

Annual Report for 2015

Dantec Dynamics A/S

Tonsbakken 16-18
2740 Skovlunde

CVR-nr. 15 10 75 88

Approved by the General Meeting

May 27th 2016


Janet Barbookles
Chairman of the Meeting

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Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Dantec Dynamics A/S for the financial year 1 January to 31 December 2015.

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 Company's financial position at 31 December 2015 and of its financial performance and cash flow for the financial year 1 January to 31 December 2015.

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.

Skovlunde, May 27th 2016

Executive Board

Anders Faurholt

Supervisory Board

Janet Barbookles
Chairman

Michael Larkin

Jesper Dela

Jørgen Frandsen

Jean-Marc Muller

Independent auditor's report

To the Shareholder of Dantec Dynamics A/S

Report on the consolidated accounts and parent company's annual accounts

We have audited the consolidated and the parent company's annual accounts of Dantec Dynamics A/S for the financial year 1 January - 31 December 2015, comprising accounting policies, income statement, balance sheet, and notes of the group as well as the parent company and the cash flow statement for the group.

The consolidated and annual accounts have been prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the consolidated and annual accounts

Management is responsible for the preparation of consolidated and parent company's annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as the management determines is necessary to enable the preparation of the consolidated and parent company's annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility and Basis of Opinion

Our responsibility is to express an opinion on the consolidated accounts and the annual accounts 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 consolidated and parent company's annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and parent company's annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the consolidated and parent company's annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of consolidated accounts and annual accounts 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 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 the overall presentation of the consolidated and parent company's annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.


Opinion

In our opinion, the consolidated accounts and the parent company's annual accounts give a true and fair view of the group's and the parent company's assets, liabilities and financial position at 31 December 2015 and of the result of the group's and of the parent company's operations and the group's cash flows for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement concerning the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the consolidated annual report and the parent company's annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the consolidated annual report and the parent company's annual accounts.

Copenhagen, May 27th 2015

Grant Thornton
Statautoriseret Revisionspartnerselskab

Michael Beuchert
State Authorised Public Accountant

Company details

Dantec Dynamics A/S

Tonsbakken 16-18

2740 Skovlunde

Denmark

www.dantecdynamics.com

Tel: +45 4457 8000

Fax: +45 4457 8001

Supervisory Board

Janet Barbookles, chairman

Jean-Marc Muller

Jesper Dela

Michael Larkin

Jørgen Frandsen

Executive Board

Anders Faurholt

Auditors

Grant Thornton Statsautoriseret Revisionspartnerselskab

Bank

Nordea - Hovedvejen 112, 2600 Glostrup

Group chart

Parent company

Dantec Dynamics A/S
Skovlunde, Denmark
Nom. 22.721.000 DKK

Subsidiaries

Dantec Dynamics, Inc. (100%)
New York, USA
Nom. 300.000 USD

Dantec Dynamics Ltd. (100%)
Bristol, UK
Nom. 150.000 GBP

Dantec Dynamics GmbH (100%)
Ulm, Germany
Nom. 151.000 EUR

Dantec Dynamics S.A.S. (100%)
Nozay, France
Nom. 300.000 EUR

Dantec Dynamics K.K. (100%)
Tokyo, Japan
Nom. 10.000.000 JPY

Financial highlights

5-year summary:

	2015	2014	2013	2012	2011
Key figures (in DKK million)					
Result					
Revenue	207,8	190,8	176,1	189,6	173,5
Operating profit or loss	12,1	11,4	11,9	15,4	7,8
Result of net financials	1,2	-5,7	-5,8	-1,7	-2,6
Pre-tax profit or loss	13,4	5,7	6,1	13,7	5,2
Net profit/loss for the year	9,6	4,7	4,2	8,1	-2,4
Balance sheet					
Shareholders' equity	49,0	39,8	35,0	30,3	25,6
Balance sheet total	128,9	125,7	114,5	110,7	107,2
Investments in property, plant and equipment	2,8	7,6	4,4	3,5	1,8
Number of employees	114	109	107	103	104
Ratios					
EBIT	6%	6%	7%	8%	5%
EBITDA	10%	10%	10%	11%	7%
EBIT, adjusted	14%	14%	16%	16%	14%
EBITDA, adjusted	18%	18%	19%	19%	16%
Return on equity	22%	12%	13%	29%	-9%
Equity interest	38%	32%	31%	27%	24%

Definition of financial ratios:

EBIT margin:

$$\frac{\text{Operating profit or loss} \times 100}{\text{Revenue}}$$

EBITDA margin:

$$\frac{(\text{Operating profit or loss} + \text{depreciations} + \text{amortisations}) \times 100}{\text{Revenue}}$$

EBIT adjusted:

$$\frac{\text{Operating profit or loss adjusted for management fee} \times 100}{\text{Revenue}}$$

EBITDA adjusted:

$$\frac{(\text{Operating profit or loss adjusted for management fee} + \text{depreciations} + \text{amortisations}) \times 100}{\text{Revenue}}$$

Return on equity:

$$\frac{\text{Income or loss from ordinary activities after tax} \times 100}{\text{Average equity attributable to equity holders of the parent}}$$

Equity interest:

$$\frac{\text{Total equity attributable to equity holders of the parent, at year-end} \times 100}{\text{Equity and liabilities at year-end}}$$

Management's Review

Business activities and mission

Dantec Dynamics develops, manufactures and markets measurement equipment and software for measurements and simulation of flows, speed and particle size in liquids and gasses, as well as equipment and software for analyzing strain/stress/vibration and defects in solid materials.

Dantec Dynamics' customers primarily use the products for optimising energy consumption but they can also be used to improve the performance, efficiency and safety in such markets such as aviation, automotive and wind farms. In addition, the products are used to analyse thermal and chemical processes.

Customers include researchers within leading universities and institutes around the world as well as research and development departments in prominent international and domestic industrial companies.

The Group includes a business segment in the UK, which distributes medical measurement equipment and consumables.

In addition to its own sales and service offices in Europe, North America and Japan, Dantec Dynamics has a global network of independent distributors.

Business review

Results of operations

The demand for the Group's products in 2015 increased by 16,940 kDKK from 2014. The Group had an operating result of 29,628 kDKK, exclusive of Related Third Party Management Services and Restructuring Expenses. The Group generated a net profit before tax of 13,395 kDKK in 2015 as compared to 5,667 kDKK in 2014.

Group structure

The group structure remained unchanged in 2015.

Development activities

The Group holds dominant global positions within its core activities. With a view to maintaining and strengthening this position, the Group regularly invests in the development of new products. In 2015, the Group capitalized research and development projects amounting to 4,3 mDKK.

Financial risks

Due to its international structure and presence, the group's results are affected by exchange rate movements in a number of currencies, primarily EUR, USD, GBP and JPY.

At the end of the financial year, the Group had no open forward exchange contracts.

The group does not engage in speculative foreign exchange positions.

External environment

Dantec Dynamics effect on the external environment is quite limited, as production is not energy intensive, and hazardous chemicals are not used in production. Still the group continuously works to reduce its effects on the external environment.

Knowledge resources

Dantec Dynamics generates the greater part of its earnings from high-tech niche products involving a high degree of self-development and application knowledge. The Group continues to offer competitive measurement systems that address its customers needs. A strength of the Group is its ability to maintain, and if necessary, recruit employees with strong skills in development, production, selling and industry applications. In addition, the Group maintains and promotes collaboration with well-respected strategic research partners to expand its ability to develop and deliver products to meet the needs of its customers.

The Group allocates time and resources for the maintenance and improvement of employee skills and frequently monitors to ensure that the allocated resources are applied as intended.

Post balance sheet events

No events have occurred after the financial year-end which could significantly affect the Group's financial position.

Outlook for 2016

The demand for Dantec Dynamics' scientific measurement systems is expected to increase as such systems are a key component in research projects yielding environmentally friendly energy generation and reduction of energy consumption. Based on market trends, the Group expects to continue to invest in the development of new products and applications, grow revenue and achieve positive operating results in 2016.

Accounting policies

The Annual Report of Dantec Dynamics A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act as regards medium-sized reporting class C enterprises.

The accounting policies are consistent with those of last year.

Consolidation

The consolidated financial statements comprise the parent, Dantec Dynamics A/S, and enterprises in which the parent - directly or indirectly - holds more than 50% of the voting rights or otherwise has a controlling interest.

The financial statements of the subsidiaries are prepared in accordance with the accounting policies applied by the parent. The consolidated financial statements are prepared on the basis of the financial statements of the parent and the subsidiaries by aggregating items of a similar nature and by subsequently eliminating intra-group revenue, interest, dividends, shareholdings and balances and by reversing unrealised consolidated gross margin.

In connection with the acquisition of subsidiaries, the difference between the cost and the net book value of the acquired enterprise is calculated at the time of acquisition. The net asset value implies a fair value adjustment of the acquired assets and liabilities at the time of acquisition and that a provision for expenses related to adopted and published restructurings in the acquired enterprise is in connection with the acquisition.

When subsidiaries are sold, gains or losses are made up as the difference between the market value and the divested company's net asset value using the Group's accounting policies. Provisions for sales expenses are deducted from the market value.

Divested enterprises are included in the income statement in the consolidated financial statements until the time of sale. Comparative figures are not restated for divested enterprises.

The results of subsidiaries after tax are recognised in the income statement of the parent after eliminating unrealised intercompany gains and losses.

Foreign subsidiaries

As for unrelated foreign subsidiaries, items in the income statement are translated into Danish kroner at average exchange rates that do not deviate significantly from the rate at the date of the transaction.

Balance sheet items are translated at closing rates. Any significant exchange differences resulting from the translation of the opening equity and the exchange adjustments resulting from translation of items in the income statement at closing rates are taken directly to equity.

Items in the income statement of foreign related entities are also translated into Danish kroner at average exchange rates that do not deviate significantly from the rate at the date of the transaction. Current assets and short-term liabilities in foreign currency are translated at closing rates, while fixed assets and long-term liabilities are recognised at historic rates. All exchange adjustments are recognised in the income statement.

Currency translation

Transactions denominated in foreign currencies are translated into monthly standard rates that do not deviate significantly from the exchange rate at the date of the transaction. Exchange differences between the monthly standard rates and the exchange rate at the date of payment are recognised in the income statement.

Receivables, payables and other monetary items denominated in foreign currency are translated into Danish kroner at closing rates. All exchange adjustments are recognised in the income statement as financial income/expenses.

Accounting policies (continued)

Income statement

Revenue

Income is recognised in revenue at the time of delivery of goods and services. VAT, indirect taxes and discounts are excluded from revenue.

Other operating income

Other operating income comprises income that does not relate to the main course of business, e.g. fee from subsidiaries for management services and gains on sale of fixed assets.

Raw materials and consumables

Expenses relating to raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include expenses related to premises, sale, distribution and administration. Furthermore, research and development costs that do not meet the criteria for capitalisation are expensed.

Tax for the year

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments, with exception of tax which concerns changes in equity that are taken directly to equity.

Current tax includes the estimated tax charge for the year, measured by reference to the year's expected taxable income and prior-year adjustments.

Balance sheet

Intangible assets

Goodwill, development projects, patents and licenses are measured at the lower of cost less accumulated amortisation and the recoverable amount. Development costs include expenses, wages and salaries and amortisation directly and indirectly relating to the Company's development activities. No scrap values are used.

Development projects which are clearly defined and identifiable, which have a potential future market value, and where the intention is to produce and market the products, are recognised as intangible assets.

Any development project subsidies are set off as hours are spent and expenses are incurred on the projects.

Amortisation is provided using the straight-line method over the expected economic life, which is usually five years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment charges. No scrap values are used.

Property, plant and equipment are depreciated on a straight-line basis over the expected economic life of the individual assets. The following depreciation periods are used:

Plant 5 years
Furniture and cars, etc. 5 years
IT equipment 3-5 years

Leasehold improvements are depreciated over the expected remaining lease period, however maximum 10 years.

Gains and losses on the sale of property, plant and equipment are recognised in the income statement under Other operating income/other operating expenses.

Investments

In the parent financial statements, investments in subsidiaries are recognised according to the equity method, i.e. at the such enterprises' net asset value less minority interests.

Subsidiaries whose net asset value is negative are recognised at DKK 0, and any receivables are written down by the parent's share of the negative equity value to the extent that it is considered irrecoverable. Provided that the net asset value exceeds the receivable, the excess is stated under 'Provisions'.

Inventories

Inventories are measured at the lower of cost, measured by reference to the FIFO method, or net realisable value.

Raw materials and consumables are measured at cost, which includes the cost of acquisition plus costs of delivery. Contract work in progress and finished goods include cost for raw materials, consumables, direct labour costs and production overheads. Production overheads include indirect material and labour costs as well as maintenance of and depreciations on machinery, properties and equipment used in the production process as well as administrative expenses and management fees.

Accounting policies (continued)

Receivables

Trade receivables are measured at amortised cost less write-downs for bad debts. Write-downs for bad debts are calculated on the basis of an individual assessment of each individual receivable.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent reporting years.

Prepayments recognised as a liability comprises payments received concerning income in subsequent reporting years.

Treasury shares

Cost and considerations as well as dividend for treasury shares are recognised directly in retained earnings under equity. Consequently, gains and losses on sales are not recognised in the income statement.

Capital reduction by way of a cancellation of treasury shares reduces the share capital by an amount corresponding to the nominal value of the shares.

Income taxes and deferred tax

Current tax payable is recognised under 'Short-term liabilities' and deferred tax is recognised under 'Provisions'. Tax receivable and deferred tax assets are recognised under 'Current assets'.

Deferred tax is provided using the balance sheet liability methods of all temporary differences between carrying amounts and tax values, with the exception of temporary differences concerning investments in subsidiaries provided that the assets are not expected to be disposed of within a short period of time as well as non-tax-deductible goodwill.

Deferred tax assets, including the tax base of losses, are measured at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred tax liabilities within the same legal entity.

Deferred tax is recognised using the tax rates and tax rules applicable in the countries concerned.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 24,5 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Provisions

Provisions are recognised when, at the balance sheet date, the Group has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions expected to be settled after more than one year after the balance sheet date are made up at the net present value of the expected payments. The provisions are made up in all material respects using actuarial calculation methods.

Warranty commitments include expenses for remedial action within a warranty period of one year. Provisions are measured and recognised using experience from guarantee work.

Financial liabilities

Long-term financial liabilities are measured at amortised cost, which essentially corresponds to the nominal value.

Cash flow statement

The cash flow statement for the Group is presented using the indirect method and shows the Group's net cash flows, broken down by operating, investing and financing activities, respectively, and the year's changes in cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are made up as the Group's profit or loss before net financials, adjusted for non-cash operating items, changes in working capital, paid financial and extraordinary expenses and paid income taxes.

Cash flows from investing activities comprise payments related to additions and disposals of fixed assets, enterprises and activities.

Cash flows from financing activities comprise borrowings and repayments of interest-bearing debt.

Cash and cash equivalents comprise cash and short-term securities in respect of which the risk of changes in value is insignificant, as well as short-term operating credits with credit institutions.

Income statement for the year ended 31 December

tDKK

Parent Company			Group	
2015	2014	Notes	2015	2014
133,169	111,130		207,788	190,847
		Revenue		
837	(808)		378	(1,494)
		Change in stock of finished goods and work in progress		
11,721	11,487		-	-
		Other operating income		
145,728	121,809		208,166	189,354
		Total income		
70,370	59,216		89,569	81,358
		Raw materials and consumables		
22,685	21,712		34,663	31,955
		Other external expenses		
52,672	40,881		83,934	76,041
		Gross margin		
31,264	28,525	1	63,733	57,698
		Staff costs		
5,036	4,228	2	8,046	6,939
		Amortisation/depreciation and write-downs of intangible assets and property, plant and equipment		
16,373	8,128		12,155	11,404
		Operating profit/loss		
(2,955)	(395)	3	-	-
		Income/(loss) from investments in group enterprises,		
1,179	872	4	2,773	87
		Financial income		
1,207	2,953	5	1,533	5,823
		Financial expenses		
13,389	5,652		13,395	5,667
		Profit/loss from ordinary activities before tax		
3,821	992	6	3,827	1,006
		Tax on ordinary result		
9,568	4,661		9,568	4,661
		Net profit/loss for the year		
		Proposed appropriation of profit/loss		
-	-		-	-
		Proposed dividend		
-	-		-	-
		Equity method transfer to net revaluation reserve		
9,568	4,661			
		Retained earnings		
9,568	4,661			

Balance sheet at 31 December

tDKK

Parent Company		Assets		Group	
2015	2014	Notes		2015	2014
19.559	6.740		Completed development projects	20.500	8.205
533	12.121		Development projects in progress	533	12.121
512	338		Acquired rights	617	443
20.604	19.200	7	Intangible assets	21.651	20.769
1.560	1.924		Plant and machinery	1.560	1.924
1.447	2.539		Other fixtures and fittings, tools and equipment	5.428	7.201
92	128		Leasehold improvements	92	128
3.100	4.591	8	Property, plant and equipment	7.080	9.253
17.554	19.553	9	Investments in group enterprises	-	-
533	539	10	Other receivables	901	837
18.087	20.091		Investments	901	837
41.791	43.882		Total fixed assets	29.633	30.860
12.066	12.353		Raw material and consumables	13.521	13.124
1.658	943		Production in progress	2.567	1.319
7.625	7.502		Manufactured goods and goods for resale	10.801	11.671
21.349	20.799		Inventories	26.889	26.114
10.562	8.737		Trade receivables	50.849	42.423
30.033	23.611		Receivables from group enterprises	-	-
-	535		Prepaid company tax	-	535
507	457	11	Other receivables	1.434	1.149
-	-	12	Deferred tax asset	-	9
949	1.771	13	Prepayments	1.620	2.200
42.050	35.112		Receivables	53.902	46.316
2	1		Cash	18.454	22.421
63.401	55.912		Total current assets	99.245	94.851
105.192	99.794		Total assets	128.878	125.711

Balance sheet at 31 December

tdKK

Parent Company		Equity and liabilities		Group	
2015	2014	Notes		2015	2014
22,721	22,721		Share capital	22,721	22,721
26,271	17,119		Retained earnings	26,271	17,119
48,992	39,840	14	Total shareholders' equity	48,992	39,840
-	-		Provisions for pensions and similar liabilities	7,937	10,753
4,177	3,653	15	Other provisions	4,475	3,988
4,177	3,653		Provisions	12,413	14,741
13,952	12,202		Long term loan to group enterprises	13,952	12,202
-	-		Other long term liabilities	61	70
13,952	12,202	16	Long-term liabilities	14,013	12,271
2,296	17,369		Debt to Credit Institutions	2,296	17,369
1,988	1,558		Prepayments received from customers	4,150	3,818
13,692	11,401		Trade payables	16,787	13,762
5,462	3,312		Payables to group enterprises	5,462	3,312
2,858	-	17	Income tax	2,862	4
8,612	7,550	18	Other payables	18,741	17,685
3,163	2,909	19	Deferred income	3,163	2,909
38,071	44,099		Short-term liabilities	53,460	58,858
52,023	56,301		Total liabilities other than provisions	67,473	71,130
105,192	99,794		Total equity and liabilities	128,878	125,711

20 Security for loans and contingent liabilities

23 Ownership structure and transactions with related parties

Cash flow statement

tDKK

		Group	
Notes	2015	2014	
	Operating income of ordinary activities	12,155	11,404
21	Adjustments	5,270	9,357
22	Changes in working capital	(4,126)	6,176
	Net interest and similar payments received and made	1,240	(5,736)
	Income tax paid	(507)	(15)
Cash flows from operating activities before net financials		14,033	21,185
	Additions of intangible assets	(4,280)	(8,321)
	Additions of property, plant and equipment	(3,008)	(7,611)
	Additions of investments	(64)	-
	Disposals of property, plant and equipment	533	458
	Disposals of investments		51
Cash flows from investing activities		(6,819)	(15,423)
	Capital increase paid in cash	-	-
	Borrowings of long term debt	(8)	70
	Borrowings from group enterprises	3,901	(301)
	Repayment of debt to credit institutions	-	-
	Dividend paid	-	-
Cash flows from financing activities		3,892	(231)
Changes in cash and cash equivalents		11,106	5,531
	Cash and cash equivalents at 1/1	5,052	(479)
Cash and cash equivalents at 31/12		16,158	5,052
Cash and cash equivalents at 31/12 include:			
	Cash	18,454	22,421
	Credit institutions, operating cash flow	(2,296)	(17,369)
		16,158	5,052

Statement of changes in equity

tDKK

Group	Share capital	Retained earnings/ Accumulated loss	Proposed dividend for the year	Total
Shareholders' equity at 1/1 2014	22.721	12.278		34.999
Change in accounting policies		-		-
Exchange valuation of opening balance sheet and other adjustments in subsidiaries		180		180
Net profit/loss for the year		4.661	-	4.661
Shareholders' equity at 31/12 2014	22.721	17.119	-	39.840
Shareholders' equity at 1/1 2015	22.721	17.119		39.840
Exchange valuation of opening balance sheet and other adjustments in subsidiaries		(416)		(416)
Net profit/loss for the year		9.568		9.568
Shareholders' equity at 31/12 2015	22.721	26.271	-	48.992

Parent	Share capital	Reserve according to the equity method	Retained earnings/ Accumulated loss	Proposed dividend for the year	Total
Shareholders' equity at 1/1 2014	22.721	-	12.278		34.999
Change in accounting policies			-		-
Exchange valuation of opening balance sheet and other adjustments in subsidiaries			180		180
Net profit/loss for the year		-	4.661	-	4.661
Shareholders' equity at 31/12 2014	22.721	-	17.119	-	39.840
Shareholders' equity at 1/1 2015	22.721		17.119		39.840
Exchange valuation of opening balance sheet and other adjustments in subsidiaries			(416)		(416)
Net profit/loss for the year			9.568		9.568
Shareholders' equity at 31/12 2015	22.721	-	26.271	-	48.992

Parent Company			Group	
2015	2014	Notes	2015	2014
		1		
		Staff costs		
29.409	26.715	Wages and salaries	56.306	50.716
1.319	1.253	Pension contribution	1.820	1.679
536	557	Other social security costs etc.	5.607	5.304
31.264	28.525	Total staff costs	63.733	57.698
928	598	Total salaries and fees paid to members of the Executive and Supervisory Boards	928	598
56	54	Average number of employees	114	109
		2		
		Amortisation/depreciation and write-downs of intangible assets and property, plant and equipment		
2.683	2.517	Completed development projects	3.299	3.389
52	90	Acquired rights	99	127
-	-	Goodwill	-	-
499	416	Plant and machinery	499	416
1.766	1.200	Other fixtures and fittings, tools and equipment	4.113	3.002
35	5	Leasehold improvements	35	5
-	-	Profit/(loss) on disposal of intangible assets	-	-
5.036	4.228	Total amortisations/depreciations	8.046	6.939

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Notes

7 Intangible assets

Group

	Completed development projects	Development projects in progress	Acquired rights	Goodwill	Total
Cost at 1/1 2015	29.459	12.121	1.797	1.198	44.576
Exchange adjustments 1/1 and other adjustments	1		(2)		(1)
Additions in the year	15.592	533	277		16.402
Disposals in the year		12.121	10		12.131
Cost at 31/12 2015	45.052	533	2.062	1.198	48.846
Amortisation and write-downs at 1/1 2015	21.254	-	1.354	1.198	23.806
Exchange adjustments 1/1 and other adjustments	(1)		2		1
Amortisation in the year	3.299		99		3.398
Reversed amortisations, disposals			10		10
Amortisation and write-downs at 31/12 2015	24.552	-	1.446	1.198	27.196
Carrying amount at 31/12 2015	20.500	533	617	-	21.651

Parent

	Completed development projects	Development projects in progress	Acquired rights	Goodwill	Total
Cost at 1/1 2015	22.713	12.121	1.659	219	36.712
Additions in the year	15.502	533	226	-	16.260
Disposals in the year	-	12.121	-	-	12.121
Cost at 31/12 2015	38.215	533	1.885	219	40.853
Amortisation and write-downs at 1/1 2015	15.973	-	1.321	219	17.513
Amortisation and write-downs in the year	2.683		52	-	2.735
Reversed amortisations, disposals	-		-	-	-
Amortisation and write-downs at 31/12 2015	18.656	-	1.373	219	20.249
Carrying amount at 31/12 2015	19.559	533	512	-	20.604

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Notes

8 Property, plant and equipment

Group

	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1/1 2015	5,956	26,030	3,153	35,139
Exchange adjustments at 1/1 and other adjustments		396		396
Additions in the year	135	2,682	-	2,817
Disposals in the year	-	1,174	-	1,174
Cost at 31/12 2015	6,091	27,934	3,153	37,177
Amortisation and write-downs at 1/1 2015	4,032	18,829	3,025	25,886
Exchange adjustments 1/1 and other adjustments	-	205		205
Amortisation in the year	499	4,113	35	4,647
Reversed amortisations, disposals	-	641	-	641
Amortisation and write-downs at 31/12 2015	4,531	22,508	3,060	30,097
Carrying amount at 31/12 2015	1,560	5,428	92	7,080

Parent

	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1/1 2015	5,956	12,984	2,666	21,606
Additions in the year	135	1,024	-	1,159
Disposals in the year	-	765	-	765
Cost at 31/12 2015	6,091	13,243	2,666	21,999
Amortisation and write-downs at 1/1 2015	4,032	10,445	2,537	17,014
Amortisation in the year	499	1,766	35	2,301
Reversed amortisations, disposals	-	416	-	416
Amortisation and write-downs at 31/12 2015	4,531	11,796	2,573	18,900
Carrying amount at 31/12 2015	1,560	1,447	92	3,100

		Parent Company	
Notes		2015	2014
9	Investments in group enterprises		
	Cost at 1/1 2015	38,462	38,462
	Additions in the year	9,142	-
	Disposals in the year	-	-
	Cost at 31/12 2015	47,604	38,462
	Value adjustments at 1/1 2015	(44,253)	(44,038)
	Change in accounting policies	-	-
	Reversed value adjustments for disposed investments	-	-
	Exchange valuation of opening balance sheet and other adjustments in subsidiaries	(416)	180
	Profit shares of the year	(2,332)	(1,330)
	Changes in internal profit	(623)	935
	Value adjustments at 31/12 2015	(47,624)	(44,253)
	Investments with negative net asset value written down on receivables	17,574	25,343
	Investments with negative value	17,574	25,343
	Total Investments in group enterprises	17,554	19,553

The Company's shares in group enterprises are:

Name	Country	City	Proportion held	Share capital
Dantec Dynamics, Inc.	USA	Holtsville, NY	100,00%	300,000 USD
Dantec Dynamics Ltd.	England	Bristol	100,00%	150,000 GBP
Dantec Dynamics GmbH	Germany	Ulm	100,00%	151,000 EUR
Dantec Dynamics S.A.S.	France	Nozay	100,00%	300,000 EUR
Dantec Dynamics K.K.	Japan	Tokyo	100,00%	10,000,000 JPY

Parent Company			Group	
2015	2014	Notes	2015	2014
		10		
		Other Receivables		
		<i>Deposits:</i>		
539	536	Cost at 1/1 2015	837	889
	3	Additions in the year	70	25
6	-	Disposals in the year	6	77
533	539	Carrying amount at 31/12 2015	901	837

Parent Company			Group	
2015	2014	Notes	2015	2014
		11 Other receivables		
312	281	VAT and other duties	312	281
195	177	Other receivables	1,122	868
507	457	Total other receivables	1,434	1,149
		12 Deferred tax asset		
-	-	Deferred tax at 1/1	9	8
-	-	Deferred tax adjustment at 1/1	(9)	-
-	-	Change in the year	-	1
-	-	Deferred tax asset at 31/12	-	9
-	-	<i>Deferred tax asset includes:</i>		
-	-	Property, plant and equipment	-	9
-	-	Deferred tax asset 31/12	-	9
-	-	<i>Hereof allocated on companies:</i>		
-	-	Dantec Dynamics Inc., USA	-	9
-	-	Deferred tax asset at 31/12	-	9
		13 Prepayments		
		Prepayments represent prepaid expenses on subscriptions and housing costs.		

Parent Company			Group	
2015	2014	Notes	2015	2014
		14		
		Equity		
		Equity		
		The share capital consists of 227,210 shares of DKK 100 nominal value or multiple hereof. The Company's shares are not divided into different classes. The share capital was increased in 2010 with 77,210 shares of DKK 100 paid in cash at face value.		
		Treasury shares:		
9.362	9.362	Number of shares at 1/1	9.362	9.362
-	-	Additions in the year	-	-
9.362	9.362	Number of shares at 31/12	9.362	9.362
936	936	Nominal value at 1/1	936	936
-	-	Additions in the year	-	-
936	936	Nominal value at 31/12	936	936
4,12%	4,12%	Percentage of share capital at 1/1	4,12%	4,12%
-	-	Dilution due to capital increase	-	-
4,12%	4,12%	Percentage of share capital at 31/12	4,12%	4,12%
		15		
		Other provisions		
206	279	Warranty provisions	504	614
		Deferred tax liability		
3.374	2.382	Deferred tax at 1/1	3.374	2.390
598	992	Change of deferred tax	598	984
3.971	3.374	Deferred tax liability 31/12	3.971	3.374
		Deferred tax liability includes:		
4.543	4.234	Intangible assets	4.543	4.234
(628)	(705)	Property, plant and equipment	(628)	(705)
57	(154)	Current assets	57	(154)
3.971	3.374	Deferred tax liability 31/12	3.971	3.374
		Hereof allocated on companies:		
3.971	3.374	Dantec Dynamics A/S, Danmark	3.971	3.374
3.971	3.374	Deferred tax liability 31/12	3.971	3.374
4.177	3.653	Total other provisions	4.475	3.988
		16		
		Long term debt		
13.952	12.202	Long term loan to group enterprises	13.952	12.202
-	-	Other long term liabilities falls due within 1 to 5 years	61	70
13.952	12.202	Total long term debt	14.013	12.271

Parent Company			Group	
2015	2014	Notes	2015	2014
		17	Income tax	
-	-		Income tax at 1/1	4
3.360	-		Current tax in the year	15
(503)	-		Settled tax	(503)
-	-		Settled by group enterprises	(4)
2.858	-		Income tax at 31/12	4
		18	Other payables	
-	-		VAT and other tax and duties	3.754
8.612	7.550		Other account liabilities	13.370
8.612	7.550		Total other payables	17.685
		19	Deferred Income	
			Prepayments represent payments received concerning income for services in subsequent reporting years.	
		20	Security for loans and contingent liabilities	
-	4.294		Repayment liabilities to the Ministry of Science, Technology and Development	4.294
538	531		Rent commitments, Skovlunde	531
143	206		Other rent and lease commitments	2.536
1.182	1.334		Performance guarantees	1.439

An all-moneys mortgage of DKK 16 million has been given to Nordea Bank, where the underlying assets represent a carrying amount at 31 December 2015 of DKK 105,2 million.

Group		
Notes	2015	2014
21	Cash flow statement - adjustments	
Amortisation	8,046	6,939
Changes in provisions	(2,776)	2,418
Total adjustments	5,270	9,357
22	Cash flow statement - change in working capital	
Change in inventories	(775)	3,180
Change in receivables	(8,034)	837
Changes in trade payables and other payables etc.	4,683	2,159
Total change in working capital	(4,126)	6,176

23 Ownership structure and related party transactions**Ownership:****Interest**

Nova Instruments LLC, Woburn, Massachusetts, USA

100,00% of outstanding shares

Related parties:

Dantec Dynamics A/S' related parties with significant control include:

- the parent company
- remuneration for board and management of the enterprises, see note 1

Transactions:

In the year:

- consolidated company transactions were concluded
- ordinary remuneration to management and employees was paid
- services were purchased from affiliated companies

Beyond this, no transactions have been made with the supervisory and executive boards, employees, significant shareholders, group enterprises or other related parties