

Sempra Energy (Denmark-1) ApS
Central Business Registration No
25650824

Annual report 2013

The Annual General Meeting adopted the annual report on 13.06.2014

Chairman of the General Meeting

Name: Jacob Smed

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Entity details

Entity

Sempra Energy (Denmark-1) ApS
c/o Intertrust (Denmark) A/S, Havnegade 39
1058 Copenhagen

Central Business Registration No: 25650824

Founded: 15.09.2000

Registered in: Copenhagen

Financial year: 01.01.2013 - 31.12.2013

Executive Board

Jacob Smed

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Sempra Energy (Denmark-1) ApS for the financial year 01.01.2013 - 31.12.2013.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2013 and of the results of its operations for the financial year 01.01.2013 - 31.12.2013.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 13.06.2014

Executive Board

Jacob Smed

Independent auditor's reports

To the owners of Sempra Energy (Denmark-1) ApS

Report on the financial statements

We have audited the financial statements of Sempra Energy (Denmark-1) ApS for the financial year 01.01.2013 - 31.12.2013, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity 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 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 about 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 auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial 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 Entity'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 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.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2013 and of the results of its operations for the financial year 01.01.2013 - 31.12.2013 in accordance with the Danish Financial Statements Act.

Report on other legal and regulatory requirements

Emphasis of matter regarding other issues

In contravention of the Danish Companies Act, the Entity has granted a loan to the ultimate parent company, for which Management, in our view, may be held liable. The loan including interest has been repaid..

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

Independent auditor's reports

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen , 13.06.2014

Deloitte

Statsautoriseret Revisionspartnerselskab

Jens L. Simonsen
State Authorised Public Accountant

Dorte Haun
State Authorised Public Accountant

Management commentary

Primary activities

The Entity's object is to carry on trading, industrial and finance activities indirectly by investing in other companies and to carry on any other activities, which, in the discretion of the Executive Board, are related thereto.

Development in activities and finances

The operating activities for the first half of 2013 consisted of managing holding company investments in Argentina. The associates have after this point been sold to another group.

This happens as the continuation of the statement by the ultimate parent of Sempra Energy (Denmark-1) ApS on December 27, 2006, Sempra Energy, announcing that it had decided to sell its interests in two natural gas distribution companies located in Argentina. After discussions with Camuzzi, Sempra Energy (Denmark-1) ApS sold its participation of 43.09% in Sodigas Pampeana S.A. and Sodigas Sur S.A on June 28, 2013. As a result of this, the Entity has realized a loss of DKK 94,268k.

The Entity's receivable against Camuzzi Gas del Sur S.A. has, apart from interest, been fully repaid. The claim had been written down to DKK "0" in the financial year 2010. As a result, DKK 102,312k has been reversed from earlier provisions.

In light of the above, the payment received is therefore considered as a satisfactory development.

Outlook

During 2013 an illegal shareholder's loan of DKK 70,365k (excl. interest) has been granted to the holding company of the Group. After Management has become aware of the issue, the loan has in 2014 been fully repaid including penal interest. These funds are expected to be paid out as dividend together with a contribution in kind in connection with a capital decrease – both to take place in 2014.

As a result of the fact that the main activities of Sempra Energy (Denmark-1) ApS in Argentina has been sold in 2013 and the fact that the Entity no longer has a group function, it is expected that the Entity will be dissolved during the course of 2014 subsequent to the planned dividend payout.

Events after the balance sheet date

No events of significant impact has occurred after the balance sheet date.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions.

Income from investments in associates

Income from investments in associates comprises dividends etc received from the individual associates and the profit or loss from the sale of individual associates in the financial year.

Accounting policies

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

Other financial income

Other financial income comprises interest income, including interest income on receivables from associates, net capital gains on securities, payables and transactions in foreign currencies, amortization of financial assets etc.

Impairment of financial assets

Impairment of financial assets comprises impairment of financial assets which are not measured at fair value on a current basis.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses

Other financial expenses comprise, net capital losses on securities, payables and transactions in foreign currencies etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Investments in associates

Investments in associates are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Subsidies to the associates are considered as an increase in the investment.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Accounting policies

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Cash

Cash comprises bank deposits and includes bank deposits that are denominated in United States Dollars.

Other financial liabilities

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

Income statement for 2013

	<u>Notes</u>	<u>2013 DKK'000</u>	<u>2012 DKK'000</u>
Administrative costs		(718)	(3.240)
Operating profit/loss		(718)	(3.240)
Income from investments in associates	1	(94.268)	0
Other financial income from group enterprises	2	4.906	919
Other financial income	3	4.403	7.835
Impairment of financial assets	4	102.312	(3.609)
Financial expenses from group enterprises	5	(8.071)	0
Other financial expenses	6	(4.097)	(2.932)
Profit/loss from ordinary activities before tax		4.467	(1.027)
Tax on profit/loss from ordinary activities		0	0
Profit/loss for the year		4.467	(1.027)
Proposed distribution of profit/loss			
Retained earnings		4.467	(1.027)
		4.467	(1.027)

Balance sheet at 31.12.2013

	<u>Notes</u>	<u>2013 DKK'000</u>	<u>2012 DKK'000</u>
Receivables from group enterprises		0	48.003
Investments in associates		0	168.399
Receivables from associates		0	0
Fixed asset investments	7	<u>0</u>	<u>216.402</u>
Fixed assets		<u>0</u>	<u>216.402</u>
Receivables from group enterprises		171.756	0
Deferred tax assets	8	0	0
Receivables		<u>171.756</u>	<u>0</u>
Cash		<u>0</u>	<u>1.279</u>
Current assets		<u>171.756</u>	<u>1.279</u>
Assets		<u><u>171.756</u></u>	<u><u>217.681</u></u>

Balance sheet at 31.12.2013

	<u>Notes</u>	<u>2013 DKK'000</u>	<u>2012 DKK'000</u>
Contributed capital	9	113.511	500.000
Retained earnings		<u>57.872</u>	<u>(285.682)</u>
Equity		<u>171.383</u>	<u>214.318</u>
Bank loans		3	0
Other payables	10	<u>370</u>	<u>3.363</u>
Current liabilities other than provisions		<u>373</u>	<u>3.363</u>
Liabilities other than provisions		<u>373</u>	<u>3.363</u>
Equity and liabilities		<u><u>171.756</u></u>	<u><u>217.681</u></u>
Ownership	11		
Consolidation	12		

Statement of changes in equity for 2013

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	500.000	(285.682)	214.318
Decrease of capital	(386.489)	338.775	(47.714)
Other adjustments	0	312	312
Profit/loss for the year	0	4.467	4.467
Equity end of year	<u>113.511</u>	<u>57.872</u>	<u>171.383</u>

In February 2013 at an extraordinary general meeting a capital reduction amounting to DKK 332.369k was resolved. As part of the capital reduction a total amount of DKK 47.714k was repaid to the shareholder. In May and June 2014 at extraordinary general meetings further capital reductions amounting to DKK 54.120k were resolved.

The former owner paid same expences accrued as at 31.12.2012 for the company, DKK 312k. Income are recognised directly in equity.

Notes

1. Income from investments in associates

The investment in associates has been sold in 2013. The sale resulted in an additional loss on the investment, DKK 94.268k.

2. Other financial income from group enterprises

Financial income arising from group enterprises consists of interest income for receivable group enterprises, to parent, DKK 3.628, interest other group enterprise, DKK 200k (2012: DKK 919k) and exchange rate adjustment DKK 1.078k.

3. Other financial income

	2013 DKK'000	2012 DKK'000
Financial income from associates	3.767	7.836
Exchange rate adjustments	626	(1)
Other financial income	10	0
	4.403	7.835

4. Impairment of financial assets

Impairment of financial assets consists of diminution in value of receivables in associates, DKK 0 (2012: DKK 3.609 k.) and release of diminution in value of other receivables DKK 102.312k (2012: DKK 0).

The receivable from associates has changed status to other receivables due to the sale of Sempra Energy (Denmark-1) ApS as of June 28, 2013. The receivables had in prior years been written down to DKK 0. The outstanding principal has been repaid in 2013, DKK 103.095k. Sempra Energy (Denmark-1) ApS has granted remission of the accrued interest as of June 28, 2013, DKK 43.793k.

5. Financial expenses arising from group enterprises

Financial expenses arising from group enterprises consists of exchange rate adjustments, DKK 8.071k.

6. Other financial expenses

	2013 DKK'000	2012 DKK'000
Interest expenses	9	2.932
Exchange rate adjustments	6	0
Remission of debt etc	4.071	0
Other financial expenses	11	0
	4.097	2.932

Notes

	Receivables from group enterprises DKK'000	Investments in associa- tes DKK'000	Receivables from asso- ciates DKK'000
7. Fixed asset investments			
Cost beginning of year	48.003	2.059.365	142.036
Exchange rate adjustments	1.058	0	1.145
Additions	198	0	3.767
Disposals	(49.259)	(2.059.365)	(146.948)
Cost end of year	0	0	0
Impairment losses beginning of year	0	(1.890.966)	(142.036)
Reversal of impairment losses	0	0	102.312
Reversal regarding disposals	0	1.890.966	39.724
Impairment losses end of year	0	0	0
Carrying amount end of year	0	0	0

	Registered in	Equity interest %	Equity DKK'000	Profit/loss DKK'000
Associates:				
Sodigas Pampeana S.A.	Argentina	43,09	800.522	(56.688)
Sodigas Sur S.A.	Argentina	43,09	208.453	(153.820)

The investment in associates has been sold in 2013. The sale resulted in an additional loss on the investment amounting to DKK 94.268k.

The note receivable from associates as of 01.01.2013 was originally issued to the associate, Sodigas Sur S.A.'s subsidiary, Camuzzi Gas Del Sur S.A. The receivable from associates has changed status to other receivables due to the sale of Sempra Energy (Denmark-1) ApS as of June 28, 2013, see note 4.

The note receivable from group enterprises as of 01.01.2013 was issued to a group enterprise, Sempra Energy International Holdings N.V. The note receivable has been repaid in March 2013.

8. Deferred tax

The Entity has a materiel deferred tax asset. At present it is uncertain whether sufficient taxable income will be available against which the unused tax losses can be offset by the Entity. The deferred tax asset has therefore been measured at DKK 0.

Notes

	<u>Number</u>	<u>Nominal value DKK'000</u>
9. Contributed capital		
Ordinary shares	113.511	113.511
	<u>113.511</u>	<u>113.511</u>
	2013	2012
	<u>DKK'000</u>	<u>DKK'000</u>
Changes in contributed capital		
Contributed capital beginning of year	500.000	500.000
Decrease of capital	(386.489)	0
Contributed capital end of year	<u>113.511</u>	<u>500.000</u>

10. Other short-term payables

Other payables consists e.g. of Argentine equity tax payables, DKK 0 (2012: DKK 2.174 k.).

11. Ownership

The following shareholder holds more than 5% of the Company's share capital:

Thermor Spain SL, Madrid, Spain.

12. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Jismol Company S.A., Montevideo, Uruguay.