

SystemTeknik A/S

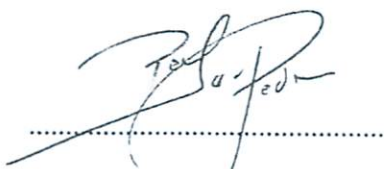
Assensvej 2, 9220 Aalborg Ø

CVR no. 25 29 90 94

Annual report 2015

16th financial year

Approved at the Company's annual general meeting on^{17/6} 2016
Chairman:



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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 SystemTeknik A/S for the financial year 1 January – 31 December 2015.

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

It is our opinion that 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 matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

14 Juni

Aalborg, 2016

Executive Board:

.....
Poul H. Sørensen

Board of Directors:

.....
Per Søndergaard Pedersen
Chairman

.....
Carl Ove Pedersen
Elected by the employees

.....
Poul H. Sørensen

.....
Casper Greve Madsen
Elected by the employees

.....
Henrik Pilgaard Andersen

INDEPENDENT AUDITORS' REPORT

To the shareholders of SystemTeknik A/S

Independent auditors' report on the financial statements

We have audited the financial statements of SystemTeknik A/S for the financial year 1 January – 31 December 2015, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management 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 under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 evaluating 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 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 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.

Aalborg, 14 June 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Hans B. Vistisen
State Authorised
Public Accountant



Rikke Bitsch
State Authorised
Public Accountant

COMPANY DETAILS

SystemTeknik A/S
Assensvej 2
DK-9220 Aalborg Ø

CVR no.: 25 29 90 94
Established: 1 April 2000
Registered office: Aalborg
Financial year: 1 January – 31 December

Website: www.systemteknik.dk
E-mail: info@systemteknik.dk
Telephone: +45 96 31 73 33
Fax: +45 96 31 73 30

Board of Directors:

Per Søndergaard Pedersen, Chairman
Poul H. Sørensen
Henrik Pilgaard Andersen
Casper Greve Madsen, elected by the employees
Carl Ove Pedersen, elected by the employees

Executive Board:

Poul H. Sørensen

Auditors:

Ernst & Young
Godkendt Revisionspartnerselskab
Vestre Havnepromenade 1A
9000 Aalborg

Bankers:

Nordea Bank Danmark, Aalborg branch

FINANCIAL HIGHLIGHTS

5-year summary:

	2015	2014	2013	2012	2011
Key figures (in DKK thousands)					
Operating profit or loss	-6,477	8,566	-11,544	-208	1,321
Net financials	-270	-68	-614	-545	-538
Profit or loss for the year	-4,721	7,139	-10,031	-679	485
Net cash flows from operating, investing and financing activities	-3,822	8,004	-2,044	-3,290	2,605
Equity at year-end	1,879	6,664	-5,679	4,458	5,134
Total assets	25,907	25,917	25,598	28,529	31,060
Investments in the year	107	225	6	86	61
Number of employees	38	36	44	46	53
Financial ratios					
Return on assets	-25.0%	33.1%	-45.1%	-0.7%	4.3%
Return on equity	-	18.8%	-	-16.1%	20.6 %
Equity ratio	7.3%	25.7%	-	15.6%	16.5 %
Equity ratio including subordinate loan capital	22.5%	40.6%	7,7%	33.2%	32.2 %

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015", except for the equity ratio including subordinate loan capital. For terms and definitions, please see the accounting policies.

MANAGEMENT'S REVIEW

Principal activities of the Company

SystemTeknik A/S' principal activities are construction, production and sales of control panels, power distribution panels and sales of related software and services.

Company's customers are international and local Danish businesses in the maritime, industrial and building & construction sectors as well as utilities and companies operating in the energy sector (wind, oil and gas).

SystemTeknik has been present in the market for more than 60 years and is widely recognized as a competent and reliable supplier of quality products and services. Production takes place at three plants in Denmark, Poland and China, respectively. Sales are coordinated by the headquarters in Denmark through sales offices in China.

The Company underwent significant ownership and management changes in 2015. In this connection, a revised strategy plan has been drawn up, focusing on growth through improved competitiveness and intensified customer focus.

Development in activities and financial matters

The Company's income statement for the year ended 31 December 2015 shows a loss of DKK 4.7 million after tax.

Three essential elements causing this development:

- Lack of revenue, especially from oil / gas market.
- Reorganization of production from Denmark to Poland.
- Recurring costs for the settlement of subsidiaries and projects.

Management considers the profit for the year unsatisfactory.

Development in financial matters

The Company's balance sheet at 31 December 2015 shows equity of DKK 1.9 million. The Company's share capital amounts to DKK 5.5 million.

Including subordinate loan capital, the Company's equity amounts to DKK 5.8 million.

Risks

The Company's main operating risk is the highly competitive market. The Company is not exposed to any significant currency risks.

The Company's debt comprises floating-rate loans with interest rates adjusted on a quarterly basis. The Company does not engage in speculative interest rate or foreign exchange transactions.

The Company is not exposed to any significant environmental risks.

Post balance sheet events

In Management's opinion, no events have occurred after the financial year-end which could significantly affect the Company's financial position.

Outlook

It is expected, that the company through increased competitiveness, through focus and through establishment of a larger and more effective production setup in Poland will increase revenue in 2016 significantly.

Positive operating result is predicted for the year.

In 2016 the company has new ownership structure with JN-PKN ApS, and related to this received fresh equity capital totaling MDKK 0.6.

In addition, both new and existing shareholders contributed new subordinate loans, totaling MDKK 2.4.

These transactions recognized, the equity including subordinated loans amount to MDKK 8.8, corresponding to an equity ratio of 34%.

ACCOUNTING POLICIES

The annual report of SystemTeknik A/S for 2015 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

As an additional choice to the provisions applying to reporting class B enterprises, the financial statements have been supplemented with cash flow statements and recognition of indirect production costs.

The presentation of the company's cooperation with another partner abroad has been changed to be recognized in one line. The comparative figures have been adjusted accordingly.

In accordance with section 110(1) of the Danish Financial Statements Act, consolidated financial statements have not been prepared.

A part from the above described change in presentation the accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign 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 recognized 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 recognized in the latest financial statements is recognized in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currencies are measured at the exchange rate at the transactions date.

Income statement

Revenue

Income from the sale of goods held for sale and finished goods is recognized 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.

Income from the rendering of services is recognized as revenue with reference to the stage of completion.

Income from construction contracts for customized switchboards is recognized as revenue as the production is carried out, meaning that the revenue corresponds to the selling price of contracts completed in the year (the percentage of completion method). When the outcome of a construction contract cannot be estimated reliably, revenue is recognized at the costs incurred to the extent that they are likely to be recovered.

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

Other external costs

Other external costs comprise costs for distribution, sale, advertising, administration, premises, bad debt losses, operating leases, etc.

Gross margin

The items revenue to and including other external expenses are consolidated into one item designated gross margin in accordance with section 32 of the Danish Financial Statements Act.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees. Refunds received from public authorities are deducted from staff costs.

Depreciation and impairment losses

The item includes depreciation and impairment losses on property, plant and equipment. Depreciation is provided based on current assessments of asset depreciation profiles, useful lives and residual values. Items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful life of each individual asset. Depreciation periods, which are determined on the basis of cost less any residual values, are as follows:

	Depreciation <u>period</u>
Plant and machinery	5-10 years
Fixtures and fittings, tools and equipment	3-10 years

Tangible assets are written down to the extent that the carrying amount exceeds the higher of the value in use and the net selling price. Such assessment is made for individual assets or, if that is not possible, for the smallest group of assets for which a value in use can be determined.

Profit or loss from investments in group entities

The proportionate share of the profit or loss after tax of each individual subsidiary is recognized in the income statement after proportionate elimination of intra-group profits/losses and less amortization of goodwill.

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies, as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognized in the income statement, and the tax expense relating to amounts directly recognized in equity is recognized directly in equity. The tax expense recognized in the income statement relating to the extraordinary profit/loss for the year is allocated to this item whereas the remaining tax expense is allocated to the profit/loss for the year from ordinary activities.

The Company is taxed on a joint basis with the parent company. The Danish corporation tax charge is allocated between profit-making and loss-making entities in proportion to their taxable income (full allocation method with reimbursement for tax losses). The jointly taxed entities are taxed under the tax prepayment scheme.

Balance sheet**Property, plant and equipment**

Property plant and equipment include plant and machinery and Fixtures and fittings, tools and equipment. Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Investments

Investments in subsidiaries are measured according to the equity method.

Investments are measured at the Company's proportionate share of the subsidiary's net asset value, calculated in accordance with the parent company's accounting policies, less or plus unrealized intra-group gains and losses.

Subsidiaries with a negative net asset value are measured at DKK 0, and any receivables from such entities are written down by the parent company's share of the negative net asset value to the extent that it is considered irrecoverable.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds the cost.

Other receivables recognized under investments relate to long-term receivables and are measured based on an individual assessment.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

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

Where the net realizable value is lower than cost, inventories are written down to this lower value.

The net realizable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Construction contracts

Construction contracts are measured at the selling price of the work performed less invoicing on account and anticipated losses, provided that the contract satisfies the relevant criteria, including a high degree of customization.

The selling price is measured according to the stage of completion at the balance sheet date and the estimated aggregate income from each contract. The stage of completion is determined on the basis of an assessment of the work performed and is usually calculated based on costs incurred relative to the estimated total contract costs.

Other construction contracts are measured at manufacturing cost, which includes cost of materials and direct payroll costs plus production overheads.

As soon as it becomes probable that the total contract costs relating to a construction contract will exceed the total contract revenue, the anticipated loss on the contract is recognized as an expense and a provision.

Where the value of the work performed on a construction contract exceeds invoicing on account and anticipated losses, the excess is recognized under receivables. If invoicing on account and anticipated losses exceed the selling price of a construction contract, the deficit is recognized under liabilities.

Receivables

Receivables are measured at amortized cost.

Write-down is made for bad debt losses when there is objective evidence that a receivable has been impaired. Write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Equity - dividends

Proposed dividends are recognized as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporate tax and deferred tax

Current tax payable and receivable is recognized 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. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at the expected value of their utilization; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realizable values.

Adjustment is made to deferred tax resulting from elimination of unrealized intra-group profits and losses.

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 crystallize as current tax. Changes in deferred tax due to changes in the tax rate are recognized in the income statement.

Liabilities

Financial liabilities comprising amounts owed to credit institutions, trade payables and payables to group enterprises are recognized at a net realizable value.

Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are presented using the indirect method and 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

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of activities and of non-current assets.

Cash flows from financing activities

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

Cash and cash equivalents comprise cash and short-term operating credit lines with a term of three months or less which are subject to an insignificant risk of changes in value.

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", except for the equity ratio including subordinate loan capital

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

Return on assets	$\frac{\text{Operating profit or loss} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Profit for the year before tax} \times 100}{\text{Average equity}}$
Equity ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Equity ratio including subordinate loan capital	$\frac{\text{Equity at year end including subordinate loan} \times 100}{\text{Total equity and liabilities at year end}}$

INCOME STATEMENT
1 JANUARY – 31 DECEMBER

	Note	2015 DKK'000	2014 DKK'000
Gross profit		18,819	31,420
Staff costs	1	<u>-25,142</u>	<u>-22,714</u>
		-6,323	8,706
Depreciation and impairment losses on property, plant and equipment	2	<u>-154</u>	<u>-140</u>
Operating profit or loss		-6,477	8,566
Share of profit or loss in group entities		621	761
Financial income	3	348	311
Financial expenses	4	<u>-618</u>	<u>-379</u>
Pre-tax profit or loss		-6,126	9,259
Tax on profit or loss for the year	5	<u>1,405</u>	<u>-2,120</u>
Profit or loss for the year		<u><u>-4,721</u></u>	<u><u>7,139</u></u>
Proposed profit appropriation/distribution of loss:			
Net revaluation under the equity method		109	0
Retained earnings/accumulated loss		<u>-4,830</u>	<u>7,139</u>
		<u><u>-4,721</u></u>	<u><u>7,139</u></u>

**BALANCE SHEET
at 31 DECEMBER**

	Note	31/12 2015 DKK'000	31/12 2014 DKK'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment			
Plant and machinery		171	458
Other fixtures and fittings, tools and equipment		<u>66</u>	<u>28</u>
Total property, plant and equipment	6	<u>237</u>	<u>486</u>
Investments			
Investments in group entities	7	700	425
Receivables from group entities		3,923	3,877
Deposits		<u>0</u>	<u>1,317</u>
Total investments		<u>4,623</u>	<u>5,619</u>
TOTAL NON-CURRENT ASSETS		<u>4,860</u>	<u>6,105</u>
CURRENT ASSETS			
Inventories			
Raw materials and consumables		<u>1,520</u>	<u>1,425</u>
Total inventories		<u>1,520</u>	<u>1,425</u>
Receivables			
Trade receivables		11,729	8,795
Contract work in progress	8	1,456	2,459
Receivables from group entities		366	677
Other receivables		4,210	3,530
Joint taxation receivable		0	89
Deferred tax asset		1,619	120
Prepayments	9	<u>143</u>	<u>143</u>
Total receivables		<u>19,523</u>	<u>15,813</u>
Cash at bank and in hand		<u>4</u>	<u>1,016</u>
TOTAL CURRENT ASSETS		<u>21,047</u>	<u>18,254</u>
TOTAL ASSETS		<u><u>25,907</u></u>	<u><u>24,359</u></u>

BALANCE SHEET
at 31 DECEMBER

	Note	31/12 2015 DKK'000	31/12 2014 DKK'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	5,500	5,500
Net revaluation under the equity method		109	0
Retained earnings/accumulated loss		<u>-3,730</u>	<u>1,164</u>
TOTAL EQUITY		<u>1,879</u>	<u>6,664</u>
PROVISIONS			
Additional provisions	11	<u>63</u>	<u>246</u>
Total provisions		<u>63</u>	<u>246</u>
LIABILITIES OTHER THAN PROVISIONS			
Non-current liabilities other than provisions			
Subordinated loan	12	<u>3,955</u>	<u>3,857</u>
Total non-current liabilities other than provisions		<u>3,955</u>	<u>3,857</u>
Current liabilities other than provisions			
Bank loans		4,837	2,027
Prepayments received from customers		272	624
Trade payables		4,298	3,049
Payables to group entities		326	394
Joint tax contribution		1,691	1,846
Other payables		<u>8,586</u>	<u>5,652</u>
Total current liabilities other than provisions		<u>20,010</u>	<u>13,592</u>
TOTAL LIABILITIES OTHER THAN PROVISIONS		<u>23,965</u>	<u>17,449</u>
TOTAL EQUITY AND LIABILITIES		<u>25,907</u>	<u>24,359</u>
Collateral and contingencies	13		
Related party disclosures	14		

STATEMENT OF CHANGES IN EQUITY

	31/12 2015 DKK'000	31/12 2014 DKK'000
Share capital		
Balance at 1/1 2015	<u>5,500</u>	<u>5,500</u>
Total share capital	<u>5,500</u>	<u>5,500</u>
Retained earnings/accumulated loss		
Balance at 1/1 2015	1,164	-11,179
Remission of debt	0	4,927
Value adjustment of investments	-64	277
Transferred; see profit appropriation/distribution of loss	<u>-4,830</u>	<u>7,139</u>
Total retained earnings/accumulated loss	<u>-3,730</u>	<u>1,164</u>
Net revaluation under the equity method		
Transferred; see profit appropriation/distribution of loss	<u>109</u>	<u>0</u>
Total net revaluation under the equity method	<u>109</u>	<u>0</u>
Total equity	<u><u>1,879</u></u>	<u><u>6,664</u></u>

CASH FLOW STATEMENT

	Note	2015 DKK'000	2014 DKK'000
Cash flows from operating activities			
Profit or loss for the year		-4,721	7,139
Changes	15	-799	5,741
Changes in working capital	16	<u>1,800</u>	<u>-2,260</u>
Cash flows from operating activities before net financials		-3,720	10,620
Interest received		348	311
Interest paid		<u>-618</u>	<u>-379</u>
Total cash flows from operating activities		<u>-3,990</u>	<u>10,552</u>
Cash flows from investing activities			
Additions of property, plant and equipment		-107	-243
Disposals of property, plant and equipment		<u>223</u>	<u>18</u>
Total cash flows from investing activities		<u>116</u>	<u>-225</u>
Cash flows from financing activities			
Loans granted		-46	-3,877
Contracting of subordinate loan capital		<u>98</u>	<u>1,554</u>
Total cash flows from financing activities		<u>52</u>	<u>2,323</u>
NET CASH FLOWS FROM OPERATING, INVESTING AND FINANCING ACTIVITIES		<u><u>-3,822</u></u>	<u><u>8,004</u></u>
Cash and cash equivalents			
Cash and cash equivalents at 1/1 2015		-1,011	-9,015
Net cash flows from operating, investing and financing activities		<u>-3,822</u>	<u>8,004</u>
Cash and cash equivalents at 31/12 2015		<u><u>-4,833</u></u>	<u><u>-1,011</u></u>
specified as follows:			
Cash in hand		4	1,016
Cash at bank		<u>-4,837</u>	<u>-2,027</u>
Cash and cash equivalents		<u><u>-4,833</u></u>	<u><u>-1,011</u></u>
Unutilized portion of credit facilities		<u><u>2,081</u></u>	<u><u>2,261</u></u>

NOTES

	2015 DKK'000	2014 DKK'000
Note 1. Staff costs		
Analysis of staff costs:		
Wages and salaries	23,313	20,889
Pension costs	1,410	1,389
Other social security costs	<u>419</u>	<u>436</u>
	<u><u>25,142</u></u>	<u><u>22,714</u></u>
Average number of employees	<u><u>38</u></u>	<u><u>36</u></u>
Note 2. Depreciation and impairment losses on property, plant and equipment		
Plant and machinery	122	103
Other fixtures and fittings, tools and equipment	<u>32</u>	<u>37</u>
	<u><u>154</u></u>	<u><u>140</u></u>
Note 3. Financial income		
Interest receivable, group entities	95	111
Other interest receivable, exchange gains and similar income	<u>253</u>	<u>200</u>
	<u><u>348</u></u>	<u><u>311</u></u>
Note 4. Financial expenses		
Interest payable, group entities	215	68
Other interest payable, exchange losses and similar expenses	<u>403</u>	<u>311</u>
	<u><u>618</u></u>	<u><u>379</u></u>

NOTES

	2015 DKK'000	2014 DKK'000
Note 5. Tax on the profit/loss for the year		
Adjustment of deferred tax	1,497	-335
Tax on the profit/loss for the year	0	-1,757
Foreign tax	<u>-92</u>	<u>-28</u>
	<u><u>1,405</u></u>	<u><u>-2,120</u></u>

Note 6. Property, plant and equipment

DKK'000	Plant and ma- chinery	Fixtures and fittings, tools and equip- ment	Total
Cost at 1 January 2015	2,769	8,589	11,358
Additions	37	70	107
Disposals	-733	0	-733
Cost at 31 December 2015	<u>2,073</u>	<u>8,659</u>	<u>10,732</u>
Impairment losses and depreciation at 1 January 2015	2,311	8,561	10,872
Depreciation	122	32	154
Disposals	-531	0	-531
Impairment losses and depreciation at 31 December 2015	<u>1,902</u>	<u>8,593</u>	<u>10,495</u>
Carrying amount at 31 December 2015	<u><u>171</u></u>	<u><u>66</u></u>	<u><u>237</u></u>

NOTES

Note 7. Investments

DKK'000	Investments in subsidiaries
Cost at 1 January 2015	591
Cost at 31 December 2015	591
Value adjustments at 1 January 2015	-166
Reversal of negative investment against receivables from group entities	-283
Exchange adjustment	-64
Period deferment	-361
Share of profit for the year	983
Value adjustments at 31 December 2015	109
Carrying amount at 31 December 2015	700

Name and registered office	Interest	Equity	Profit/loss for the year	Carrying amount
SystemTeknik Norge AS, Ski Kommune	100%	308	-97	308
SystemTeknik Poland Sp. z o.o Szczecin	100%	754	1,080	392
			983	700

31/12 2015 DKK'000	31/12 2014 DKK'000
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Note 8. Contract work in progress

Selling price of work performed	1,456	2,628
Prepayments	0	-169
	<u>1,456</u>	<u>2,459</u>

Classified as follows:

Net receivables	<u>1,456</u>	<u>2,459</u>
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	31/12 2015 DKK'000	31/12 2014 DKK'000
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Note 9. Prepayments

Prepayments regard primarily service agreements, subscriptions etc.

Note 10. Share capital

Analysis of the Company's share capital, DKK 5,500 thousand:

5,500 shares of DKK 1,000 each	5,500	5,500
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The share capital has remained unchanged for the last five years.

Note 11. Provisions

The provisions regard general cost for claims and warranties.

Note 12. Subordinated loan

The shareholder, ST Holding Aalborg A/S, have contributed subordinate loan capital in the amount of DKK 3.9 million.

The subordinated loan is set aside for other creditors.

Note 13. Collateral and contingencies

The Company's bank has issued contract and payment guarantees totalling DKK 0,6 million at 31 December 2015.

The company's terms of notice is 6 months concerning the leased premises, Assensvej 2, 9220 Aalborg.

The Company has entered into operating leases with a total commitment of DKK 0.5 million. Annual lease payments total DKK 0.5 million.

The Company has granted a company charge of DKK 12.0 million as collateral for its bank facilities.

NOTES

The Company is taxed on a joint basis with the other Danish entities in the ST Holding Aalborg A/S Group. As a jointly taxed entity the Company has limited and secondary liability for Danish corporation tax and withholding tax on dividends, interest and royalties within the group of jointly taxed entities. The jointly taxed entities' total known net liability to the Danish tax authorities appears from the financial statements of the management company, ST Holding Aalborg A/S, CVR no. 30 61 52 47. Any subsequent adjustments of the income subject to joint taxation, withholding tax, etc. may cause the Company's liability to increase.

Note 14. Related party disclosures

SystemTeknik A/S' related parties comprise the following:

Parties exercising control

ST Holding Aalborg A/S, Assensvej 2, 9220 Aalborg Ø holds the majority of the share capital in the Company.

	2015 DKK'000	2014 DKK'000
Note 15. Adjustments, cash flow statement		
Amortisation/depreciation	154	161
Profit/loss on disposals of equipment	-21	-6
Financial income	-348	-311
Financial expenses	618	379
Income from investments in subsidiaries	-621	-761
Other adjustments	824	4,159
Tax for the year	<u>-1,405</u>	<u>2,120</u>
Total adjustments	<u><u>-799</u></u>	<u><u>5,741</u></u>

NOTES

	2015 DKK'000	2014 DKK'000
Note 16. Changes in working capital, cash flow statement		
Changes in receivables	-2,688	1,783
Changes in inventories and work in progress	1,048	-637
Changes in trade payables	1,109	-2,905
Changes in other payables	<u>2,331</u>	<u>-501</u>
Total changes in working capital	<u><u>1,800</u></u>	<u><u>-2,260</u></u>