

Pyroneer A/S

**Kraftværksvej 53  
Skærbæk**

**Annual report for 2016**

**CVR no 33 96 21 85**

**(5th Financial year)**

Adopted at the annual general meeting on  
6 April 2017

---

Ulrik Jarlov  
Chairman

# Contents

|   | <b>Page</b> |
|---|-------------|
| <b>Statements</b>                             |             |
| Statement by Management on the annual report  | 1           |
| Independent auditor's report                  | 2           |
| <b>Company details</b>                        |             |
| Company details                               | 4           |
| Income statement 1 January - 31 December 2016 | 5           |
| Balance sheet at 31 December 2016             | 6           |
| Statement of Changes in Equity                | 8           |
| Notes to the annual report                    | 9           |

## **Statement by Management on the annual report**

The Executive and Supervisory Boards have today discussed and approved the annual report of Pyroneer A/S 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.

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

Skærbæk, 20 March 2017

### **Executive Board**

Hannes Reuter  
Director

### **Supervisory Board**

Thomas Dalsgaard  
Chairman

Jacob Moesgaard  
Deputy Chairman

Niels Henriksen

## Independent auditor's report

To the shareholder of Pyroneer A/S

### Opinion

We have audited the financial statements of Pyroneer 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. 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.

Copenhagen, 20 March 2017

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR-nr. 33 77 12 31

Rasmus Friis Jørgensen  
State Authorised Public Accountant

Claus Damhave  
State Authorised Public Accountant

## Company details

### The Company

Pyroneer A/S  
Kraftværksvej 53  
Skærbæk  
7000 Fredericia

Tel: +45 99 55 11 11  
Fax: +45 99 55 00 02  
Website: [www.dongenergy.com](http://www.dongenergy.com)

CVR no.: 33 96 21 85  
Reporting period: 1 January - 31 December  
Incorporated: 7. October 2011  
Domicile: Fredericia

### Supervisory Board

Thomas Dalsgaard, Chairman  
Jacob Moesgaard, Deputy Chairman  
Niels Henriksen

### Executive Board

Hannes Reuter, Director

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
2900 Hellerup

### Consolidated Financial Statements

The Company is included in the Group annual report of the ultimate parent company, DONG Energy A/S, Fredericia, CVR. nr. 36 21 37 28.

The Group annual report of DONG Energy A/S, Fredericia, CVR nr. 36 21 37 28 can be obtained at the following address:

[www.dongenergy.com](http://www.dongenergy.com)

## Income statement 1 January - 31 December 2016

|                                     | <u>Note</u> | <u>2016</u><br>TDKK | <u>2015</u><br>TDKK  |
|-------------------------------------|-------------|---------------------|----------------------|
| <b>Gross profit</b>                 |             | <b>1.446</b>        | <b>-329</b>          |
| Financial income                    |             | 0                   | 5                    |
| Financial costs                     | 1           | <u>-83</u>          | <u>-245</u>          |
| <b>Profit/loss before tax</b>       |             | <b>1.363</b>        | <b>-569</b>          |
| Tax on profit/loss for the year     |             | <u>-351</u>         | <u>-677</u>          |
| <b>Net profit/loss for the year</b> |             | <b><u>1.012</u></b> | <b><u>-1.246</u></b> |
| Proposed dividend for the year      |             | 30.000              | 0                    |
| Retained earnings                   |             | <u>-28.988</u>      | <u>-1.246</u>        |
|                                     |             | <b><u>1.012</u></b> | <b><u>-1.246</u></b> |

## Balance sheet at 31 December 2016

|                                    | <u>Note</u> | <u>2016</u><br>TDKK         | <u>2015</u><br>TDKK         |
|------------------------------------|-------------|-----------------------------|-----------------------------|
| <b>Assets</b>                      |             |                             |                             |
| Trade receivables                  |             | 0                           | 1.555                       |
| Receivables from group enterprises |             | 32.509                      | 4.746                       |
| Other receivables                  |             | 0                           | 12.791                      |
| Income tax                         |             | 1.694                       | 19.177                      |
| <b>Receivables</b>                 |             | <u><b>34.203</b></u>        | <u><b>38.269</b></u>        |
| <br>                               |             |                             |                             |
| <b>Currents assets total</b>       |             | <u><b>34.203</b></u>        | <u><b>38.269</b></u>        |
| <br>                               |             |                             |                             |
| <b>Assets total</b>                |             | <u><u><b>34.203</b></u></u> | <u><u><b>38.269</b></u></u> |



## Balance sheet at 31 December 2016

|                                     | <u>Note</u> | <u>2016</u><br>TDKK         | <u>2015</u><br>TDKK         |
|-------------------------------------|-------------|-----------------------------|-----------------------------|
| <b>Liabilities and equity</b>       |             |                             |                             |
| Share capital                       |             | 2.000                       | 2.000                       |
| Retained earnings                   |             | 2.193                       | 31.180                      |
| Proposed dividend for the year      |             | 30.000                      | 0                           |
| <b>Equity</b>                       |             | <b><u>34.193</u></b>        | <b><u>33.180</u></b>        |
| Trade payables                      |             | 0                           | 72                          |
| Payables to group enterprises       |             | 0                           | 5.007                       |
| Other payables                      |             | 10                          | 10                          |
| <b>Short-term debt</b>              |             | <b><u>10</u></b>            | <b><u>5.089</u></b>         |
| <b>Debt total</b>                   |             | <b><u>10</u></b>            | <b><u>5.089</u></b>         |
| <b>Liabilities and equity total</b> |             | <b><u><u>34.203</u></u></b> | <b><u><u>38.269</u></u></b> |
| Micro B enterprises                 | 2           |                             |                             |
| Main activity                       | 3           |                             |                             |
| Contingent liabilities              | 4           |                             |                             |

## Statement of Changes in Equity

|                                   | Share capital | Retained earnings | Proposed dividend for the year | Total         |
|-----------------------------------|---------------|-------------------|--------------------------------|---------------|
|                                   | TDKK          | TDKK              | TDKK                           | TDKK          |
| Equity at 1 January 2016          | 2.000         | 31.181            | 0                              | 33.181        |
| Net profit/loss for the year      | 0             | -28.988           | 30.000                         | 1.012         |
| <b>Equity at 31 December 2016</b> | <b>2.000</b>  | <b>2.193</b>      | <b>30.000</b>                  | <b>34.193</b> |

## Notes to the Annual Report

|                                    | <u>2016</u><br>TDKK | <u>2015</u><br>TDKK |
|------------------------------------|---------------------|---------------------|
| <b>1 Financial costs</b>           |                     |                     |
| Financial expenses, group entities | 79                  | 243                 |
| Other financial costs              | <u>4</u>            | <u>2</u>            |
|                                    | <u><b>83</b></u>    | <u><b>245</b></u>   |

## 2 Micro B enterprises

### Accounting principles regarding micro B enterprises

The Company has adopted the rules applying for micro enterprises according to the Danish Financial Statements Act.

The Company will not present accounting principles.

The Company has chosen to represent the Statement of Changes in Equity.

### Development in the year

There has been limited activity in the Company during the year.

## 3 Main activity

Pyroneer A/S is part of the DONG Energy Group and a subsidiary of DONG Energy New Bio Solutions Holdings A/S, Fredericia. Reference is made to the Annual report of DONG Energy A/S.

The objects for which the Company is established are to conduct business within the environmental and energy sector and related activities.

## 4 Contingent liabilities

Group's Danish companies are jointly and severally liable for tax on group jointly taxed income, etc., reference is made to the annual report DONG Energy A/S, the administration company in relation to joint taxation.