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BDO Statsautoriseret revisionsaktieselskab
Nørrebro 15
DK-9800 Hjørring
CVR no. 20 22 26 70

DT-INTERLINK A/S

NORDHAVNSVEJ 10, 9900 FREDERIKSHAVN

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2016

8 TH FINANCIAL YEAR

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 31 May 2017

Dirigent Morten Vestergaard

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 32 07 83 89

CONTENTS

COMPANY DETAILS

Company	DT-Interlink A/S Nordhavnsvej 10 9900 Frederikshavn CVR no.: 32 07 83 89 Established: 6 March 2009 Registered Office: Frederikshavn Financial Year: 1 January - 31 December
Board of Directors	Peter Krogh Nymand, Chairman Morten Vestergaard Kim Rasmussen
Board of Executives	Kim Rasmussen
Auditor	BDO Statsautoriseret revisionsaktieselskab Nørrebro 15 9800 Hjørring
Bank	Danske Bank Danmarksgade 70E 9900 Frederikshavn

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of DT-Interlink A/S for the year 1 January - 31 December 2016.

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 the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend the Annual Report be approved at the Annual General Meeting.

Frederikshavn, 31 May 2017

Board of Executives

Kim Rasmussen

Board of Directors

Peter Krogh Nymand Chairman	Morten Vestergaard	Kim Rasmussen

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of DT-Interlink A/S

Opinion
We have audited the Financial Statements of DT-Interlink A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2016 and of the results of the Company operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Financial Statements
Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management’s Review
Management is responsible for Management’s Review.

Our opinion on the Financial Statements does not cover Management’s Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management’s Review and, in doing so, consider whether Management’s Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management’s Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management’s Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management’s Review.

Hjørring, 31 May 2017

BDO Statsautoriseret revisionsaktieselskab
CVR-nr. 20 22 26 70

Claus Muhlig
State Authorised Public Accountant

MANAGEMENT'S REVIEW

Principal activities
DT-Interlink is a specialised supplier of original spare parts and holds a number of agencies, among others for marine diesel engines, generator sets and ballast water treatment systems. As part of the Vestergaard Group, we strive to be the best total supplier for the maritime, offshore and industrial industry.

At DT-interlink we value service and quality. We only deal with original products and our subsuppliers are carefully selected in order to ensure the best quality. If we do not have the required part in stock, we can often draw on our extensive global network of suppliers. As we say "If you need it, we will find it"

Development in activities and financial position
The market for the company's products and services was characterised by reluctance on the part of the customers resulting in an increased competition among the suppliers in the first part of the year. Satisfactory level of activity in the last part of the year has given a satisfying profit for the year.

Significant events after the end of the financial year
The company will merge at 1 of January 2017 with the group companies VMS Group Holding A/S, VMS Group A/S (Vestergaard Marine Service) and VMS Technology ApS.

Besides this no events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2016 DKK	2015 DKK '000
GROSS PROFIT		**9.117.843**	**3.736**
Staff costs	1	-4.991.116	-3.130
Depreciation, amortisation and impairment		-62.087	-596
OPERATING PROFIT		**4.064.640**	**10**
Result of equity investments in group and associat		-54.906	110
Other financial income		-460	0
Other financial expenses		-333.328	-571
PROFIT BEFORE TAX		**3.675.946**	**-451**
Tax on profit/loss for the year	2	-824.544	121
PROFIT FOR THE YEAR		**2.851.402**	**-330**

PROPOSED DISTRIBUTION OF PROFIT

		2016	2015
Proposed dividend for the year		0	1.000
Allocation to reserve for net revaluation according to equity va		-54.906	110
Accumulated profit		2.906.308	-1.440
TOTAL		**2.851.402**	**-330**

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BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2016 DKK	2015 DKK '000
Goodwill		46.427	92
Intangible fixed assets	3	**46.427**	**92**
Other plants, machinery, tools and equipment		0	159
Leasehold improvements		157.786	170
Tangible fixed assets	4	**157.786**	**329**
Equity investments in group enterprises		474.215	623
Fixed asset investments	5	**474.215**	**623**
FIXED ASSETS		**678.428**	**1.044**
Finished goods and goods for resale		9.366.394	10.223
Inventories		**9.366.394**	**10.223**
Trade receivables		5.118.095	10.116
Receivables from group enterprises		7.554.736	2.305
Provision for deferred tax		0	109
Other receivables		376.907	529
Prepayments and accrued income		0	24
Receivables		**13.049.738**	**13.083**
Cash and cash equivalents		**1.146.649**	**1.859**
CURRENT ASSETS		**23.562.781**	**25.165**
ASSETS		**24.241.209**	**26.209**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2016 DKK	2015 DKK '000
Share capital		1.000.000	1.000
Reserve for net revaluation according to equity va		460.109	611
Retained profit		6.479.281	3.573
Proposed dividend		0	1.000
EQUITY	6	**7.939.390**	**6.184**
Provision for deferred tax		9.000	0
PROVISION FOR LIABILITIES		**9.000**	**0**
Bank loan		0	144
Long-term liabilities	7	**0**	**144**
Short-term portion of long-term liabilities	7	0	86
Bank debt		1.364.933	5.229
Prepayments received from customers		281.483	0
Trade payables		4.767.948	3.576
Payables to group enterprises		1.650.637	1.937
Corporation tax		706.244	0
Other liabilities		7.521.574	9.053
Current liabilities		**16.292.819**	**19.881**
LIABILITIES		**16.292.819**	**20.025**
EQUITY AND LIABILITIES		**24.241.209**	**26.209**

	Note
Contingencies etc.	8
Charges and securities	9

NOTES

	2016 DKK	2015 DKK '000	Note
Staff costs			1
Average number of employees			
8 (2015: 5)			
Wages and salaries	4.200.781	2.666	
Pensions	539.976	363	
Social security costs	42.515	16	
Other staff costs	207.844	85	
	4.991.116	**3.130**	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year	706.244	0	
Adjustment of deferred tax	118.300	-121	
	824.544	**-121**	

Intangible fixed assets 3

	Goodwill
Cost at 1 January 2016	3.175.000
Cost at 31 December 2016	**3.175.000**
Amortisation at 1 January 2016	3.082.150
Depreciation for the year	46.423
Depreciation at 31 December 2016	**3.128.573**
Carrying amount at 31 December 2016	**46.427**

Tangible fixed assets 4

	Other plants, machinery, tools and equipment	Leasehold improvements
Cost at 1 January 2016	693.802	185.486
Additions	153.484	0
Disposals	-738.484	0
Cost at 31 December 2016	**108.802**	**185.486**
Depreciation and impairment losses at 1 January 2016	535.230	14.608
Reversal of depreciation of assets disposed of	-429.000	0
Depreciation for the year	2.572	13.092
Depreciation and impairment losses at 31 December 2016	**108.802**	**27.700**
Carrying amount at 31 December 2016	**0**	**157.786**

NOTES

Note

Fixed asset investments 5

	Equity investments in group enterprises
Cost at 1 January 2016	13.660
Exchange adjustment	446
Cost at 31 December 2016	**14.106**
Revaluation at 1 January 2016	611.247
Exchange adjustment	19.058
Revaluation and impairment losses for the year	-54.906
Revaluation at 31 December 2016	**575.399**
Other changes in equity	115.290
Impairment losses and amortisation of goodwill at 31 December 2016	**115.290**
Carrying amount at 31 December 2016	**474.215**

Equity 6

	Share capital	Reserve for net revaluation according to equity va	Retained profit	Proposed dividend	Total
Equity at 1 January 2016	1.000.000	611.247	3.572.527	1.000.000	6.183.774
Dividend paid				-1.000.000	-1.000.000
Foreign exchange adjustments		19.058	446		19.504
Value adjustments of equity		-115.290			-115.290
Proposed distribution of profit		-54.906	2.906.308		2.851.402
Equity at 31 December 2016	**1.000.000**	**460.109**	**6.479.281**	**0**	**7.939.390**

Long-term liabilities 7

	1/1 2016 total liabilities	31/12 2016 total liabilities	Repayment next year	Debt outstanding after 5 years
Bank loan	230.448	0	0	0
	230.448	**0**	**0**	**0**

NOTES

Note

Contingencies etc. **8**

Contingent liabilities

Rent and Lease Obligations
The company has entered into operating lease agreements with an annual lease payment of DKK (‘000) 110. The lease contracts have a residual term of 18-29 months and a total residual lease payment of DKK (‘000) 176.

The Company has entered into an intercompany rental agreement for which the notice of termination period is 12 months. The annual rent amounts to DKK (‘000) 246.

Joint liabilities
The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group’s jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group’s jointly taxed income is stated in the annual report of Vestergaard Marine Service Holding ApS, which serves as management company for the joint taxation.

Charges and securities **9**
There are no charges and securities.

ACCOUNTING POLICIES

The annual report of DT-Interlink A/S for 2016 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B with additional choice of rules relating to reporting class C.

The Annual Report is prepared consistently with the accounting principles used last year.

INCOME STATEMENT

Net revenue
Net revenue from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Other operating income
Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible fixed assets.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses
Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Investments in subsidiaries
The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

Financial income and expenses in general
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Intangible fixed assets
Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 7 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific conditions.

ACCOUNTING POLICIES

Patents and licences are measured at the lower of cost less accumulated amortisation or the recoverable amount. Patents are amortised over the residual patent term and licences are amortised over the term of the agreement, however, no more than 8 years.

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

Tangible fixed assets
Other plants, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plants, fixtures and equipment...	5 years	0 %
Leasehold improvements...	10-25 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Fixed asset investments
Investments in subsidiaries are measured in the company's balance sheet under the equity method.

Investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill

Acquired enterprises are recognised in the consolidated financial statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. Upon calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognised at fair value based on an assessor's opinion, built on an overall assessment of the production equipments.

Consolidated goodwill is amortised over the expected useful life determined on the basis of management's experience within the individual lines of business. Consolidated goodwill is amortised on a straight-line basis over the period of amortisation which is estimated to 5 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific condition.

Net revaluation of investments in subsidiaries and associates is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

ACCOUNTING POLICIES

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds accounts receivable, the residual amount is recognised under provision for liabilities to the extent that the company's has a legal or actual liability to cover the subsidiary's deficit.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

ACCOUNTING POLICIES

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.