

**European Energy Nearshore
Consortium P/S under frivillig
likvidation**

**Gyngemose Parkvej 50
2860 Søborg**

CVR no. 37 90 98 90

**Annual report for the period
28 July 2016 to 31 December 2017
(1st Financial year)**

Adopted at the annual general
meeting on 7 June 2018

Anne Wichmann
chairman

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Statement by liquidator on the annual report

The liquidator has today approved the annual report of European Energy Nearshore Consortium P/S under frivillig likvidation for the financial year 28 July 2016 - 31 December 2017.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 28 July 2016 - 31 December 2017.

In my opinion, liquidator's review includes a fair review of the matters dealt with in the liquidator's review.

Liquidator recommend that the annual report should be approved at the annual general meeting.

Søborg, 31 May 2018

Liquidator

Knud Erik Andersen

Independent auditor's report

To the shareholders of European Energy Nearshore Consortium P/S under frivillig likvidation

Opinion

We have audited the financial statements of European Energy Nearshore Consortium P/S under frivillig likvidation for the financial year 28 July 2016 - 31 December 2017, which comprise a summary of significant accounting policies, 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 2017 and of the results of the company's operations for the financial year 28 July 2016 - 31 December 2017 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.

Independent auditor's report

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:

- 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.

Independent auditor's report

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 management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 management's review and, in doing so, consider whether 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 management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 31 May 2018

KPMG
Statsautoriseret revisionspartnerselskab
CVR no. 25 57 81 98

Martin Eiler
statsaut. revisor
mne32271

Company details

The company European Energy Nearshore Consortium P/S under frivillig likvidation
Gyngemose Parkvej 50
2860 Søborg

CVR no.: 37 90 98 90
Reporting period: 28 July 2016 - 31 December 2017
Incorporated: 28. July 2016
Domicile: Gladsaxe

Liquidator Knud Erik Andersen

Auditors KPMG
Statsautoriseret revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Liquidator's review

Business activities

The Company's objective is to develop, construct and finance wind energy farms with a view to sell the completed farms in full or in part.

European Energy Nearshore Consortium P/S entered into liquidation with effect from 3 November 2017. Director Knud Erik Andersen was elected as Liquidator.

Business review

The Company's income statement for the year ended 31 December shows a loss of DKK 9.365.426, and the balance sheet at 31 December 2017 shows liquidation account a loss of DKK 8.865.427.

The negative balance 31 December 2017 and further costs incurred in 2018 will be offset against debt to the shareholders in order for the company to meet all external obligations.

On 3 November 2017, the liquidation was published at the Danish Business Authority and there was sent a statutory notice which expired 3 February 2018.

The liquidation will be expected in the 2H 2018.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of European Energy Nearshore Consortium P/S under frivillig likvidation for 2016/17 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with some additions from higher accounting classes.

The annual report for 2016/17 is presented in DKK

As 2016/17 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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 measured reliably.

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

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

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities.

Write off project portfolio

Includes expenses related to develop projects, which no longer are expected to be fulfill.

Other external expenses

Other external expenses include expenses related to administration etc.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Liquidation account

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

Liabilities

Liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate 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. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and 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.

Fixed assets acquired in foreign currencies are measured at the exchange rate at the transaction date.

Accounting policies

Foreign exchange adjustments of balances with unrelated foreign subsidiaries which are considered part of the investment in the subsidiary are taken directly to equity. Correspondingly, foreign exchange gains and losses on loans and derivative financial instruments hedging separate foreign subsidiaries are taken directly to equity.

Income statement
28 July 2016 - 31 December 2017

	Note	2016/17 DKK
Other operating income		7.516.070
Write off project portfolio		-15.042.881
Other external expenses		-41.081
Gross profit		-7.567.892
Financial income	1	84.660
Financial expenses	2	-1.882.195
Net profit/loss for the year		-9.365.427
 Proposed distribution of profit		
Retained earnings		-9.365.427
		-9.365.427

Balance sheet 31 December

	<u>Note</u>	<u>31/12/2017</u> DKK
Assets		
Receivables from associated companies		<u>232.340</u>
Receivables		<u>232.340</u>
Cash at bank and in hand		<u>2.263.233</u>
Current assets total		<u>2.495.573</u>
Assets total		<u><u>2.495.573</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>31/12/2017</u> DKK
Liabilities and Liquidation account		
Share capital		500.000
Retained earnings		<u>-9.365.427</u>
Liquidation account	3	<u>-8.865.427</u>
Trade payables		15.950
Payables to associated companies		9.465.370
Other payables		<u>1.879.680</u>
Short-term debt		<u>11.361.000</u>
Debt total		<u>11.361.000</u>
Liabilities and Liquidation account total		<u><u>2.495.573</u></u>
Related parties	4	

Liquidation account

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 28 July 2016	500.000	0	500.000
Net profit/loss for the year	<u>0</u>	<u>-9.365.427</u>	<u>-9.365.427</u>
Liquidation account at 31 December 2017	<u>500.000</u>	<u>-9.365.427</u>	<u>-8.865.427</u>

Notes to the annual report

	2016/17
	DKK
1 Financial income	
Financial income, other entities	64.202
Exchange gains	20.458
	84.660

	2016/17
	DKK
2 Financial expenses	
Financial expenses, other entities	918.424
Other financial expenses	961.338
Exchange loss	2.433
	1.882.195

3 Liquidation account

The negative balance 31 December 2017 and further costs incurred in 2018 will be offset against debt to the shareholders in order for the company to meet all external obligations.

4 Related parties

According to the Company's register of shareholders, the following shareholders hold a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

Boralex Europe Sàrl, 39 Avenue J.F Kennedy, L 1930 Luxembourg
 EE Nearshore ApS under frivillig likvidation, Gyngemose Parkvej 50, 2860 Søborg