EA Energianalyse A/S

Frederiksholms Kanal 4, 3.th., DK-1220 Copenhagen K

CVR no.: 28 98 58 27

Annual report for 2013

Approved at the Company's annual general meeting on 25 April 2014
Chairman:

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Contents

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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 EA Energianalyse A/S for the financial year 1 January to 31 December 2013.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion, that the financial statements give a true and fair view of the Company's financial position at 31 December 2013 and of the results of the Company's operations for the financial year 1 January – 31 December 2013.

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

Copenhagen, 25 April 2014

Executive Board:

Mikael Togeby

Board of Directors:

Helge Ørsted Pedersen Chairman	Jesper Werling	Mikael Togeby
Hans Henrik Lindboe	Lars Bregnbæk	Anders Kofoed-Wiuff

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Independent auditors' report

To the shareholders of EA Energianalyse A/S

We have audited the financial statements of EA Energianalyse A/S for the financial year 1 January – 31 December 2013, comprising accounting policies, income statement, balance sheet and notes. 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. Management is also responsible 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.

Auditors' 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 as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including an 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 the internal control relevant to the enterprise's preparation of financial statements that provide 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 opinion.

Our audit has not resulted in any qualification.

Opinion
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2013 and of the results of its operations for the financial year 1 January – 31 December 2013 in accordance with the Danish Financial Statements Act.

Copenhagen, 25 April 2014
KPMG
Statsautoriseret Revisionspartnerselskab

Jesper Jørn Pedersen	Kim Thomsen
State Authorised Public Accountant	State Authorised Public Accountant

Company details

Name	EA Energianalyse A/S
Address, postal code/city	Frederiksholms Kanal 4, 3.th., DK-1220 Copenhagen K
CVR no.	+45 28 98 58 27
Registered office	Copenhagen
Financial year	1 January – 31 December
Board of Directors	Hans Ørsted Pedersen, chairman Jesper Werling Mikael Togeby Hans Henrik Lindboe Lars Bregnbæk Anders Kofoed-Wiuff
Executive Board	Mikael Togeby, CEO
Auditors	KPMG Statsautoriseret Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, DK-2000 Frederiksberg
Annual general meeting	Annual general meeting to be held on 25 April 2014 at the Company's address

Accounting policies

The annual report of EA Energianalyse A/S for 2013 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year except that the income statement has been changed so that it is now classified by function as this gives a truer and fairer view.

Reporting currency
The financial statements are presented in Danish kroner.

Foreign currency translation
Transactions denominated in foreign currency are translated into Danish kroner at the exchange rates at the date of the transaction.

Receivables, payables and other monetary assets and liabilities denominated in foreign currency are translated into Danish kroner at the exchange rates at the balance sheet date. Realised and unrealised foreign exchange gains and losses are recognised in the income statement as financial income or financial expenses.

Recognition and measurement

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

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the value of the liability can be reliably measured.

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

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned. Equally, costs incurred to generate the year's earnings are recognised, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses, provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Foreign currency translation

The annual report is presented in Danish kroner. All other currencies are considered foreign currencies.

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 at 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 at 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

Revenue

Revenue from the sale of the Company's services and products is recognised in the income statement provided that delivery and transfer of risk to have taken place before year end. Revenue is measured less all kinds of discounts granted. VAT and duties, etc. collected on behalf of third parties are deducted.

Contract work in progress is recognised as the services are provided. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method). This method is used when total income and expenses relating to the consultancy contract and the stage of completion at the balance sheet date can be reliably measured, and when it is probable that future economic benefits, including payments, will flow to the Company.

Production costs

The item comprises attributable calculated cost of projects in connection with the use of staff resources and other directly attributable costs.

Administrative expenses

Other external costs comprise costs for administration, sale, distribution, advertising, premises, bad debt losses, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees. Refunds received from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, debt and transactions denominated in foreign currencies.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity. The tax expense recognised in the income statement relating to the extraordinary profit/loss for the year is allocated to this item whereas the remaining tax expense is allocated to the profit/loss for the year from ordinary activities.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation.

The basis of depreciation is cost less any expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Leasehold improvements	5 years
Other fixtures and fittings, tools and equipment	3-5 years

Assets with a cost of less than DKK 12,000 per unit are recognised as costs in the income statement in the year of acquisition.

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Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating costs. Gains or losses are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised based on an objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, write-down is made on an individual basis.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed calculated on the basis of the stage om completion. The stage of completion is determined as the share of the expenses incurred relative to the expected expenses for the contract. When it is probable that the total project costs will exceed total income from a contract, the expected loss is recognised in the income statement.

When the selling price cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Progress billing and invoicing in advance are deducted from the selling price. The individual contracts are classified as receivables when the net value is positive and as a liability when the net value is negative.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid costs concerning subsequent financial years.

Equity

The cost of treasury shares is deducted from the distributable reserves of equity. Dividend from treasury shares is recognised directly in retained earnings in equity.

Profit and loss on sale of treasury shares is recognised in retained earnings in equity.

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The proposed dividend payment for the year is disclosed as a separate item under equity.

Liabilities

Financial liabilities comprising amounts owed to credit institutions, trade payables and payables to group enterprises are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. On subsequent recognition, the financial liabilities are measured at amortised cost.

Financial liabilities also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

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Accounting policies (continued)

Corporation tax and deferred tax

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

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. Where alternative tax rules can be applied to determine the tax base, e.g. regarding shares, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; 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 and jurisdiction. Any deferred net assets are measured at net realisable values.

Deferred tax is measured according to 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 due to changes in the tax rate are recognised in the income statement.

Income statement 1 January – 31 December

Note		2013 DKK	2012 DKK
	Revenue	18,717,046	14,794,827
9	Production costs	-7,708,393	-6,854,672
	Gross profit	11,008,653	7,940,155
9	Administrative expenses	-7,902,684	-7,446,631
	Operating profit	3,105,969	493,524
	Financial income	6,774	677
	Financial expenses	-5,099	-21,054
	Profit before tax	3,107,644	473,147
2	Tax on profit for the year	-554,719	-125,809
	Profit for the year	2,552,925	347,338
	Proposed profit appropriation		
	Proposed dividends recognised as equity	2,100,000	350,000
	Retained earnings	452,925	2,662
		2,552,925	347,338

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Balance sheet at 31 December

Note		2013 DKK	2012 DKK
	Assets		
	Non-current assets		
3	Intangible assets		
	Software	0	0
		0	0
4	Property, plant and equipment		
	Leasehold improvements	25,494	41,960
	Fixtures and fittings, other plant and equipment	89,568	56,711
		115,062	98,671
	Investments		
	Rent deposit	403,874	361,586
		403,874	361,586
	Total non-current assets	518,936	460,257
	Current assets		
	Trade receivables	8,011,366	6,565,030
	Contract work in progress	4,222,705	2,954,284
	Other receivables	104,994	75,481
	Prepayments	69,528	25,406
	Receivables	12,408,593	9,620,201
	Cash at bank and in hand	38,240	4,426
	Total current assets	12,446,833	9,624,627
	Total assets	12,965,769	10,084,884

Balance sheet at 31 December

Note		2013 DKK	2012 DKK
	Equity and liabilities		
	Equity		
5	Share capital	875,000	875,000
	Retained earnings	1,551,191	1,048,266
	Proposed dividends for the year	2,100,000	350,000
	Total equity	4,526,191	2,273,266
	Provisions		
6	Provision for deferred tax	1,255,389	700,670
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank loans	766,823	333,701
	Prepayments received regarding work in progress	914,275	1,415,422
	Trade payables	2,312,107	3,339,498
	Payables to associates	0	94,539
	Other payables	3,190,984	1,927,788
		7,184,189	7,110,948
	Total equity and liabilities	12,965,769	10,084,884

7 Contractual liabilities and contingencies, etc.
8 Mortgages and collateral

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Notes

1. The Company's principal activities

The Company's objective is to carry on business in the form of analyses and consultancy and other advisory services regarding the development of new energy systems that safeguard the economy, supply stability and the environment.

The Company can directly and indirectly carry on other business that, in the opinion of the Board of Directors, is related to the Company's principal activities.

	2013 DKK	2012 DKK
2. Tax on profit for the year		
Current tax for the year		
Adjustment of deferred tax	554,719	125,809

3. Intangible assets	Software
Cost at 1 January 2013	269,054
Amortisation and impairment loss at 1 January 2013	269,054
Carrying amount at 31 December 2013	0

4. Property, plant and equipment

	Leasehold improvements	Fixtures and fittings, other plant and equipment	Total
Cost at 31 January 2013	127,993	328,451	456,444
Additions during the year	0	106,149	106,149
Cost at 31 December 2013	127,993	434,600	562,593
Depreciation at 1 January 2013	86,033	271,740	357,773
Depreciation for the year	16,466	73,292	89,758
Depreciation at 31 December 2013	102,499	345,032	447,531
Carrying amount at 31 December 2013	25,494	89,568	115,062
Depreciated over	5 years	3-5 years	

Depreciation is recognised as administrative expenses in the income statement.

5. Equity

	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2013	875,000	1,048,266	350,000	2,273,266
Distributed dividend	0	50,000	-350,000	-300,000
Transferred, cf. profit appropriation	0	452,925	2,100,000	2,552,925
Treasury shares at 31 December 2014	875,000	1,551,191	2,100,000	4,526,191

The share capital of DKK 875,000 consists of shares of DKK 100 each.

At 31 December 2013, the Company's portfolio of treasury shares amounted to 1,250 shares at a nominal value of DKK 125,000, which represents 14.29% of the Company's total capital. The portfolio of treasury shares is attributable to the retirement of one partner from the group of partners.

6. Provision for deferred tax	2013 DKK	2012 DKK
Deferred tax at 1 January	-700,670	-574,861
Change for the year	-554,719	-125,809
Deferred tax at 31 December	-1,255,389	-700,670
Provision for deferred tax concerns:		
Property, plant and equipment	-49,248	-23,972
On-account profit on work in progress at year end	8,473,403	4,743,059
Tax loss carry forward	-2,440,511	-1,916,406
	5,983,644	2,802,681

7. Contractual obligations and contingencies, etc.

Contingent liabilities

Rental obligation regarding the lease Frederiksholms Kanal 4, 3. th., amounts to DKK 368,967.

8. Mortgages and Collateral

The Company has provided security to its bank in the form of a company charge on the Company's receivables. The company charge amounts to DKK 1,000,000.