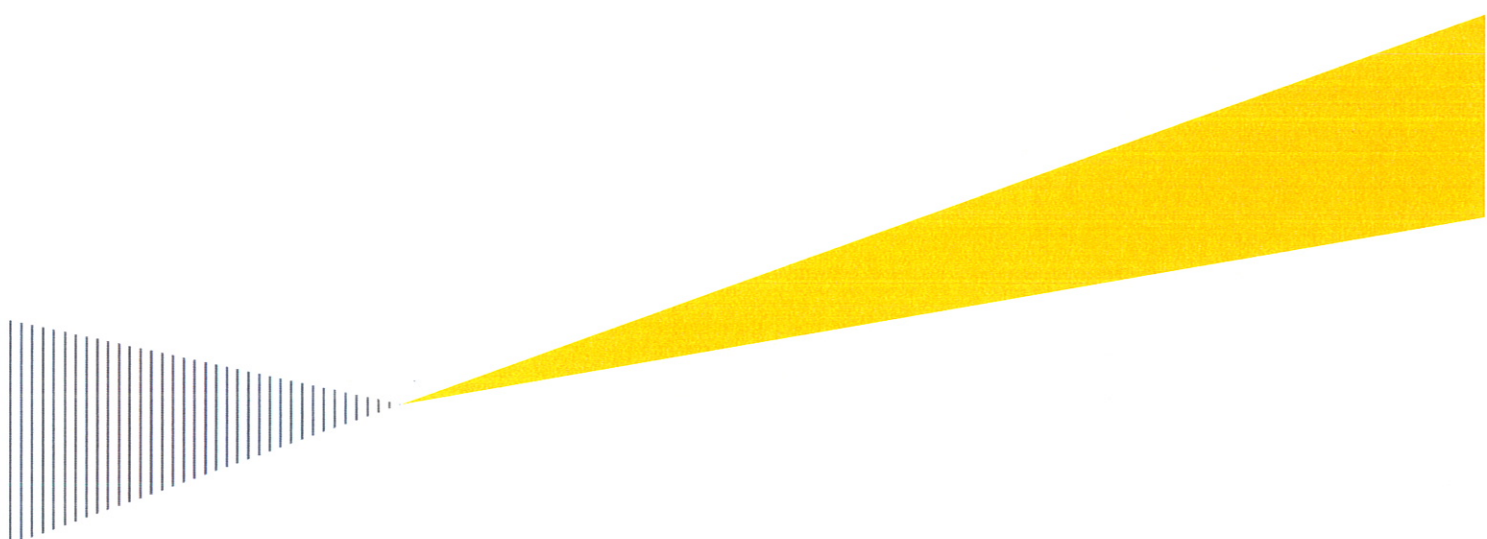


Dani-tech A/S

Bredholm 4, 6100 Haderslev

CVR no. 25 25 03 03



Annual report 2015

Approved at the annual general meeting of shareholders on *2016-04-11*

Chairman:

Anders Borch-Johnsen



Building a better
working world



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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Dani-tech A/S for the financial year 1 January - 31 December 2015.

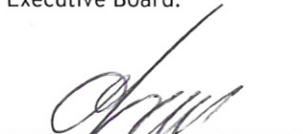
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2015.



Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend the adoption of the annual report at the annual general meeting.

Haderslev, 11/4 2016
Executive Board:


Arne Iversen

Board of Directors:


Carlo Bondioli
Chairman
Arne Iversen
Jacobus Petrus Klijn



Independent auditors' report

To the shareholders of Dani-tech A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Dani-tech A/S for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. 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. Further, Management is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 according to Danish audit regulations. 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 auditors' judgement, including an 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 Company's preparation of financial statements that give a true and fair view. The purpose is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by Management as well as the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations and cash flows for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Haderslev, 18 March 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28

Lars Mortensen
state authorised public accountant



Management's review

Company details

Name	Dani-tech A/S
Address, Postal code, City	Bredholm 4, 6100 Haderslev
CVR No.	25 25 03 03
Established	22 February 2000
Registered office	Haderslev
Financial year	1 January - 31 December
Website	www.dani-tech.com
E-mail	infodk@dani-tech.com
Telephone	+45 76 34 23 00
Telefax	+45 76 34 23 01
Board of Directors	Carlo Bondioli, Chairman Arne Iversen Jacobus Petrus Klijn
Executive Board	Arne Iversen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Jomfrustien 6, 6100 Haderslev, Denmark

Management's review

Financial highlights

DKKt	2015	2014	2013	2012	2011
Key figures					
Gross margin	49,491	46,251	51,301	46,122	45,274
Operating profit	20,261	17,755	24,628	19,427	20,448
Net financials	333	-261	-1,240	384	-3,705
Profit/loss for the year	15,740	13,262	17,647	14,818	12,541
Total assets					
Investment in property, plant and equipment	145	1,889	2,884	1,427	451
Equity	93,312	89,573	91,311	91,664	76,846
Financial ratios in %					
Return on assets	16.3 %	14.3 %	19.4 %	16.0 %	18.6 %
Solvency ratio	73.5 %	73.9 %	72.1 %	71.9 %	66.8 %
Return on equity	17.2 %	14.7 %	19.3 %	17.6 %	17.9 %
Average number of employees	53	53	49	48	48

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

Management's review

Operating review

The Company's business review

The Company's activity comprises sale of technical components for agricultural and industrial purposes.

Financial review

The income statement for 2015 shows a profit of DKK 15,739,617 against a profit of DKK 13,262,236 last year, and the balance sheet at 31 December 2015 shows equity of DKK 93,312,449.

Year 2015 started very good expecting a general growth in the market, and sale also increased in the first half of 2015.

However, sales were made based on market expectations, and thereby customers had built up stocks. As the market did not develop as expected, stocks were rapidly reduced over the last half of 2015, which in the end was then almost identical with the year before which showed the same tendency.

Based on a market characterized by low growth, and considering the global market outlook, which poses a challenge to Danish export, we consider the profit for the year satisfactory.

Knowledge resources

The staff's thorough knowledge of product properties and product application and prices is of crucial importance to the Company's position in the market and to future earnings.

Special risks

The Company is not exposed to any particular business or financial risks other than those which are normal within the line of business.

Impact on the external environment

Only the heating of the Company's premises and the transportation of goods, etc have an impact on the external environment.

Foreign branches

Dani-tech A/S has a sales branch in Sweden.

Post balance sheet events

No significant events have occurred subsequent to the financial year.

Outlook

We expect 2016 to be in line with 2015. We will still focus on new projects and new customers.

Financial statements for the period 1 January - 31 December

Income statement

Notes	DKK	2015	2014
	Gross profit	49,490,636	46,251,220
2	Staff costs	-26,873,874	-26,739,281
	Amortisation/depreciation and impairment of property, plant and equipment	-2,355,542	-1,756,631
	Operating profit	20,261,220	17,755,308
	Financial income	1,017,963	639,755
	Financial expenses	-684,782	-900,298
	Profit before tax	20,594,401	17,494,765
3	Tax for the year	-4,854,784	-4,232,529
	Profit for the year	<u>15,739,617</u>	<u>13,262,236</u>
	Proposed profit appropriation		
	Proposed dividend recognised under equity	14,000,000	12,000,000
	Retained earnings	1,739,617	1,262,236
		<u>15,739,617</u>	<u>13,262,236</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	<u>2015</u>	<u>2014</u>
	ASSETS		
	Non-current assets		
4	Property, plant and equipment		
	Land and buildings	39,150,314	40,523,881
	Other fixtures and fittings, tools and equipment	2,352,088	3,189,097
		<u>41,502,402</u>	<u>43,712,978</u>
	Total non-current assets	<u>41,502,402</u>	<u>43,712,978</u>
	Current assets		
	Inventories		
	Finished goods and goods for resale	36,051,793	37,426,387
		<u>36,051,793</u>	<u>37,426,387</u>
	Receivables		
	Trade receivables	18,506,062	18,104,647
	Income taxes receivable	320,721	1,368,976
	Other receivables	383,174	73,641
5	Prepayments	466,470	754,479
		<u>19,676,427</u>	<u>20,301,743</u>
	Securities and investments		
	Other securities and investments	10,240	40,911
		<u>10,240</u>	<u>40,911</u>
	Cash	29,720,423	19,807,549
	Total current assets	<u>85,458,883</u>	<u>77,576,590</u>
	TOTAL ASSETS	<u>126,961,285</u>	<u>121,289,568</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	2015	2014
EQUITY AND LIABILITIES			
Equity			
6	Share capital	5,000,000	5,000,000
	Retained earnings	74,312,449	72,572,832
	Dividend proposed for the year	14,000,000	12,000,000
	Total equity	93,312,449	89,572,832
Provisions			
7	Deferred tax	1,118,000	1,136,578
	Total provisions	1,118,000	1,136,578
Liabilities other than provisions			
8	Non-current liabilities other than provisions		
	Mortgage debt	12,595,743	13,705,789
		12,595,743	13,705,789
Current liabilities other than provisions			
8	Current portion of long-term liabilities	1,095,285	1,074,784
	Bank debt	103,815	25,841
	Trade payables	12,450,412	9,636,151
	Other payables	6,285,581	6,137,593
		19,935,093	16,874,369
	Total liabilities other than provisions	32,530,836	30,580,158
	TOTAL EQUITY AND LIABILITIES	126,961,285	121,289,568

- 1 Accounting policies
- 9 Collateral
- 10 Contractual obligations and contingencies, etc.
- 11 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Dividend proposed for the year	Total
Equity at 1 January 2015	5,000,000	72,572,832	12,000,000	89,572,832
Profit/loss for the year	0	1,739,617	14,000,000	15,739,617
Dividend distributed	0	0	-12,000,000	-12,000,000
Equity at 31 December 2015	5,000,000	74,312,449	14,000,000	93,312,449

Financial statements for the period 1 January - 31 December

Cash flow statement

Notes	DKK	2015	2014
	Profit for the year	15,739,617	13,262,236
12	Adjustments	6,877,145	6,150,963
	Cash generated from operations (operating activities)	22,616,762	19,413,199
13	Changes in working capital	3,907,157	-876,802
	Cash generated from operations (operating activities)	26,523,919	18,536,397
	Interest received, etc.	1,017,963	639,755
	Interest paid, etc.	-684,782	-900,298
	Income taxes paid	-3,818,364	-4,684,497
	Cash flows from operating activities	23,038,736	13,591,357
	Additions of property, plant and equipment	-144,963	-1,889,144
	Disposals of property, plant and equipment	0	767,000
	Cash flows from investing activities	-144,963	-1,122,144
	Dividends paid	-12,000,000	-15,000,000
	Repayments, long-term liabilities	-1,089,545	-1,070,499
	Cash flows from financing activities	-13,089,545	-16,070,499
	Net cash flow	9,804,228	-3,601,286
	Cash and cash equivalents at 1 January	19,822,620	23,423,906
14	Cash and cash equivalents at 31 December	29,626,848	19,822,620

Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies

The annual report of Dani-tech A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards medium-sized reporting class C enterprises.

The accounting policies applied by the company are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner.

Currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign group entities

On recognition of foreign subsidiaries which are integral enterprises, monetary items are translated at closing rates. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies - continued

Other operating income

Other operating income comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation/depreciation and impairment of property, plant and equipment

The item comprises amortisation/depreciation and impairment of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Buildings	25-50 years
Other fixtures and fittings, tools and equipment	5 years

Land is not depreciated.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies - continued

Gains or losses are made up as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating costs.

Impairment of fixed assets

Property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there are indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct labour and direct production overheads. Indirect production overheads and borrowing costs are not included in the cost.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other costs directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Prepayments

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

Securities and investments

Securities and investments are measured at fair value. The fair value is made up at the market value at the balance sheet date if the securities are listed and at a value made up using generally recognised valuation principles if the securities are unlisted.

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies - continued

Equity

Proposed dividends

Dividends proposed for the financial year are presented as a separate item under 'Equity'.

Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the entity's net cash flows, broken down by operating, investing and financing activities, the year's changes in cash and cash equivalents and the entity's cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short-term bank loans and short-term marketable securities which are subject to an insignificant risk of changes in value.

Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies - continued

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Return on assets	$\frac{\text{Profit/loss from operating activities}}{\text{Average assets}} \times 100$
Solvency ratio	$\frac{\text{Equity at year end}}{\text{Total equity and liabilities at year end}} \times 100$
Return on equity	$\frac{\text{Profit/loss for the year after tax}}{\text{Average equity}} \times 100$

Financial statements for the period 1 January - 31 December

Notes

DKK	2015	2014
2 Staff costs		
Wages/salaries	22,831,527	22,526,745
Pensions	1,712,452	1,680,182
Other social security costs	347,274	371,617
Other staff costs	1,982,621	2,160,737
	<u>26,873,874</u>	<u>26,739,281</u>
Average number of full-time employees	<u>53</u>	<u>53</u>

By reference to section 98b(3)(ii) of the Danish Financial Statements Act, remuneration to management is not disclosed.

DKK	2015	2014
3 Tax for the year		
Estimated tax charge for the year	4,873,362	3,950,101
Deferred tax adjustments in the year	-18,578	282,428
	<u>4,854,784</u>	<u>4,232,529</u>

4 Property, plant and equipment

kr.	Land and buildings	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2015	46,469,289	13,366,091	59,835,380
Additions in the year	11,176	133,787	144,963
Cost at 31 December 2015	<u>46,480,465</u>	<u>13,499,878</u>	<u>59,980,343</u>
Impairment losses and depreciation at 1 January 2015	5,945,408	10,176,994	16,122,402
Impairment losses in the year	551,791	0	551,791
Amortisation/depreciation in the year	832,952	970,796	1,803,748
Impairment losses and depreciation at 31 December 2015	<u>7,330,151</u>	<u>11,147,790</u>	<u>18,477,941</u>
Carrying amount at 31 December 2015	<u>39,150,314</u>	<u>2,352,088</u>	<u>41,502,402</u>

5 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including software licenses, insurance policies and other prepayments.

Financial statements for the period 1 January - 31 December

Notes

DKK	<u>2015</u>	<u>2014</u>
6 Share capital		
The share capital consists of the following:		
5,000 shares of DKK 1,000.00 each	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>

The Company's share capital has remained DKK 5,000,000 over the past 5 years.

7 Deferred tax

Deferred tax is incumbent on property, plant and equipment, inventories, current asset investments, borrowing costs and prepayments.

8 Long-term liabilities

DKK	<u>Total debt at 31/12 2015</u>	<u>Repayment, next year</u>	<u>Long-term portion</u>	<u>Outstanding debt after 5 years</u>
Mortgage debt	13,691,028	1,095,285	12,595,743	8,214,603
	<u>13,691,028</u>	<u>1,095,285</u>	<u>12,595,743</u>	<u>8,214,603</u>

9 Collateral

Land and buildings with a carrying amount of DKK 34,841,394 at 31 December 2015 have been provided as collateral for loans with mortgage credit institutions of DKK 13,691,028.

10 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK	<u>2015</u>	<u>2014</u>
Rent and lease liabilities	194,046	520,000

11 Related parties

Dani-tech A/S' related parties comprise the following:

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Arne Iversen Holding ApS	Haderslev, Denmark
Danifin Holding ApS	Haderslev, Denmark

Financial statements for the period 1 January - 31 December

Notes

DKK	2015	2014
12 Adjustments		
Amortisation/depreciation and impairment losses	2,355,542	1,756,631
Gain/loss on the sale of fixed assets	0	-98,740
Financial income	-1,017,963	-639,755
Financial expenses	684,782	900,298
Tax for the year	4,873,362	3,950,101
Deferred tax	-18,578	282,428
	<u>6,877,145</u>	<u>6,150,963</u>
13 Changes in working capital		
Change in inventories	1,374,594	-1,140,276
Change in receivables	-422,939	3,058,389
Change in prepayments and trade and other payables	2,955,502	-2,794,915
	<u>3,907,157</u>	<u>-876,802</u>
14 Cash and cash equivalents at year end		
Cash and cash equivalents according to the balance sheet	29,720,423	19,807,549
Short-term debt to banks	-103,815	-25,841
Securities included as cash and cash equivalents	10,240	40,912
	<u>29,626,848</u>	<u>19,822,620</u>