

ERHVERVSSTYRELSEN

SCE Solar Marzagan Nr. 1 ApS
Central Business Registration No. 30 83 30 58

Annual report 2013

The Annual General Meeting adopted the annual report in

Copenhagen, on *30/5 - 2014*

Chairman

Søren Vestergaard

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Company details

Company

SCE Solar Marzagan Nr. 1 ApS
Kronprinsensgade 1, 3. sal bh.
1114 København K.

Registered in: København Kommune
Central Business Registration No. 30 83 30 58

Executive Board

Hanno Schoklitsch

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of SCE Solar Marzagan Nr. 1 ApS for the financial year 1 January to 31 December 2013.

The annual report is presented 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 2013 and of its financial performance for the financial year 1 January to 31 December 2013.

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

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

Copenhagen, on 29.05.2014

Executive Board

Hanno Schoklitsch

Independent auditor's reports

To the shareholders of SCE Solar Marzagan Nr. 1 ApS

Report on the financial statements

We have audited the financial statements of SCE Solar Marzagan Nr. 1 ApS for the financial year 1 January to 31 December 2013, which comprise the 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 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 judgement, 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 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.

Independent auditor's reports

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 to 31 December 2013 in accordance with the Danish Financial Statements Act.

Emphasis of matter in the financial statements

Without qualifying our opinion we refer to the description of the Company's financial position in note 8. We have not found any reason to assess otherwise.

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.

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

Kolding, on 29.05.2014

Deloitte

Statsautoriseret Revisionspartnerselskab


Leo Gilling
Lars Ørum Nielsen

State Authorised
Public Accountant

State Authorised
Public Accountant

Management's Review

Primary activity

The Company's primary activity is through investment in a German holding company to own Spanish companies, which own PV systems in Spain.

Development in activities and finances

Profit/loss for the year 2013 and the financial development have not corresponded to the expectations and are not considered satisfying. This is due to an unexpected negative change in the tariff on the Spanish market which was introduced in 2010. This is compensated in the longer term by a 5-year extension of the contract period.

The activity and profit/loss for 2014 are expected to be on the same level as for 2013.

It is therefore not expected that the company will be able to restore the equity by its own operation in 2014

Since the company's share capital is lost, the company is covered by the rules of capital loss according to The Danish Companies Act. The financial statements have been prepared on a going concern basis, since it is management's opinion that the current credit facilities will continue to be available for the company in the coming year.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would otherwise influence the evaluation of this annual report.

Accounting policies

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with additions of certain provisions in reporting class C.

The annual report is presented in EUR.

The company has with reference to section 110 of the Danish Financial Statements Act omitted to prepare the consolidated financial statements.

The financial statements have been presented applying the accounting policies consistently with last year.

Recognition and measurement

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

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 company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company 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 Company, 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 statement

Other external expenses

Other external expenses comprise expenses for management and administration of the company, including expenses to the administrative staff and management as well as office expenses and depreciations.

Financial income and expenses

These items comprise interest income and interest expenses, realised and unrealised capital gains and losses on liabilities and transactions in foreign currencies as well as tax surcharge and relief under the Danish Tax Prepayment Scheme.

Accounting policies

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/loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities.

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.

The company is jointly taxed with the parent company as well as with all of the Danish subsidiaries of the parent company. The current income tax is allocated among the jointly taxed companies proportionally to their taxable income.

Accounting policies

Balance sheet

Investments in group enterprises and associates

Investments in group enterprises and associates are recognised at cost.

If the cost exceeds the recoverable amount, a write down to this recoverable amount shall take place. The cost is also reduced, if the dividend distributed exceeds the accumulated earnings in the company, since the acquisition of the shares.

Receivables

Receivables are measured at amortised cost usually equalling nominal value less provisions for bad debts.

Other financial liabilities

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

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 rate differences that arise between the rate at the transaction date and the one in effect at the payment date, or the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Business combinations

Newly acquired or newly established enterprises are recognized respectively from the date of acquisition and time of establishment. Disposed or sold enterprises are recognized in the income statement until the time of disposal and settlement date respectively.

On acquisition of enterprises the pooling of interests method is used, whereby the acquired entities' identifiable assets and liabilities are measured at the carrying amount at the time of acquisition.

Income statement for 2013

	Notes	2013 EUR	2012 t.EUR
Other external expenses		-1.500	-23
Profit/loss before financial items		-1.500	-23
Other financial income	1	3.622	3
Writedown on financial asstes		-582.145	-1.780
Other financial expenses	2	-97.077	-7
Profit/loss before tax		-677.100	-1.807
Tax on profit/loss for the year		0	0
Profit/loss for the year		-677.100	-1.807
Proposed distribution of profit/loss			
Profit/loss for the year		-677.100	-1.807
Retained earnings previous year		-1.777.791	-46
		-2.454.891	-1.853
Proposed distribution			
Dividend		0	0
Retained earnings		-2.454.891	-1.853
		-2.454.891	-1.853

Balance sheet at 31.12.2013**Assets**

	<u>Notes</u>	<u>2013 EUR</u>	<u>2012 t.EUR</u>
Investments in group enterprises	3	<u>0</u>	<u>582</u>
Fixed asset investments		<u>0</u>	<u>582</u>
Fixed assets		<u>0</u>	<u>582</u>
Cash		<u>991</u>	<u>0</u>
Current assets		<u>991</u>	<u>0</u>
Assets		<u>991</u>	<u>582</u>

Balance sheet at 31.12.2013**Equity and liabilities**

	Notes	2013 EUR	2012 t.EUR
Company capital		17.400	17
Retained earnings		-2.454.891	-1.777
Equity	4	-2.437.491	-1.760
Payables to group enterprises		2.391.380	2.278
Other payables		47.102	49
Trade payables		0	15
Short-term liabilities other than provisions		2.438.482	2.342
Liabilities other than provisions		2.438.482	2.342
Equity and liabilities		991	582
Assets charged and contingent liabilities etc	5-6		
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Going concern	8		

Notes

	2013	2012
	EUR	t.EUR
1 Other financial income		
Interest income, group enterprises	3.622	3
	<u>3.622</u>	<u>3</u>
2 Other financial expenses		
Interest expenses, group enterprises	95.284	5
Interest expenses, associates	1.793	2
	<u>97.077</u>	<u>7</u>
	Investments in group enterprises 2013 EUR	Investments in group enterprises 2012 t. EUR
3 Fixed asset investments		
Cost at 1/1-2013	2.362.145	0
Additions	0	0
Transfer from associates	0	433
Additions by merger	0	1.929
Disposals	0	0
Cost at 31/12-2013	<u>2.362.145</u>	<u>2.362</u>
Net revaluations 01.01.2013	-1.780.000	0
Revaluations for the year	-582.145	-1.780
Net revaluation 31.12.2013	<u>-2.362.145</u>	<u>-1.780</u>
Carrying amount at 31/12-2013	<u>0</u>	<u>582</u>
	Equity EUR	Profit/loss for the year EUR
Investments in group enterprises consists of:		Share of equity EUR
SCE Solar Marzagan GmbH, Tyskland, ejerandel 100%	-2.086.217	-10.023
		-2.086.217

Notes

	Share capital	Dividend	Retained earnings
	EUR	EUR	EUR
4 Equity			
Equity at 1/1-2013	17.400	0	-1.777.791
Profit/loss for the year	0	0	-677.100
Dividend of the year	0	0	0
Equity at 31/12-2013	<u>17.400</u>	<u>0</u>	<u>-2.454.891</u>

	2013	2012
	EUR	t.EUR
Equity		
Equity at 1/1-2013	-1.760.391	46
Profit/loss for the year	-677.100	-1.806
Dividend	<u>0</u>	<u>0</u>
	<u>-2.437.491</u>	<u>-1.760</u>

The share capital consists of 17.400 EUR, which is distributed in shares of 1 EUR.
At 01.01.2012 the share capital has been increased by 400 EUR.

5 Assets charged and contingent liabilities etc

None.

The company is jointly and severally liable for the total tax on the taxable income for all the companies subject to joint taxation.

Notes

6 Contractual obligations

The company has entered into a management agreement. The contract relates to administrative services and the company is obligated by the contract until the end of 2020. The total costs this year have formed.

0

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7 Group relations

SCE Solar Marzagan Nr. 1 ApS is included in the consolidated financial statements of Kaiserwetter Solar Invest ApS, Kronprinsensgade 1, 3. sal, 1114 København K. Central Business Registration No. nr. 29 93 65 95

8 Going concern

The financial position of the company is tight and the company's equity is lost. Management is working to resolve the company's cash position, and it is expected that the cash situation will be resolved in a satisfying manner.