ANNUAL REPORT 2014/2015

9 April 2015

ECOHZ Origin Matters

Report from the Board of Directors 2014/2015

1. Background and history

ECOHZ AS was founded on 8 October 2002. On foundation the company's name was Enviro Energi ASA, but this was changed to ECOHZ ASA in February 2007. The company changed its legal structure to a limited company (an AS) at an Extraordinary General Meeting on 11 October 2007.

2. The company's business

ECOHZ's business concept is to offer renewable energy, documented by means of Guarantees of Origin, to electricity suppliers, businesses and organisations. In 2014/2015, together with international partners, the company established a global delivery concept targeting international businesses. In addition to supplying Guarantees of Origin in Europe, the company now also delivers renewable electricity documented with RECs in the USA, and International RECs (I-RECs) in selected Asian markets.

In 2013, the company launched a new product on the market – GO^2. This product is based on Guarantees of Origin, and links payment flows directly with the financing of new power plants. GO^2 is aimed at large businesses looking to boost their offerings to encompass more than simply the purchase of documented renewable electricity. In 2014/2015 GO^2 gained recognition among prominent stakeholder organisations, and the first commercial agreements are currently being set up.

The company also participates actively in the Norwegian-Swedish green electricity certificate market and has successfully established a clear market position.

The continued use of fossil fuels to generate electricity is contributing to an increase in both local and global greenhouse gas emissions, and thus to global warming. Viewed in a climate change context, energy consumption frequently represents businesses' largest single contribution to greenhouse gas emissions. Electricity generated from renewable energy sources such as hydropower, solar power, wind power, geothermal heating, and biomass can play an important role in reversing this situation.

ECOHZ documents that electricity is generated from renewable energy sources. ECOHZ also guarantees that payments for electricity with Guarantees of Origin go back to the producers, thus giving them an incentive to continue to develop and increase their production of renewable energy.

ECOHZ has focused on securing increased traceability and improved documentation in connection with the purchase of electricity with Guarantees of Origin, and it has established a broad product portfolio. ECOHZ's portfolio includes Guarantees of Origin from more than 200 power plants, based on fixed supplier agreements with over 20 power producers. Many of the power producers are located in Norway; however, ECOHZ has gradually increased its offering of renewable electricity from power plants located in other European countries. The portfolio comprises renewable electricity generated from hydropower, wind power, biomass, solar power and geothermal sources. ECOHZ also offers renewable energy from environmentally certified power plants.

The company's distribution strategy is primarily geared to reaching businesses through a reseller network. The company has around 70 active resellers in 14 countries, including Norway. In a parallel development, ECOHZ has established a clearer profile and increased its focus on direct communication with selected target groups.

The company's strategy is underpinned by the establishment and use of professionally documented methods and being acknowledged as "reliable, quality-ware and thorough" by the market and relevant expert bodies.

ECOHZ aims to be the leading company in Europe in the sale and delivery of Guarantees of Origin for renewable energy. For ECOHZ, being a leading company means: 1) being the market leader in selected markets, 2) offering a complete range of products, and 3) gaining high levels of recognition among customers, NGOs and authorities.

3. Framework conditions and market development

Renewable electricity documented by means of Guarantees of Origin is backed as one of a number of measures in the EU's Renewable Energy Directive of 2009. The system is being adopted by a steadily increasing number of countries, and a range of initiatives exist to promote increased harmonisation and to strengthen the position of the system.

Due to the lack of sufficient international political initiative, a great deal of the responsibility for ensuring sound environmental solutions has been indirectly entrusted to individual countries and regions, as well as to ambitious companies and organisations. The importance of finding solutions that reduce global warming has not diminished. Within this picture, energy is key, and replacing fossil sources with clean, renewable energy sources is absolutely vital. In order for this to be achieved, a broad menu of solutions and instruments – both technical and financial – is needed. Renewable energy with Guarantees of Origin is one of many such instruments, and one which by 2014//2015 had become well-established and accepted among European customers and stakeholders.

Growth in the market for electricity with Guarantees of Origin
The market for electricity with Guarantees of Origin is displaying continued strong growth. This is reflected in both Norwegian statistics and European figures. At times the market experienced high volatility; however, with prices periodically lower than throughout most of 2013. Demand for renewable electricity with Guarantees of Origin – in particular from businesses – increased significantly during the year and now comprises around 400 TWh. Following many years with a surplus of certificates, in 2014/2015 the market was more balanced.

Global accounting standards for greenhouse gas emissions
Greenhouse Gas Protocol (GHG-P) is the leading international standard governing corporate accounting for greenhouse gas emissions. GHG-P is run by the World Resource Institute (WRI) in the USA, and the World Business Council for Sustainable Development (WBCSD) in Geneva. GHG-P has published an updated corporate standard for energy consumption, which specifically highlights the use of certificates of origin, RECs and I-RECs. This will be of key importance for further demand for documented renewable electricity.

EU setting the agenda
In 2014 the EU adopted new legislation for corporate social responsibility (CSR). The draft legislation imposes new reporting requirements, including reporting of energy consumption, on around 6,000 businesses in the EU. The legislation enters into force in 2016.

The EU system is also a key aspect of the discussion on how climate and energy policy should be formulated after 2020 and toward 2030. A framework and target figures for greenhouse gas emissions, renewable energy shares and energy-efficiency improvements were launched, discussed and adopted in 2014. The EU has also proposed to establish the "Energy Union", which intends to help establish a transparent and more dynamic energy market. The Energy Union is an ambitious project, which requires increased coordination at European level. The above will also make a key contribution to the process intended to lead to an international climate agreement in Paris in December 2015.

A Norwegian perspective
The joint Norwegian-Swedish electricity certificate market has now been operational for three years. The market functions well, but is still dominated by periods of low liquidity. Over time, market prices have been too low to trigger the planned new power projects. In autumn 2014, the Norwegian authorities proposed new amortisation rules for wind power – to even out differences between the Norwegian and Swedish market. This will make investments in Norwegian wind power more profitable, and could impact long-term price development in the electricity certificate market.

With the exception of offshore power generation, more than 98 per cent of Norwegian power generation is based on renewable energy sources. In 2014, the total volume of renewable energy generated in Norway amounted to around 142.3 TWh, compared with 132 TWh in 2013. Of this volume, 132.2 TWh was certified as electricity with Guarantees of Origin, and an approximately similar volume was sold in Norway or exported to European markets.

Norway is part of the common EU/EEA electricity market, which means that Norwegian power producers are able, through the sale of Guarantees of Origin, to sell the renewable energy to power suppliers and consumers throughout the entire European market. Norwegian electricity suppliers who do not purchase Guarantees of Origin to document their power products are required to refer to a product declaration for the residual mix for Norwegian electricity, which is calculated annually by the Norwegian Water Resources and Energy Directorate (NVE). The product declaration for Norwegian electricity without Guarantees of Origin in 2014 will be published by the NVE in April/May 2015. Based on provisional figures, it is estimated that the percentage of renewable energy will remain low. The share of renewable energy of unspecified origin supplied in Norway was 13 per cent in 2013 and 20 per cent in 2012.

4. Ownership and equity information

As of 31 January 2015, the company had the following shareholder structure:

Home Capital AS	50.91%	
TrønderEnergi Kraft AS	12.44%	
Eidsiva Vannkraft AS	12.44%	
Nordisk Industriutvikling AS	11.77%	(100% Ove Gusevik)
Troms Kraft Handel AS	9.95%	(100% Troms Kraft AS)
Troms Kraft AS	2.49%	

5. Income statement and balance sheet

In 2013 ECOHZ changed its accounting year-end from 31 December 2013 to 31 January 2014. Consequently, the 2013/2014 accounting year was a 13-month period. The accounting year was changed in order to improve the quality and accuracy of the annual financial statements and avoid major estimate-based items. The company believes that this in turn will improve the quality of information for users of ECOHZ' financial statements.

ECOHZ's annual financial statements for 2014/2015 therefore cover the period from 1 February 2014 to 31 January 2015. Total sales rose from NOK 147.1 million in 2013/2014 to NOK 158.7 million in 2014/2015. The profit for the year increased from NOK 1.78 million in 2013/2014 to NOK 2.05 million in 2014/2015.

At the end of the year, total assets amounted to NOK 68.5 million, compared with NOK 60.1 million at year-end 2013. As of 31 January 2015, the equity ratio was 35.0 per cent, against 37.4 per cent as of 31 January 2014.

The company's liquidity position at the balance sheet date is deemed to be satisfactory. Total liquidity less restricted funds plus an undrawn overdraft facility of NOK 5.0 million amount to NOK 19.1 million. Furthermore, total current liabilities of NOK 44.4 million are fully covered by outstanding trade receivables of NOK 39.3 million and other current receivables of NOK 5.3 million.

The net cash flow from operating activities was NOK 2.4 million, which is NOK 1.3 million lower than the operating profit for the period. The difference is attributable to net financial items of NOK 1.6 million and smaller changes in trade receivables, trade payables and other accruals and prepayments.

The board is of the opinion that the company satisfies the going concern assumption.

6. Operational risk

As much as 78.6 per cent of ECOHZ's total sales are generated in foreign currency. The company's results are only subject to limited foreign exchange risk due to the fact that most purchases and sales are made in the same currency, and the fact that our suppliers take changes in exchange rates into account when setting prices.

In order to reduce the company's credit risk and liquidity risk, the company endeavours to make part-deliveries on large-scale contracts and customer relationships. This permits the company to resell to a greater extent should this be required.

The company's development is to a large extent contingent on possessing outstanding expertise in trading, markets and framework conditions for renewable energy and climate issues. The company did not hire any new staff in 2014/2015.

7. Research and development

In 2014/2015 ECOHZ did not carry out any activities or make any investments relating to research and development.

8. Board and employees etc.

The board comprises a total of six members, two of whom are women and four men. Two observers also sit on the board.

The company's Managing Director is Tom Lindberg. At the end of the year, the company employed 13 staff, of whom five were women and eight men. The company's recruitment and salary policies are gender-neutral, and the company continually strives to promote equality and equal opportunities among its employees. New staff are recruited on the basis of individual expertise.

To ensure future competitiveness in a market with structural changes and in a situation with increased margin-pressure on core products, the company completed a restructuring process in 2014. This reduced the total staff by three full-time positions.

The company employed 15.5 full-time equivalents in 2014/2015.

The company operates its main business from leased premises in Oslo, Norway, and from a branch office in Nyon, Switzerland.

9. Corporate social responsibility and HSE

ECOHZ takes social responsibility seriously, and believes there to be a clear correlation between the way a company is run and its relationship with society as a whole.

The company has an active environmental policy, which is also of importance for the company's external profile. The company does not pollute the external environment through direct emissions, but does generate indirect greenhouse gas emissions through business travel, energy consumption and waste management.

In 2014/2015, the company carried out an audit of its environmental management system, based on the international standard ISO 14001. The certification was carried out by DNV GL..

As part of our environmental management system, ECOHZ has established the following environmental policy:

ECOHZ AS is committed to being a leading company with regard to initiating activities intended to minimise its local and global environmental impact.

ECOHZ shall take special responsibility for communicating by its own actions the need for – and benefits of – carrying on commercial activities in a sustainable manner.

Sustainability shall have a key influence on all decision-making within the organisation.

Prioritising sustainability shall secure ECOHZ a long-term competitive advantage and be motivational for customers' choice of partner.

ECOHZ shall comply with, and where possible exceed, minimum requirements as set out in relevant environmental legislation and regulations.

The company has defined targets and action plans covering areas including energy consumption, purchasing and consumption, waste/cleanliness and employees' business travel.

In addition, the company purchases renewable power with Guarantees of Origin.

The company works actively on health, safety and environment issues (HSE). The company has defined three target areas: 1) acute illness/first aid, 2) the psychosocial environment and 3) fire safety. Regular HSE meetings are held and agreed activities are followed up.

The sickness absence rate in 2014/2015 was 4.9 per cent, compared with 3.8 per cent in 2013/2014. Of this 2.6 per cent related to long-term absence.

10. Outlook

Problems arising from climate change are increasing in scope, and there is a growing recognition that more people need to take responsibility for seeking to solve climatic problems. To an increasing extent, this is a question of ethical choice, but it is also an area which impacts on the competitiveness of individual businesses.

ECOHZ is well positioned, and is experiencing growing demand for renewable energy with Guarantees of Origin. At the same time, the company is attracting increasing attention, and experiencing ensuing increased competition.

The company is in a growth phase and is suitably staffed with highly skilled employees. Consequently, the company is well positioned for a continued positive development..

11. Appropriation of the profit for the year

The board recommends to the Annual General Meeting that the profit for the year be appropriated as follows:

Transferred to other equity:	NOK 1,480,408
Total appropriations:	NOK 1,480,408

Date, 9 April, 2015

Bente Rathe, Board chair

Kenneth Andersen

Ove Gusevik

Bernhard Kvaal

Erling Høyer-Pettersen

Gunhild A. Stordalen

Tom Lindberg

Income statement for the period 1 Feb 2014 to 31 Jan 2015
ECOHZ AS

	Note	1 Feb 2014– 31 Jan 2015	1 Jan 2013– 31 Jan 2014
Sales revenues		158 516 353	147 152 737
Other operating revenues		138 054	4 400
Total operating revenues	2, 15	**158 654 407**	**147 157 137**
Cost of goods sold	15	(128 095 657)	(113 932 538)
Salaries and payroll costs	3, 6, 8	(19 291 260)	(20 266 771)
Depreciation of property, plant and equipment	4	(222 369)	(284 750)
Other operating expenses	3, 7, 8, 13	(7 358 370)	(10 923 333)
TOTAL operating expenses		**(154 967 656)**	**(145 407 392)**
Operating profit		**3 686 750**	**1 749 745**
Other financial income		251 591	900 247
Other financial expenses		(1 890 175)	(73 383)
Profit on ordinary activities before tax		**2 048 166**	**2 576 609**
Tax expense	10	(567 758)	(798 617)
Profit on ordinary activities		**1 480 408**	**1 777 992**
Net profit for the year		**1 480 408**	**1 777 992**
Transfers			
Other equity		1 480 408	1 777 992
Total		**1 480 408**	**1 777 992**

Balance sheet as of 31 January 2015
ECOHZ AS

	Note	31.01.2015	31.01.2014
ASSETS			
Non-current assets			
Intangible assets			
WEB – Company website	4	33 333	113 333
Deferred tax assets	10	807 505	1 375 263
Total intangible assets		**840 838**	**1 488 596**
Property, plant and equipment			
Tangible operating assets, furniture, etc.	4	98 383	179 952
Total property, plant and equipment		**98 383**	**179 952**
Non-current financial assets			
Investments in shares and shareholdings		185 312	0
Total non-current financial assets		**185 312**	**0**
Total non-current assets		**1 124 533**	**1 668 548**
Current assets			
Inventories	5	**5 679 973**	**1 190 230**
Receivables			
Trade receivables	13	39 867 968	40 362 170
Other receivables		6 630 403	3 732 268
Total receivables		**46 498 371**	**44 094 438**
Bank deposits, cash and cash equivalents	9	**15 246 552**	**13 121 754**
Total current assets		**67 424 896**	**58 406 422**
Total assets		**68 549 429**	**60 074 970**

ECOHZ Origin Matters

Balance sheet as of 31 January 2015
ECOHZ AS

	Note	31.01.2015	31.01.2014
EQUITY AND LIABILITIES			
Equity			
Paid-in equity			
Share capital (256,549 shares at NOK 25.00/share)	12	6 413 725	6 413 725
Share premium account		2 586 300	2 586 300
Total paid-in equity		**9 000 025**	**9 000 025**
Retained earnings			
Other equity		14 957 509	13 477 101
Total retained earnings		**14 957 509**	**13 477 101**
Total equity	11	**23 957 534**	**22 477 126**
Liabilities			
Provisions			
Pension liabilities	6	180 367	1 078 105
Total provisions		**180 367**	**1 078 105**
Trade payables		28 111 352	19 330 641
Public charges payable		951 586	720 840
Tax payable	10	1 347 132	1 683 132
Other current liabilities	14	14 001 458	14 785 126
Total current liabilities		**44 411 528**	**36 519 739**
Total liabilities		**44 591 895**	**37 597 844**
Total equity and liabilities		**68 549 429**	**60 074 970**

OSLO, 9 April 2015
ECOHZ AS

Bente Rathe Chairman	Ove Gusevik Director	Erling Høyer-Pettersen Director
Kenneth Andersen Director	Bernhard Kvaal Director	Gunhild A. Stordalen Director
Tom Lindberg General manager		

ECOHZ AS

STATEMENT OF CASH FLOW	31.01.2015	31.01.2014
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	2 048 166	2 576 609
Taxes paid in the period	-336 000	-2 737 969
Profit/loss on sale of non-current assets	0	0
Depreciation, amortisation and impairment losses	222 369	284 750
Change in inventories	-4 489 743	364 827
Change in trade receivables	494 202	18 850 342
Change in pension liabilities	-897 738	-298 951
Change in trade payables	8 780 711	5 160 499
Change in other accruals and prepayments	-3 451 057	-18 028 470
Net cash flow from operating activities	2 370 910	6 171 637
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for investments in property, plant and equipment	-60 800	0
Payments for purchase of securities	-185 312	0
Receipts from sale of securities	0	0
Net cash flow from investing activities	-246 112	0
CASH FLOW FROM FINANCING ACTIVITIES		
Net cash flow from financing activities	0	-3 500 000
Total change in cash and cash equivalents	2 124 798	2 671 637
Cash and cash equivalents 1 Jan	13 121 754	10 450 117
Cash and cash equivalents 31 Jan 2015	**15 246 552**	**13 121 754**

Note 1 Accounting policies

The financial statements are prepared in accordance with the requirements of the Norwegian Accounting Act and generally accepted accounting practice.

Use of estimates
The preparation of these financial statements is in accordance with the use of estimates as required by the Norwegian Accounting Act. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas which make extensive use of judgements, involve a high degree of complexity, or areas where assumptions and estimates are material to the financial statements are described in more detail in the notes.

Sales revenues
Revenues on the sale of Guarantees of Origin and green electricity certificates are measured as the fair value of the consideration received, net of VAT, returns, rebates and other discounts. Sales of Guarantees of Origin and electricity certificates are recognised when the company has delivered the products to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the delivery. Deliveries are not considered to be complete before the products are transferred to the customer, redeemed or put on the customer's account for later redemption and thus the risk is transferred to the customer.

Classification of balance sheet items
Assets intended for permanent ownership or long-term use, are classified as non-current assets. Assets related to goods circulation are classified as current assets. Receivables are otherwise classified as current assets if they are to be repaid within one year. Corresponding analogue criteria have been used for the classification of liabilities. First-year repayments on long-term receivables and liabilities are, however, not classified as current assets and current liabilities.

Cost
The cost of an asset comprises its purchase price, less bonuses, discounts, etc., and plus purchase costs (shipping, import duties, non-refundable government taxes and other direct acquisition costs). For acquisitions executed in a foreign currency, the asset is recognised in the balance sheet at the exchange rate on the transaction date. For property, plant and equipment and intangible assets, the cost also includes expenses directly attributable to preparing the asset for use, for example, the cost of testing an asset.

Intangible assets
The expenses associated with intangible assets are recognised in the balance sheet to the extent that a future financial benefit can be identified as deriving from the development of an identifiable intangible asset and the expenses can be reliably measured. Otherwise costs are expensed on an ongoing basis. Development costs recognised in the balance sheet are amortised on a straight-line basis over useful economic lifetime.

Property, plant and equipment
Property, plant and equipment is recognised in the balance sheet and depreciated on a straight-line basis to residual value over the operating assets' expected economic lifetimes. In the event of changes to the depreciation plan, the impact is distributed over the remaining period of depreciation ("break-even method"). Maintenance costs for operating assets are expensed as incurred as operating expenses. Additions and improvements are added to the cost price of the operating asset and depreciated at the same pace as the asset. The distinction between maintenance and additions/improvements is determined in relation to the condition of the asset at the original purchase date.

Impairment of non-current assets
Impairment tests are performed if it is indicated that the carrying amount of a non-current asset exceeds the estimated fair value. The test is performed on the lowest level of non-current assets at which independent cash flows can be identified. If the carrying amount is higher than both the fair value less selling costs and the recoverable amount (net present value of future use/ownership), the asset is written down to the higher of fair value less selling costs and the recoverable amount.

Previous impairments, with the exception of the impairment of goodwill, are reversed at a later period if the conditions causing the impairment are no longer present.

Inventories
Inventories are measured at the lower of purchase price (following the FIFO principle) and fair value. Fair value is the estimated selling price less costs of sale.

Receivables
Trade receivables are recognised in the balance sheet at nominal value after deduction of provisions for bad debts. The provision for bad debts is estimated on the basis of an individual assessment of each receivable. In addition, a general provision is recognised for other expected losses. Material financial problems at the customer, the likelihood that the customer will file for bankruptcy or undergo financial restructuring, or delay or default on payments are deemed to represent indicators that customer receivables need to be written down.

Other receivables, both current assets and operating assets, are recognised at the lower of nominal value and fair value. Fair value is the present value of expected future payments. However, when the effect of write-downs are immaterial for accounting purposes these are not recognised. Provisions for bad debts are valued the same way as for trade receivables.

Foreign currency
Receivables and liabilities in foreign currencies are valued at the exchange rate at the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as operating revenues and cost of goods sold.

Liabilities
Liabilities, with the exception of certain provisions, are recognised in the balance sheet at their nominal amount.

Pensions
The company has various pension schemes. The schemes are funded through payments to insurance companies. The company operates both defined-contribution and defined-benefit schemes.

Defined-contribution plans
For defined-contribution plans, the company pays contributions to an insurance company. The company has no further payment obligations once the contributions have been paid. Contributions are recognised as payroll expenses. Any prepaid contributions are recognised as an asset (pension assets) to the extent that a cash refund or a reduction in the future payments is available.

Defined-benefit plans
A defined-benefit plan is a pension scheme that is not a defined-contribution plan. A defined benefit plan is normally a pension scheme that defines the benefit an employee will receive on retirement. Pension payments are normally dependent on several factors such as age, number of years' service with the company and salary. The liability recognised in the balance sheet in respect of defined-benefit pension schemes is the present value of the defined-benefit obligation at the end of the reporting period less the fair value of pension assets (amount paid to an insurance company), adjusted for non-recognised estimate deviations non-recognised past-service costs. The pension liability is calculated annually by an independent actuary using a linear accrual method.

Changes to the pension plan are expensed over the expected remaining vesting period. The same applies to estimate differences due to new information or changes in the actuarial assumptions, if these exceed 10 per cent of the larger of the pension liabilities and pension funds (corridor method).

Taxes
The tax expense in the income statement comprises taxes payable and changes in deferred tax for the period. Deferred tax is calculated at prevailing tax rates based on temporary differences which exist between book and tax values, as well as any tax-written-down losses which are carried forward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are offset. Deferred tax assets on net tax-reducing differences which have not been eliminated and carry forward losses are based on estimated future earnings. Deferred tax liabilities and deferred tax

assets which can be shown in the balance sheet are presented net. Deferred tax is recognised at its nominal amount.

Statement of cash flow
The statement of cash flow is prepared in accordance with the indirect method. Cash and cash equivalents comprise cash, bank deposits, and other current investments which immediately and with minimal exchange risk can be converted into known cash amounts, and have a remaining maturity of less than three months from the purchase date.

Note 2 Operating revenues by country

Operating revenues	2014/2015	2013/2014
Germany	51,724,000	50,770,911
Norway	49,299,536	41,241,612
Sweden	23,498,851	18,722,533
Switzerland	12,266,518	13,897,226
Denmark	8,049,041	2,590,775
Luxembourg	4,873,419	3,248,220
Netherlands	3,961,746	6,269,432
Finland	2,346,348	2,089,089
Belgium	1,476,946	3,351,982
Austria	294,132	4,361,051
Other European countries	863,870	614,306
TOTAL	158,654,407	147,157,137

Note 3 Salaries, number of employees, remuneration, employee loans, etc.

Salaries and payroll costs	2014/2015	2013/2014
Remuneration, holiday pay and directors' fees	16,583,260	16,505,675
Employer's national insurance contributions	2,145,444	2,169,889
Pension expenses	202,552	1,067,440
Other benefits	360,004	523,766
Total	**19,291,260**	**20,266,771**
Number of full-time equivalents	15.5	15.3

Salary and remuneration paid to the Managing Director
The Managing Director received a salary of NOK 1,790,322 and other remuneration of NOK 11,150.

The Managing Director is covered by the company's pension scheme and estimated pension premiums paid on his behalf during the year amounted to NOK 65,059.

Directors' fees
Directors' fees paid totalled NOK 627,000.

Auditor

Auditor's fees comprised the following:	2014/2015	2013/2014
Statutory auditing	120,000	109,500

Other certification services	0	0
Tax consultancy (incl. technical assistance with tax returns)	18,000	0
Other assistance	63,000	63,000
Total auditor's fees	**201 000**	**172 500**

Employee loans
No loans have been extended to and no security has been pledged on behalf of employees, the Managing Director, Board Chairman, directors or other related parties.

The Managing Director has the right to severance pay equal to one year's basic salary should the board deem it necessary to terminate his employment relationship.

All employees have a bonus agreement. Bonuses are calculated based on a percentage of basic salary and are partly linked to the company's operating result and partly to target achievement in line with the company's strategies, action plans and objectives. Based on achieved results and other targets, a provision of NOK 971,117 has been recognised for bonuses for the 2014 accounting year (including social security costs).

Note 4 Operating assets

Operating assets	WEB – Homepage	Op. equipm., furniture etc.	Total non-current assets
Cost 1 Feb 2014	240,000	999,231	1,239,231
Additions to operating assets	0	60,800	60,800
Disposals of operating assets	0	314,828	314,828
Cost 31 Jan 2015	**240,000**	**745,203**	**985,203**
Cumulative depreciation 31 Jan 2015	206,667	646,820	853,487
Book value 31 Jan 2015	**33,333**	**98,383**	**131,716**
Depr. for the year	80,000	142,369	222,369
Useful economic lifetime	3 years	3–5 years	
Depreciation method	Straight-line	Straight-line	

Note 5 Inventories

The company purchases certificates for its own inventories. These are valued at the lower of cost and net realisable value as of 31 January.

	31 Jan 2015	31 Jan 2014
Guarantees of Origin	2,295,872	1,031,260
Electricity certificates	3,384,101	158,970
Inventories	5,679,973	1,190,230

Guarantees of Origin and electricity certificates must be sold before they mature, which is 12 months after production date for Guarantees of Origin and by the end of 2035 for electricity certificates. All the certificates are expected to be sold before they mature.

Note 6 Pension expenses, assets and liabilities

The company is obliged to operate an occupational pension scheme in accordance with the Norwegian Act on Mandatory Occupational Pension Schemes. The company's pension schemes satisfy the requirements laid down in this legislation. A total of 16 employees are covered by the pension schemes, which grant the right to defined future benefits. These obligations are covered through an insurance company. The company changed its pension scheme as of 1 January 2011, from a defined-benefit scheme to a defined-contribution scheme. The company has retained the defined-benefit scheme for one employee.

Defined-contribution pension
The amount expensed for the defined-contribution pension scheme during the financial year was NOK 586,226.

Defined-benefit pension	**2014/2015**	**2013/2014**
Present value of accrued pension entitlements for the year	0	38,301
Interest expense on pension liabilities	382,359	33,452
Return on pension assets	-362,013	-170,989
Estimate changes recognised in income statement	279,944	0
Administration expenses	81,127	113,325
Employer's national insurance contributions on net pension expenses including administration expense	14,308	0
Planned changes recognised in income statement	-888,023	111,175
Net pension expense including employer's national insurance contributions	**-492,298**	**125,264**
Accrued pension liabilities as of 31 Jan	10,201,327	10,173,661
Pension assets as of 31 Jan	8,508,184	8,160,000
Net pension liabilities as of 31 Jan	1,693,143	2,013,661
Estimate deviations not recognised in income statement	-1,751,509	- 1,219,482
Employer's national insurance contributions	238,733	283,926
Net pension liabilities incl. employer's national insurance contributions	**180,367**	**1,078,105**

Financial assumptions:	**2014/2015**	**2013/2014**
Discount rate	2.30%	4.20%
Expected salary increases	2.75%	3.25%
Expected adjustment to National Insurance Scheme's Basic Amount (G)/pension adjustment	2.50%	3.25%
Expected return on pension fund assets	3.20%	4.10%

Note 7 Leases

The company leases offices. The lease cost for the accounting period amounted to NOK 1,282,842. The lease runs until 31 December 2017.

Note 8 Branch office in Switzerland

The company has a branch office in Nyon in Switzerland, and has rented premises there since 1 September 2011. As of 31 January 2015 the company employed one member of staff. A total of NOK 3,207,969 was recognised in operating expenses for the business in Switzerland in respect of the period of 1 February 2014 to January 31 January 2015.

Note 9 Restricted funds / Overdraft facility / Credit facility

Restricted funds comprise tax deductions in the amount of NOK 600,000 and rental deposits of NOK 594,158.

The company has a bank overdraft agreement with DNB with a limit of NOK 5,000,000. The above is a revolving credit facility and renewal is reviewed annually. The interest rate is one-month NIBOR + 2.5 per cent on the amount drawn. The annual fee is 0.8 per cent of the credit limit.

Note 10 Tax

Taxes are recognised as expenses as they are incurred, i.e. the tax expense is based on the accounting result before tax. The tax expense comprises taxes payable (tax on the year's taxable income) and changes in net deferred tax. The tax expense is allocated to the result from ordinary activities and the result of extraordinary items in accordance with the tax basis.

Breakdown of deferred tax assets and changes in deferred tax

Temporary differences	**Change**	**31 Jan 2015**	**31 Jan 2014**
Operating assets	111,736	-165,328	-53,592
Inventories	0	0	0
Receivables	-3,836,871	-125,000	- 3,961,871
Pension liabilities	-897,738	-180,367	-1,078,105
Net temporary differences	-4,622,872	-470,695	-5,093,568
Losses and remuneration carried forward	2,520,063	-2,520,063	0
Basis for deferred tax assets	-2,102,809	-2,990,759	-5,093,568
Deferred tax assets in the financial statements	**-567,758**	**-807,505**	**-1,375,263**

Basis for tax expenses, changes in deferred tax assets and tax payable	**31 Jan 2015**	**31 Jan 2014**
Profit before tax	2,048,166	2,576,609
Permanent differences	54,643	274,933
Basis of tax expenses for the year	2,102,809	2,851,542
Change in differences that form the basis for deferred tax assets	-4,622,872	3,340,896
Change in tax loss carryforward	2,520,063	0
Taxable income (basis for tax payable in the balance sheet)	0	6,192,437

Breakdown of tax expense		
Tax payable (28 per cent of basis for tax payable on the income statement)	0	1,683,132
Over-, under-provision in previous year	0	0
Total tax payable	0	1,683,132
Change in deferred tax assets	567,758	- 895,708
Change in deferred tax asset deriving from changed tax rates		11,193
Tax expense (27 per cent/28 per cent of the basis of the tax expense for the year)	**567,758**	**798,617**

Tax payable in the balance sheet		
Tax payable in the tax expense	0	1,683,132

Tax payable, not settled	1,347,132	0
Tax payable in the balance sheet	**1,347,132**	**1,683,132**

It is likely on the balance of probabilities that the company will be able to realise its deferred tax assets against positive earnings in the coming years. The deferred tax asset has therefore been recognised in the balance sheet.

The company's financial year ending 31 January 2014 covers 13 months. Tax payable for the period 1 January 2013 to 31 December 2013 is calculated at a rate of 28 per cent, while the tax payable for the period 1 January 2014 to 31 January 2014 is calculated at a rate of 27 per cent.

Note 11 Equity

	Share capital	Share premium account	Other equity	Total
Equity	6,413,725	2,586,300	13,477,101	22,477,126
Net profit for the year	0	0	1,480,408	1,480,408
Equity 31 Jan 2015	**6,413,725**	**2,586,300**	**14,957,509**	**23,957,534**

Note 12 Share capital and shareholder information

Ownership structure
ECOHZ AS shareholders as of 31 January 2015 were as follows:

	Number of shares	Shareholding	Share of votes
Home Capital AS	130,601	50.91%	50.91%
Eidsiva Vannkraft AS	31,916	12.44%	12.44%
TrønderEnergi Kraft AS	31,916	12.44%	12.44%
Nordisk Industriutvikling AS	30,200	11.77%	11.77%
Troms Kraft Handel AS	25,516	9.95%	9.95%
Troms Kraft AS	6,400	2.49%	2.49%
Total number of shares	**256,549**	**100.00%**	**100.00%**

The company has one share category and all shares confer equal voting rights. The company's share capital comprises NOK 6,413,725 divided into 256,549 shares, each with a nominal value of NOK 25.

ECOHZ's financial statements are included in the consolidated financial statements of Home Invest AS, Fredrik Stangs gate 22-24, NO–0264 Oslo, Norway.

Note 13 Trade receivables

The company experiences high seasonal sales variations: over 28 per cent of operating revenues for the accounting period were invoiced after 1 January 2015. As of 31 January 2015 a bad debt provision of NOK 125,000 had been recognised. The company did not recognise any other bad debts in the period 1 February 2014 to 31 January 2015.

Note 14 Other current liabilities

A provision of NOK 7,827,784 was recognised in other current liabilities for goods delivered, but for which an invoice had not yet been received from the supplier at the balance sheet date.

Note 15 Transactions with related parties

Remuneration paid to senior executives is described in Note 3. Several of the company's shareholders are energy companies that both buy and sell Guarantees of Origin and electricity certificates themselves or through associates. The company's transactions pertaining to Guarantees of Origin, electricity certificates and services to related parties during the period 1 February 2014 to 31 January 2015 and intercompany balances at the reporting date were as follows:

Sale of goods and services	**2014/2015**	**2013/2014**
Sale of goods associates	5 780 076	3 853 898
Sale of services associates	846 663	167 500
Total	6 626 739	4 021 398

Purchase of goods and services	**2014/2015**	**2013/2014**
Purchase of goods associates	8 533 231	7 283 207
Total	8 533 231	7 283 207

Balances with related parties	**31.01.2015**	**31.01.2014**
Trade receivables	2 008 293	1 199 642
Trade payables	3 498 316	2 129 955

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