual general meeting

On 31/5 2019

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chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board 2

Independent auditor's report 3

Management's review 5
Company details 5
Financial highlights 6
Operating review 7

Financial statements 1 January – 31 December 9
Income statement 9
Balance sheet 10
Statement of changes in equity 12
Notes 13

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Connected Wind Services A/S for the financial year 1 January – 31 December 2018.

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 assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Balle, 31/5 2019
Executive Board:

Felix Overbeck	Dirk Reyner Helge Dollmann	Morten Lund

Board of Directors:

Dr. Georgios Stamatelopoulos Chairman	Andreas Mühlig	Dr. Wolfgang Eckert

Independent auditor's report

To the shareholders of Connected Wind Services A/S

Opinion

We have audited the financial statements of Connected Wind Services A/S for the financial year 1 January – 31 December 2018 comprising 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 Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 2018 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 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company 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.

Independent auditor's report

- 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 the 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 the work we have performed, 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.

Aarhus, 31/5 2019
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Michael Stenskrog
State Authorised
Public Accountant
mne26819

Management's review

Company details

Connected Wind Services A/S
Nyballevej 8, 8444 Balle

Telephone:	50 80 20 45
Website:	www.connectedwind.com
E-mail:	info@connectedwind.com

CVR no.	31 15 62 70
Established:	17 December 2007
Registered office:	Syddjurs
Financial year:	1 January – 31 December

Board of Directors

Dr. Georgios Stamatelopoulos
Dr. Wolfgang Eckert
Andreas Mühlig

Executive Board

Felix Overbeck
Dirk Reyner Helge Dollmann
Morten Lund

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Bredskifte Allé 13, 8210 Aarhus

Management's review

Financial highlights

DKK'000	2018	2017	2016	2015	2014
Gross profit/loss	14.928	15.690	10.993	11.081	9.443
Ordinary operating profit/loss	-987	-3.697	-3.562	-2.059	1.031
Profit/loss from financial income and expenses	-1.764	-1.650	-348	753	-833
Profit/loss for the year	-56.360	-67.178	-56.233	-5.662	-7.572
Total assets	120.757	144.111	178.806	138.129	143.511
Investments in property, plant and equipment	0	0	0	0	0
Equity	23.359	12.086	79.206	134.213	139.875
Return on invested capital	-4,7	-10,5	-11,2	-24,6	9,1
Return on equity	-318,0	-147,2	-52,7	-3,9	-5,6
Solvency ratio	19,3	8,4	44,2	97,2	97,5

Financial ratios are calculated in accordance with the guidelines "Recomendations and Ratios" issued by the Danish Society of Financial Analysts. The financial ratios have been calculated as follows:

Return on invested capital	$\frac{\text{Operating profit x 100}}{\text{Average invested capital}}$
Invested capital	Operational intangible assets and property, plant and equipment as well as net working capital
Return on equity	$\frac{\text{Profit from ordinary activities after tax x 100}}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity ex. non-controlling interests at year end x 100}}{\text{Total equity and liabilities at year end}}$

Management's review

Operating review

Principal activities

The company’s main activity is to be the holding and management company for companies in Denmark and abroad that are engaged within commerce, industry and production.

Development in activities and financial position

Following a substantial negative result in 2016 and 2017, Connected Wind Services has in 2018 continued the turn-around activities including investments for a future improved performance. The initiatives has already had an impact on the result, however it is still negative.

Profit/loss for the year (including comparison with forecasts previously announced)

The company's activities show a loss for the year of TDKK 56.360 against a loss in 2017 of TDKK 67.178. The loss for 2018 was below the expected range stated in the annual report 2017 and mainly relates to write down of assets in Connected Wind Services Refurbishment A/S. As the result is below the expected range, then the management considers the result unsatisfactory.

Outlook

The company expects an increase in earnings in 2019 but still a negative result in the range of TDKK 10.000 to TDKK 20.000.

Events after the balance sheet date

Due to the write down of assets in Connected Wind Services Refurbishment A/S the equity in the subsidiary was negative with TDKK 15.950 end of 2018. To reestablish the equity the company has waived TDKK 24.000 of the debt to the subsidiary.

No other significant events have occurred after the end of the financial year, which may influence the assessment of the company's financial position as at 31 December 2018.

Capital resources

Management periodically reviews whether the Group has an adequate capital structure, just like the Board of Directors continually assesses whether the Group’s capital structure is in accordance with the Group’s and its stakeholders’ interests. The overall goal is to ensure a capital structure that supports long-term profitable growth. It is management’s assessment that the current capital structure provides the necessary flexibility to deal with the Group’s forward-looking strategy.

Moreover, reference is made to note 2, in which the matter is described in further detail.

Intellectual capital

The most important knowledge resource is the groups employees, who have broad and long-standing experience in service, maintenance, optimization and renovation of wind turbines and gearboxes as well as other components for these.

Management's review

Operating review

Particular risks

The Group's activities are within the manufacturerindependent servicing of wind turbines and wind farms, the implementation of comprehensive servicing projects, as well as the refurbishment of gear and other main components for wind turbines. These activities are not immediately affected by the number of newly constructed turbines in Scandinavia or Europe, but rather by the number of turbines that are in operation. It is expected that the number of turbines that will be serviced by independent service providers will increase in the coming years.

The Board of Directors assess on an ongoing basis, together with the Executive Board, the Group's overall risk ratio and adopts guidelines to meet these. The Group manages the financial risks centrally, including coordinated liquidity management and raising capital.

Price risks

The company and group uses materials and spare parts purchased from many different suppliers. The groups activities are not dependent on parts from individual suppliers.

Financial risks

Currency risks

The activities outside Denmark is primarily settled in Euro, why the risk of currency fluctuations is limited. There are no foreign currency contracts that run beyond 12 months and the exposure is therefore limited. Therefore, currency risks are not hedged and the company do not enter into agreements of speculative currency displacements.

Interest rate risks

The interest-bearing debt is at an acceptable level and a moderate change in interest rates will only have a minor impact on earnings. Interest rates have not been hedged.

Credit risks

The company and group gives customers credit according to the market standard. All international customers are either insured or asked to do prepayments and the credit risk is therefore low.

Quality, Safety and Environment

It is the Group's goal that the Group's activities are carried out with the greatest possible safety for staff and business partners in mind. This is ensured, among other things, through ongoing training and through the development of skills in the areas of business that the Group serve.

The Group's companies are responsible for the safe, economic and sustainable operation of many wind turbines. Accountability is expressed through, among other things, the continuous quality improvement of the services of Connected Wind Services through quality goals in each entity's ISO 9001 or similar quality system.

The Group's activities are carried out so that staff, the surroundings and the sites of turbines are exposed to the least possible environmental impact. This is ensured by, among other things, continuous development in the use of chemicals and the handling of these. The Group obeys current rules of environment, work environment and work security.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2018	2017
Gross profit/loss		14.928	15.690
Administrative expenses	4	-15.915	-19.387
Operating profit/loss		-987	-3.697
Income from equity investments in group entities	10	-53.609	-61.831
Other financial income	5	2.299	2.192
Other financial expenses	6	-4.063	-3.842
Profit/loss before tax		-56.360	-67.178
Tax on profit/loss for the year	7	0	0
Profit/loss for the year	8	-56.360	-67.178

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2018	2017
ASSETS			
Fixed assets			
Intangible assets	9		
Intangible assets under construction		1.686	1.563
		1.686	1.563
Investments			
Equity investments in group entities	10	82.617	87.650
		82.617	87.650
Total fixed assets		84.303	89.213
Receivables			
Receivables from group entities		33.348	52.762
Prepayments	11	1.005	868
		34.353	53.630
Cash at bank and in hand		2.101	1.268
Total current assets		36.454	54.898
TOTAL ASSETS		120.757	144.111

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2018	2017
EQUITY AND LIABILITIES			
Equity			
Contributed capital	12	10.944	10.944
Retained earnings		12.415	1.142
Total equity		23.359	12.086
Liabilities other than provisions			
Non-current liabilities other than provisions	13		
Payables to group entities		90.329	90.329
		90.329	90.329
Current liabilities other than provisions			
Mortgage debt		0	13
Payables to group entities	13	1.610	1.730
Subordinated loan, group entities	14	0	35.000
Trade payables		11	600
Other payables		5.448	4.353
		7.069	41.696
Total liabilities other than provisions		97.398	132.025
TOTAL EQUITY AND LIABILITIES		120.757	144.111

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Share premium	Retained earnings	Proposed dividend	Total equity
Equity at 1 January 2018	10.944	0	1.142	0	12.086
Distributed dividend	0	0	0	0	0
Transferred over the distribution of loss	0	0	-56.360	0	-56.360
Exchange rate adjustment, foreign subsidiary	0	0	-67	0	-67
Capital contribution from parent company	0	0	67.700	0	67.700
Equity at 31 December 2018	10.944	0	12.415	0	23.359

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Connected Wind Services A/S for 2018 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year. However a change in Net revenue (Gross profit/loss) and Administrative expenses for 2017 has been made, so the figures now rightfully shows the gross figures. This means that both Gross profit/loss and Administrative expenses for 2017 has increased with TDKK 6.843 but there is not impact on Operating profit/loss.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Connected Wind Services A/S and group entities are included in the consolidated financial statements of EnBw Energie Baden-Württemberg AG, Durlacher Allee 93, 79131 Karlsruhe.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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, 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.

Upon recognition of foreign subsidiaries which are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

Upon recognition of foreign subsidiaries which are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

Income statement

Revenue

Revenue from the sale of services, comprising management fees, is recognised on a straight-line basis in the income statement as the services are provided.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

Income from equity investments in Group entities

Income from equity investments in Group entities comprises realised capital gains and losses from equity investments in Group entities recognised as investments in the balance sheet.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

The Company is assessed for Danish tax purposes jointly with domestic Group entities. Foreign subsidiaries are not covered by the joint taxation scheme.

Balance sheet

Intangible assets

Intangible assets under construction

Intangible assets under construction are measured at cost. Cost comprises the acquisition price as well as cost directly related to the acquisition until the time the asset is ready to be put into operation.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Investments

Equity investments in group entities have been recognised accordingly to the equity method, so that the investments are measured at the pro rata share of the group entities' equity at the beginning of the financial year as well as profit/loss for the financial year are taken to equity.

Group entities with negative net asset values are measured at zero, and any receiveable form such entities is written down by the Parent's share of the negative net asset value to the extend deemed irrecoverable. If the negative net asset value exceeds the amount receivable, the remaining amount is recognised in provisions to the extent the Parent has a legal or constructive obligation to cover the relevant group entity's liabilities.

Acquisition of Group entities are recognised at cost. The difference between the cost price and the asset net value of the acquired company, which appears at the time of establishing the consolidation, is as far as possible allocated to the assets and liabilities whose value is higher or lower than the carrying amount. A remaining positive difference is treated as goodwill and included in the value of investments, which is amortized in the income statement over 20 years. The depreciation period is based on an assessment of the market position, earning profile and expectations of customers loyality, which within reasonable limits is based on historical data/registrations. Any negative difference setting off an expected cost or unfavourable development is to be recognised in prepayments. The amount is to be recognised in the income statement to the extent the anticipated cost or unfavourable development has been realised.

The total net revaluation of investments in Group entities is allocated via the profit distribution to reserve for net revaluation according to the equity method under equity. The reserve is reduced by dividend distributions to the Parent and is adjusted by changes in equity in the Group entities.

Leases

All leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Impairment of fixed assets

The carrying amount of intangible assets as well as equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised write-downs are reversed when the basis for the write-down no longer exists.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables

Receivables are measured at amortised cost.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

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

Cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared.

Financial statements 1 January – 31 December

Notes

2 Going Concern

Despite a lower result for the Group in 2018 than anticipated last year the liquidity and capital has been strengthened during the year. The parent company EnBW has made a capital contribution of DKK 67,7 mio. in 2018, and continue the strong financial backing to the company, so the Group are able to carry out the plans for the coming year. Management hereby expect that the Group's capital- and liquidity reserve is sufficient to ensure the Group's going concern for 2019 and even further.

3 Impairment test of goodwill

As normal practice the company has made an impairment test of the recognized goodwill. As the result for 2018 was just below the target from last year then management has also lowered the expectations for the future cash flow in the impairment test. Despite this then the impairment test did not show any need for additional depreciation. The basis for the impairment test has been a discounted cash flow model including:

- expected growth from turbines owned by the parent company EnBW
- expected growth from investments in new turbines by EnBW
- expected growth from external customers based on organic growth due to investments in new technology/new turbine types
- The valuation model is based on annual revenue growth in the medium-term range of 5-20% and an inflationary growth in the terminal period. This is based on the general expectations of growth in the company's geographic markets, as well as a significant revenue growth from wind turbines owned by the parent company EnBW. The model also uses a discount factor of 5.6% which reflects the current low interest rate level
- The sensitivity of a write-down requirement is primarily related to the company's fulfillment of the current 3-year plan (including budgeted income statement, balance sheet and cash flow for 2019-2021 including underlying strategic actions and value drivers) as well as changes in long-term revenue expectations as well as in the discount factor. However, there must be a significant change in these factors before it will lead to a write-down requirement

Together with the strong financial backing from EnBW the group expect to be able to carry out the plans in the coming year and therefore having a value exceeding the goodwill with a reassuring margin.

Financial statements 1 January – 31 December

Notes

4 Staff costs and incentive schemes

DKK'000	2018	2017
Wages and salaries	2.729	5.576
Pensions	306	578
Other social security costs	27	38
	3.062	6.192
Average number of full-time employees	3	5

Pursuant to §98 b(3). of the Danish Financial Statements Act the renumeration of the Company's Board of Directors and Executive Board are not disclosed

5 Financial income

Interest income from group entities	2.299	2.191
Other interest income	0	1
	2.299	2.192

6 Financial expenses

Interest expense to group entities	3.947	3.803
Other interest expense	116	39
	4.063	3.842

7 Tax on profit/loss for the year

Current tax for the year	0	0
Deferred tax adjustment for the year	0	0
	0	0

8 Distribution of loss

Proposed dividend for the financial year	0	0
Retained earnings	-56.360	-67.178
	-56.360	-67.178

Financial statements 1 January – 31 December

Notes

9 Intangible assets

DKK'000	Intangible assets under construction
Cost at 1 January 2018	1.563
Additions	123
Transferred	0
Cost at 31 December 2018	1.686
Amortisation and impairment losses at 1 January 2018	0
Impairment losses	0
Amortisation	0
Reversed amortisation and impairment losses	0
Amortisation and impairment losses at 31 December 2018	1.686
Carrying amount at 31 December 2018	1.686

Financial statements 1 January – 31 December

Notes

10 Investments

DKK'000	Equity investments in subsidiaries
Cost at 1 January 2018	218.282
Additions	32.700
Disposals	0
Cost at 31 December 2018	250.982
Value adjustments at 1 January 2018	-130.632
Value adjustments for the year	-48.168
Exchange adjustment of foreign entities	-74
Write-down of payables from group entities	15.950
Depreciations for the year	-5.441
Value adjustments at 31 December 2018	-168.365
Carrying amount at 31 December 2018	82.617

Name/legal form	Registered office	Equity interest	Equity	Profit/loss for the year
			DKK'000	DKK'000
Subsidiaries:				
Connected Wind Services Danmark A/S	Syddjurs	100%	5.534	-3.659
Connected Wind Services Refurbishment A/S [1]	Syddjurs	100%	-15.950	-33.479
Connected Wind Services Deutschland GmbH	Rantrum	100%	4.374	-7.305
Sweden Connected Wind Services AB	Falkenberg	100%	4.678	-3.725
			-1.364	-48.168
Consolidated goodwill			99.498	0
Accumulated depreciation			-31.467	-5.441
Write-down of payables from group entities			15.950	
Total			82.617	-53.609

1) Reference is made to explanation for loss in Management's review.

Financial statements 1 January – 31 December

Notes

11 Prepayments

DKK'000	2018	2017
Prepayments of costs	1.005	868
	1.005	868

12 Contributed capital

The contributed capital consists of 10.943.831 shares of nom. DKK 1. The shares have not been divided into classes.

13 Non-current liabilities other than provisions

Non-current liabilities other than provisions can be specified as follows:

Payables to group entities		
0-1 years	1.610	1.730
1-5 years	42.800	42.800
>5 years	47.529	47.529
Total non-current liabilities other than provisions	91.939	92.059

Collateral is disclosed in note 16.

14 Subordinated loan

The Parent company EnBW, had issued at subordinate loan of DKK 35.000 thousand as of 31 December 2017, which was subordinated the claims of the Company's other creditors. The loan was converted into the equity in 2018.

Financial statements 1 January – 31 December

Notes

15 Contractual obligations, contingencies, etc.

Contingent assets

The Company has a none-recognised deferred tax asset of DKK 3.244 thousand.

It is not expected that the deferred tax asset will be realised as current tax in 2019.

Contingent liabilities

The Company carries out the daily financing of its subsidiaries through EnBw credit facilities. The Company thus ensures the the individual subsidiaries have the sufficient liquidity to carry out planned activities.

The Company is jointly and severally liable with the other jointly taxed Group companies for tax on consolidated taxable income and for certain withholding taxes such as withholding tax and royalty tax.

Operating lease obligations

The Company has entered into operating leases with a remaining term of 2-5 months and an average monthly lease payments of DKK 3 thousand, totalling DKK 149 thousand including residual payment.

16 Mortgages and collateral

No assets have been provided as collateral of debts.

17 Related party disclosures

Connected Wind Services A/S' related parties comprise the following:

EnBw Energie Baden-Württemberg AG, Durlacher Allee 93, 76131 Karlsruhe

EnBw Energie Baden-Württemberg AG holds the majority of the contributed capital in the Company.

Connected Wind Services A/S is part of the consolidated financial statements of EnBw Energie Baden-Württemberg AG, Karlsruhe, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of EnBw Energie Baden-Württemberg AG and the consolidated financial statements of EnBw Energie Baden-Württemberg AG can be obtained on www.EnBw.com.

Related party transactions

Pursuant to section 98c(7) of the Danish Financial Statements Act, the Company has not disclosed related party transactions as these have been carried out on an arm's length basis.