

Topsoe Energy Conversion and Storage A/S –  
Nymøllevej 66  
2800 Kgs. Lyngby - Denmark

# Annual Report for 2015

Topsoe Energy Conversion and Storage A/S under frivillig likvidation  
CVR No 35 14 51 41

# Topsoe Energy Conversion and Storage A/S

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The Annual Report has been presented and adopted at the Annual General Meeting on May 20, 2016



Chair of the meeting,  
Karsten Kristoffersen

## Statement by Liquidator on the Annual Report

Liquidator have today considered and adopted the Annual Report of Topsoe Energy Conversion and Storage A/S in liquidation for the financial year January 1 to December 31, 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

I consider the accounting policies applied appropriate, and the estimates made reasonable.

In my opinion the Financial Statements give a true and fair view of the financial position at December 31, 2015 of the Company and of the results of the Company operations for 2015.

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

Lyngby, May 20, 2016

## Liquidator



Karsten Kristoffersen

# Topsoe Energy Conversion and Storage A/S

## Independent Auditor's Report

To the Shareholder of Topsoe Energy Conversion and Storage A/S under frivillig likvidation.

### Report on the Financial Statements

We have audited the Financial Statements of Topsoe Energy Conversion and Storage A/S under frivillig likvidation for the financial year 1 January – 31 December 2015, 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 Finan-

cial 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.

The 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 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Copenhagen, 20 May 2016

### PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab



Mikkel Sthyr  
State Authorised Public Accountant



Maj-Britt Nørskov Nannestad  
State Authorised Public Accountant



## Accounting Policies

### Basis of preparation

Financial Statements of Topsoe Energy Conversion and Storage A/S under frivillig likvidation 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.

Financial Statements are presented in DKK 1,000.

### Recognition and measurement

All revenues are recognized in the income statement as earned based on the following criteria:

- delivery has been made before year-end,
- a binding sales agreement has been made,
- the sales price has been determined, and
- payment has been received at the time of sale or is probable and can with reasonable certainty be expected to be received.

Based on the above, revenues are recognized in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities measured at fair value or amortized cost. Furthermore, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the income statement.

Assets are recognized 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 recognized 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

### Translation of foreign currency

Transactions in foreign currencies are translated during the year at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the rates at the transaction date and the rates at the dates of payment are recognized in financial income and expenses in the income statement.

Receivables and payables 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 recognized in financial income and expenses in the income statement.

### Corporation tax and deferred tax

The Company is jointly taxed with its parent company in the mandatory Danish joint taxation. Tax for the year comprises current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognized in the income statement, whereas the tax attributable to equity entries is recognized directly in equity. Any share of the tax reported in the income statement arising from profit/loss on extraordinary activities for the year is attributed to such activities, whereas the remaining share is attributed to profit/loss on ordinary activities for the year.

Current tax receivables and current tax liabilities are recognized in receivables in the balance sheet in the event of overpayment of tax on account, and in liabilities in the event of underpayment of tax on account.

# Topsoe Energy Conversion and Storage A/S

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. 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 realized, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

## Income Statement

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalization.

### Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of tangible fixed assets.

### Financial income and expenses

Financial income and expenses comprise interest and realized and unrealized exchange adjustments.

## Balance Sheet

### Tangible fixed assets

Tangible fixed assets are measured at cost including write-up less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the external cost of acquisition and expenses directly related to the acquisition until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labor, materials and components and expenses paid to sub-suppliers.

Assets which have a useful life of three years or below as well as assets not exceeding DKK 30,000 are fully recognized in cost in the year of purchase.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Production buildings	13 years
Other buildings	40 years
Plant and machinery	5 - 10 years
Other fixtures and equipment	4 - 7 years

Gains and losses on current replacement of tangible fixed assets are recognized in "Other operating income" and "Other operating expenses".

### Impairment of fixed assets

The carrying amounts of intangible assets and tangible fixed assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortization and depreciation. If so, the asset is written down to its lower recoverable amount. The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

### Receivables

Receivables are recognized in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments include expenses incurred in respect of subsequent financial years.



# Topsoe Energy Conversion and Storage A/S

## Income Statement January 1 – December 31

	Note	2015 DKK 1,000	2014 DKK 1,000
Other external expenses		-42	-3.905
<b>Gross profit/(loss)</b>		<b>-42</b>	<b>-3.905</b>
Depreciation and amortisation of tangible fixed assets and intangible assets	1	0	-3.753
<b>Profit/(loss) before financial income and expenses (EBIT)</b>		<b>-42</b>	<b>-7.658</b>
Financial income	2	4	3
Financial expenses	3	-50	-352
<b>Profit/(loss) before tax</b>		<b>-88</b>	<b>-8.007</b>
Tax	4	-228	1.962
<b>Net profit/(loss)</b>		<b>-316</b>	<b>-6.045</b>
<b>Proposed distribution of profit:</b>			
Retained earnings		-316	-6.045
		<b>-316</b>	<b>-6.045</b>

# Topsoe Energy Conversion and Storage A/S

## Balance Sheet at December 31

	<u>Note</u>	<u>2015</u> DKK 1,000	<u>2014</u> DKK 1,000
Tangible fixed assets under construction		0	0
<b>Tangible fixed assets</b>	5	<u>0</u>	<u>0</u>
Corporation taxes		0	1.962
<b>Receivables</b>		<u>0</u>	<u>1.962</u>
<b>Cash at bank and in hand</b>		<u>0</u>	<u>8.889</u>
<b>Current assets</b>		<u>0</u>	<u>10.851</u>
<b>Assets</b>		<u>0</u>	<u>10.851</u>



# Topsoe Energy Conversion and Storage A/S

## Balance Sheet at December 31

	Note	2015 DKK 1,000	2014 DKK 1,000
Share capital	6	5,000	5,000
Retained earnings		-5,000	-6,338
Liquidation account		0	0
<b>Equity</b>		<b>0</b>	<b>-1,338</b>
Payables to affiliated companies		0	12,173
Other payables	7	0	16
<b>Short-term liabilities</b>		<b>0</b>	<b>12,189</b>
<b>Liabilities</b>		<b>0</b>	<b>12,189</b>
<b>Liabilities and equity</b>		<b>0</b>	<b>10,851</b>

# Topsoe Energy Conversion and Storage A/S

## Statement of Changes in Equity

	<u>Share Capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK 1,000	DKK 1,000	DKK 1,000
Equity at January 1, 2015	5,000	-6,338	-1,338
Debt forgiveness	0	1,654	1,654
Net profit/(loss) for the year	<u>0</u>	<u>-316</u>	<u>-316</u>
<b>Equity at December 31, 2015</b>	<b><u>5,000</u></b>	<b><u>-5,000</u></b>	<b><u>0</u></b>

# Topsoe Energy Conversion and Storage A/S

## Notes to the Annual Report

	2015	2014
	DKK 1,000	DKK 1,000
<b>1 Depreciation and amortisation of tangible fixed assets and intangible assets</b>		
Other fixtures and equipment	0	3.753
	<u>0</u>	<u>3.753</u>
<b>2 Financial income</b>		
Exchange adjustments	4	3
	<u>4</u>	<u>3</u>
<b>3 Financial expenses</b>		
Exchange adjustments	4	0
Interest paid to affiliated companies	46	350
Interest expenses	0	2
	<u>50</u>	<u>352</u>
<b>4 Tax</b>		
Current tax for the year	11	1.962
Adjustment to current tax previous year	-239	0
	<u>-228</u>	<u>1.962</u>

## Notes to the Annual Report

### 5 Tangible fixed assets

	Other fixtures and equipment DKK 1,000	Tangible fixed assets under construction DKK 1,000
Cost at 1 January 2015	0	0
Additions for the year	0	0
Disposals for the year	0	0
Transfers for the year	0	0
Cost at December 31, 2015	0	0
Depreciation and impairment losses at 1 January 2015	0	0
Write down	0	0
Depreciation for the year	0	0
Reversal of depreciation on sold and scrapped assets	0	0
Depreciation and impairment losses at 31 December 2015	0	0
<b>Carrying amount at December 31, 2015</b>	<b>0</b>	<b>0</b>
Depreciated over	4-7 years	N/A



## Notes to the Annual Report

### 6 Share capital

The share capital consists of 5,000 shares of a nominal value of DKK 1,000. No shares carry any special rights.

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:

- Haldor Topsøe A/S, Lyngby, Denmark

Specification of changes in share capital.

	Share capital at January 1	Capital, founding of company	Share capital at December 31
	DKK 1,000	DKK 1,000	DKK 1,000
2013	0	5,000	<b>5,000</b>
2014	5,000	0	<b>5,000</b>
2015	5,000	0	<b>5,000</b>

The financial support from the parent company will continue in 2016.

	2015	2014
	DKK 1,000	DKK 1,000
<b>7 Other payables</b>		
Other	0	16
	<b>0</b>	<b>16</b>