

# ODENSE MARITIME TECHNOLOGY A/S

Sverigesgade 4  
5000 Odense C

Annual Report  
1 July 2015 – 30 June 2016

**The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 26 September 2016**



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**Chairman**

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# Corporate Information

<b>Company</b>	ODENSE MARITIME TECHNOLOGY A/S	
	Sverigesgade 4	
	5000 Odense C	
	CVR no.:	33074964
	Financial year:	01/07/2015-30/06/2016
<b>Bank</b>	<b>Danske Bank, Department: Holmens Kanal</b>	
	Holmens Kanal 2	
	1090 København K	
	DK Danmark	
<b>Auditor</b>	PRICEWATERHOUSECOOPERS	
	STATSAUTORISERET REVISIONSPARTNERSELSKAB	
	Strandvejen 44	
	2900 Hellerup	
	DK Danmark	
	CVR no.:	33771231
	Production unit no.:	1016959517

## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Odense Maritime Technology A/S for the financial year 1 July 2015 – 30 June 2016.

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 financial position of the Company at 30 June 2016 and of the results of the Company operations and cash flows for the financial year 1 July 2015 – 30 June 2016 in accordance with the Danish Financial Statements Act.

Further, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

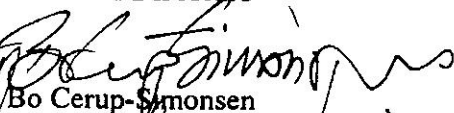
We recommend that the Annual Report be adopted at the Annual General Meeting.

Hørsholm, on 26 September 2016

### Executive Board

  
Peter Kåre Groes Christiansen

### Board of Directors


  
Bo Cerup-Simonsen

  
Erik Kristian Hansen

  
Jørn Sten Nielsen

  
Tom Sten Behrens-Sørensen

  
Poul Præstegaard Skadhede

  
Peter Kåre Groes Christiansen

*Signed in Sejvig.*

# **Independent Auditor's Report on the Financial Statements**

To the Shareholders of Odense Maritime Technology A/S

## **Report on the Financial Statements**

We have audited the Financial Statements of Odense Maritime Technology A/S for the financial year 1 July 2015 – 30 June 2016, which comprise Income Statement, Balance Sheet, Notes and Summary of significant 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, 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.

## **Auditor's 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 whether the Financial Statements are free from material misstatement. An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, 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 auditor considers 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 audit opinion.

Our audit has not resulted in any qualification.

# Independent Auditor's Report on the Financial Statements

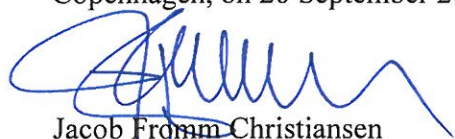
## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2016 and of the results of the Company operations for the financial year 1 July 2015 – 30 June 2016 in accordance with the Danish Financial Statements Act.

## Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

Copenhagen, on 26 September 2016



Jacob Fromm-Christiansen  
State Authorised Public Accountant  
PRICEWATERHOUSECOOPERS  
STATSAUTORISERET  
REVISIONSPARTNERSELSKAB  
CVR NO.: 33 77 12 31



Kim Danstrup  
State Authorised Public Accountant  
PRICEWATERHOUSECOOPERS  
STATSAUTORISERET  
REVISIONSPARTNERSELSKAB  
CVR NO.: 33 77 12 31

# Management's Review

## Main activity

Odense Maritime Technology A/S (OMT) was founded in September 2010 as a spin-off from Odense Stål Skibsværft (OSS) in cooperation with Valcon.

The unique strength of OMT lies in the maritime technological expertise and experience, which were gained in OSS, and which are continued in the team of ship architects, ship engineers, project managers and consultants working in OMT, who are specialists within ship design, ship building, concepts for rebuilding and retrofitting of ships, ship licenses, ship repairs and outsourcing in the maritime industry.

## Development in activities and financial affairs

OMT has worked on several major client projects in Asia, Europe and North America throughout the financial year and has realised a turnover of DKK 222.1 million compared with DKK 269.8 million the year before.

The decrease in turnover means a decrease in this year's result. Net profit/loss has decreased to DKK 11.5 million compared with DKK 19.2 million the previous year.

The development in results should furthermore be seen in light of the fact that, as in previous years, a significant investment has been made in the business development of the Company.

The average number of fulltime employees in the financial year has decreased to 103 compared with 108 the previous year. In addition to this, there are the following employees in the subsidiaries in Canada (1), India (15) and Shanghai (China) (15), totalling 134 employees in the Group.

Management finds the Company's result and financial situation to be satisfactory.

## The Company's knowledge resources

The Company's opportunities to retain and recruit a highly qualified staff is critical to the continued development of the Company.

The Company keeps continuous focus on a strengthened recruitment platform.

The work continues on creating concepts and expanding competences to strengthen the value of our services to our clients.

## Special risks

The Company's exposure to a specialised market for the sale of consulting services within ship design, ship building, etc. makes the Company dependent on the development in this industry.

# Management's Review

## Special financial risks

As a consequence of several major client projects in North America paid in USD and CAD, the Company is subject to special currency risks with respect to the development in these currencies. The Company has initiated a currency hedging programme to identify the increased exchange rate risks in connection with these sales.

Apart from this, the Company does not have any special financial risks.

## Events after the balance sheet date

No events materially influencing the Company's financial position as at 30 June 2016 have occurred.

## Financial Highlights

	2015/16 DKK'000	2014/15 DKK'000	2013/14 DKK'000	2012/13 DKK'000	2011/12 DKK'000
<b>Key figures</b>					
Net revenue	222,051	269,799	166,406	53,105	27,772
Gross profit/loss	93,470	121,282	86,459	30,549	19,561
Operating profit/loss	17,533	27,300	21,550	3,790	684
Net financials	-2,885	-2,163	-5,424	-1,668	256
<b>Net profit/loss for the year</b>	<b>11,510</b>	<b>19,231</b>	<b>11,877</b>	<b>1,609</b>	<b>695</b>
Fixed assets	3,464	3,974	8,554	2,894	710
Current assets	119,619	139,770	70,687	24,696	25,106
Balance sheet total	123,084	143,744	79,241	27,590	25,816
<b>Equity</b>	<b>41,146</b>	<b>39,573</b>	<b>18,660</b>	<b>8,680</b>	<b>3,072</b>
<b>Key figures</b>					
Profit margin	7.9%	10.1%	13.0%	7.1%	2.5%
Return on invested capital	18.5%	26.3%	43.9%	16.3%	6.2%
Gross margin	42.1%	45.0%	52.0%	57.5%	70.4%
Solvency ratio	33.4%	27.5%	23.5%	31.5%	11.9%
Return on equity	28.5%	66.0%	86.9%	27.4%	31.2%
<b>Average number of employees</b>	<b>103</b>	<b>108</b>	<b>77</b>	<b>31</b>	<b>21</b>

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.



# Accounting Policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium sized class C enterprises.

The accounting principles are consistent with those of last year.

In accordance with section 112 (1) of the Danish Financial Statements Act, consolidated financial statements have not been prepared. In accordance with section 86 (4) of the Danish Financial Statements Act, a cash flow statement has not been prepared.

The Financial Statements are presented in Danish kroner.

## Recognition and measurement

Revenues are recognised in the Income Statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

## Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

## Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are recognised in other receivables and other payables, respectively.

# Accounting Policies

Changes in the fair value of derivative financial instruments, classified as and meeting the criteria for hedging the fair value of a recognised asset or liability, are recognised in the income statement together with changes in the fair value, if any, of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments, classified as and meeting the conditions of hedging future assets and liabilities, are recognised in receivables or payables and in equity. Income and expenses related to such hedging transactions are transferred from equity on realisation of the hedged item and recognised in the same item as the hedged item.

## Income Statement

### Net revenue

Net revenues from services are recognised at the rate of completion of the service, which means that revenue equals the selling price of the service completed (the percentage-of-completion method). This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company.

Net revenue comprises re-invoicing of work carried out by subsuppliers and other expenses.

### External expenses

External expenses comprise expenses related to sales, advertising, administration, premises, bad debts, operating leases, etc.

### Staff expenses

Staff expenses comprise wages and salaries as well as holiday pay and staff welfare expenses.

### Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses on debt and transactions in foreign currencies as well as allowances and surcharges under the Danish Tax Prepayment Scheme, etc.

### Tax on profit/loss for the year

Odense Maritime Technology A/S is subject to the Danish rules on compulsory joint taxation applicable for the Valcon Business Development A/S group's Danish subsidiaries. Subsidiaries are included in the joint taxation in the period when the parent has controlling interest.

The Company's parent company, Valcon Business Development A/S, acts as administration company in relation to the joint taxation and thus settles all corporate tax payments with the tax authorities.

The current Danish corporation tax is allocated among the jointly taxed companies in proportion to their respective taxable income. Companies contributing a tax loss being set off against taxable income in another company receive a cash payment equal to the tax value of the loss from the Company using the loss to reduce its own taxable income.

Tax for the year that comprises current joint taxation contributions and changes in deferred tax is recognised in the Income Statement.

# Accounting Policies

## Balance Sheet

### Intangible Assets

Intangible assets are initially measured at cost.

Acquired patents and licenses (software) are measured at cost less accumulated amortisation. Patents are amortised over the remaining patent period, and licenses (software) are amortised over the period of the agreement, however, no more than 5 years.

Profit or loss deriving from the sales of intangible assets is measured as the difference between the sales price less selling costs and the carrying amount at the time of the sale and are recognised in the income statement as other operating income or other operating expenses.

### Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and less any accumulated impairment losses.

The basis of depreciation is cost less any deducted residual value after the end of the useful life of the asset. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Cost of a total asset is divided into separate components that are depreciated separately if the useful life of the individual components are different.

Depreciation takes place on a straight line basis and any residual value, and based on an evaluation of the expected useful life:

Other fixtures and fittings, tools and equipment: 3-5 years

Leasehold improvements: 3-5 years

Profit or loss deriving from the sales of tangible assets is measured as the difference between the sales price less selling costs and the carrying amount at the time of the sale. Profits and losses are recognised in the Income Statement as other operating income or other expenses.

### Investments in subsidiaries

Investments in subsidiaries are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits and losses and with addition and deduction of any remaining value of positive or negative goodwill determined in accordance with the acquisition method.

Investments in subsidiaries with negative net asset values are measured at DKK 0, and any amounts owed by such enterprises are written down by the parent company's share of the negative net asset value, if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the liabilities of the enterprise.

# Accounting Policies

Net revaluation of investments in subsidiaries is recognised under equity in the reserve for net revaluation under the equity method to the extent that the carrying amount exceeds cost.

## **Impairment of fixed assets**

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset or the group of assets is written down. If so, the asset or the group of assets is written down to its lower recoverable amount.

Recoverable amount for the asset is determined as the highest value of net sales price and the net present value. Net present value is determined as the present value of expected net cash flows from the use of the asset or the group of assets.

## **Receivables**

Receivables are recognised at the lower of amortised cost.

Provisions for estimated bad debts are made based on an individual impairment assessment of a receivable or group of receivables.

## **Contract work in progress**

Contract work in progress is recognised according to the production method at the selling price of the work carried including expenses and less amounts invoiced on account.

Contract work in progress are recognised as financial income and expenses in the balance sheet.

Net assets comprise the sum of contract work in progress in which the selling price exceeds invoicing on account of work carried out. Net payables comprise the sum of contract work in progress in which invoicing on account exceeds the selling price of work carried out.

## **Prepayments**

Prepayments recognised under assets comprise expenses incurred concerning the following financial year.

## **Other securities and investments**

Securities and investments are placed under current assets and includes listed bonds, which are measured at market price at the balance sheet date

## **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and short-term securities with a duration less than three months that are readily convertible to cash and are subject to an insignificant risk of changes in value.

# Accounting Policies

## **Equity - dividend**

Proposed dividends for the year are recognised as a liability when approved by the Annual General Meeting (declaration date). Dividend proposed for the year is disclosed as a separate equity item.

## **Corporation tax and deferred tax**

Receivables and payable joint taxation contributions are recognised in the balance sheet in receivables/payables from group enterprises.

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the accounting and tax bases of assets and liabilities. However, deferred income tax of temporary differences related to non-deductible goodwill, office premises or other items where temporary differences occur at the time of acquisition without influencing results or taxable income is not recognised. In case the value for tax purposes can be determined following alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets including the tax base of tax losses to be carried forward are recognised at the expected value of their utilisation, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation in the countries in question at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

## **Debt**

Financial debts are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, financial debts are measured at amortised cost.

Other debts are measured at net realisable value.

# Accounting Policies

## Key figures and financial highlights

Ratios stated in financial highlights have been prepared as follows:

Profit margin:	$\text{Operating profit/loss} \times 100 / \text{net revenue}$
Invested capital:	$\text{Total assets less cash and cash equivalents and other interest-bearing assets (including shares)}$
Gross margin:	$\text{Gross profit} \times 100 / \text{net revenue}$
Solvency ratio:	$\text{Equity at the end of the year} \times 100 / \text{total liabilities and equity at the end of the year}$
Return on equity:	$\text{Net profit for the year} \times 100 / \text{average equity}$
Return on invested capital:	$\text{Operating profit/loss} \times 100 / \text{average invested capital}$

# Income Statement as at 1 July 2015 – 30 June 2016

	Note	2015/16 DKK	2014/15 DKK
Net revenue .....		222,051,411	269,798,608
External expenses .....		-128,581,688	-148,516,500
<b>Gross profit/loss .....</b>		<b>93,469,723</b>	<b>121,282,108</b>
Staff expenses .....	1	-75,071,742	-88,177,142
Amortisation, depreciation and impairment losses .....		-865,316	-5,804,926
<b>Operating profit/loss .....</b>		<b>17,532,665</b>	<b>27,300,040</b>
Income from investments in subsidiaries and associates .....	2	517,469	578,769
Other financial income .....	3	0	6,969
Other financial expenses .....	4	-3,402,875	-2,749,426
<b>Profit/loss from ordinary activities before tax .....</b>		<b>14,647,259</b>	<b>25,136,352</b>
Tax on profit/loss for the year .....	5	-3,136,971	-5,905,090
<b>Net profit/loss for the year .....</b>		<b>11,510,288</b>	<b>19,231,262</b>
<b>Proposed distribution of profit</b>			
Reserve for net revaluation under the equity method .....		517,469	578,769
Retained earnings .....		10,992,819	18,652,493
<b>Total .....</b>		<b>11,510,288</b>	<b>19,231,262</b>

# Balance Sheet as at 30 June 2016

	Note	2015/16 DKK	2014/15 DKK
Acquired licenses .....		14,608	462,716
<b>Total intangible assets .....</b>	<b>6</b>	<b>14,608</b>	<b>462,716</b>
Other fixtures and fittings, tools and equipment .....		672,737	1,089,945
<b>Total property, plant and equipment .....</b>	<b>7</b>	<b>672,737</b>	<b>1,089,945</b>
Investments in subsidiaries .....	<b>8</b>	2,199,943	1,682,474
Deposits .....		577,207	738,716
<b>Total fixed asset investments .....</b>		<b>2,777,150</b>	<b>2,421,190</b>
<b>Total fixed assets .....</b>		<b>3,464,495</b>	<b>3,973,851</b>
Trade receivables .....		37,585,174	120,679,727
Contract work in progress .....	9	1,287,572	382,252
Receivables from group enterprises .....		3,273,860	3,471,544
Deferred tax assets .....		568,569	588,538
Other receivables .....		6,688,198	5,161,595
Prepayments .....		743,784	1,954,918
<b>Total receivables .....</b>		<b>50,147,157</b>	<b>132,238,574</b>
Other securities and investments .....		29,964,654	0
Cash at bank and in hand .....		39,507,585	7,531,605
<b>Total current assets .....</b>		<b>119,619,396</b>	<b>139,770,179</b>
<b>Total assets .....</b>		<b>123,083,891</b>	<b>143,744,030</b>



## Balance Sheet as at 30 June 2016

	Note	2015/16 DKK	2014/15 DKK
Registered capital, etc. ....	10	4,750,000	4,750,000
Reserve for net revaluation under the equity method.....		1,358,373	840,904
Retained earnings .....		35,037,597	33,982,775
<b>Total equity .....</b>	11	<b>41,145,970</b>	<b>39,573,679</b>
Prepayments received from customers .....		5,610,878	9,935,140
Trade payables .....		9,049,814	21,489,000
Payables to group enterprises .....		19,473,123	19,303,092
Other payables, including taxes and other social security expenses .....		47,804,106	53,443,119
<b>Total short-term debt.....</b>		<b>81,937,921</b>	<b>104,170,351</b>
<b>Total payables .....</b>		<b>81,937,921</b>	<b>104,170,351</b>
<b>Total liabilities and equity .....</b>		<b>123,083,891</b>	<b>143,744,030</b>

# Notes

## 1. Staff expenses

	2015/16 DKK	2014/15 DKK
Wages and salaries	-72,363,720	-86,127,413
Other social security expenses	-704,087	-743,047
Other staff expenses	-2,003,935	-1,306,682
	<b>-75,071,742</b>	<b>-88,177,142</b>

Remuneration to the executive board and the board of directors amounts to DKK 2,516,000 (DKK 2,516,000 in 2014/15).

Average number of full-time employees: 103 (108 in 2014/15).

## 2. Income from investments in subsidiaries and associates

	2015/16 DKK	2014/15 DKK
OMT Canada INC	0	0
Odense Maritime Technology (SEA) PTE.LTD.	0	0
Odense Maritime Technology (Shanghai) Co. Ltd.	113,303	109,526
Odense Maritime Technology (India) Private Limited	404,166	469,243
	<b>517,469</b>	<b>578,769</b>

## 3. Other financial income

	2015/16 DKK	2014/15 DKK
Interest received from group enterprises	0	3,186
Other financial income	0	3,780
	<b>0</b>	<b>6,969</b>

# Notes

#### 4. Other financial expenses

	2015/16 DKK	2014/15 DKK
Interest expenses from group enterprises	-147,551	-293,107
Other financial expenses	-3,255,324	-2,456,320
	<b>-3,402,875</b>	<b>-2,749,427</b>

#### 5. Tax on profit/loss for the year

	2015/16 DKK	2014/15 DKK
Expected taxable income for the year adjusted	-3,139,452	-6,963,468
Changes in deferred tax	2,481	1,058,378
	<b>-3,136,971</b>	<b>-5,905,090</b>

#### 6. Total intangible assets

	Acquired patents DKK	Acquired licenses (software) DKK	Total DKK
Cost at the beginning of the year	5,870,921	2,232,439	8,103,360
<b>Cost at the end of the year</b>	<b>5,870,921</b>	<b>2,232,439</b>	<b>8,103,360</b>
Amortisation, depreciation and impairment losses at the beginning of the year	-5,870,921	-1,769,723	-7,640,644
Total amortisation, depreciation and impairment losses	0	-448,108	-448,108
<b>Amortisation, depreciation and impairment losses at the end of the year</b>	<b>5,870,921</b>	<b>-2,217,831</b>	<b>3,653,090</b>
<b>Carrying amount at the end of the year</b>	<b>0</b>	<b>14,608</b>	<b>14,608</b>

# Notes

## 7. Total property, plant and equipment

	Equipment	Hardware	Leasehold improvements	Other fixtures and fittings equipment
	DKK	DKK	DKK	Total DKK
Cost at the beginning of the year	1,502,045	396,058	20,808	1,918,911
<b>Cost at the end of the year</b>	<b>1,502,045</b>	<b>396,058</b>	<b>20,808</b>	<b>1,918,911</b>
Amortisation, depreciation and impairment losses at the beginning of the year	-560,962	-257,187	-10,817	-828,966
Amortisation, depreciation and impairment losses during the year	-301,230	-110,761	-5,217	-417,208
<b>Amortisation, depreciation and impairment losses at the end of the year</b>	<b>-862,192</b>	<b>-367,948</b>	<b>-16,034</b>	<b>-1,246,174</b>
<b>Carrying amount at the end of the year</b>	<b>639,853</b>	<b>28,110</b>	<b>4,774</b>	<b>672,737</b>

# Notes

## 8. Total fixed asset investments

	Investments in subsidiaries DKK
Cost at the beginning of the year	841,570
Additions	10
<b>Cost at the end of the year</b>	<b>841,580</b>
Value adjustments at the beginning of the year	840,904
Results for the year	517,469
<b>Value adjustments at the end of the year</b>	<b>1,358,373</b>
<b>Carrying amount at the end of the year</b>	<b>2,199,953</b>

Investments in subsidiaries comprise:

	Ownership share	Equity	Results for the year
OMT Canada INC	100%	0	0
Odense Maritime Technology (SEA) PTE. Ltd.	100%	10	0
Odense Maritime Technology (Shanghai) Co. Ltd.	100%	721,576	113,303
Odense Maritime Technology (India) Private Limited	100%	1,332,509	404,166

## 9. Contract work in progress

	2015/16 DKK	2014/15 DKK
Selling price of production	1,287,572	9,490,921
Payments on account	-5,610,878	-19,043,809
	<b>-4,323,306</b>	<b>-9,552,888</b>
Contract work in progress	1,287,572	382,252
Prepayments received from client	-5,610,878	-9,935,140

# Notes

## 10. Registered capital, etc.

The share capital consists of 4,750,000 shares of a nominal value of DKK 1. The shares are not divided into classes. No shares carry special rights.

	DKK
Changes in the share capital in the past five financial years:	
Initial share capital at 5 August 2010	500,000
Increase of capital increase at 20 December 2011	100,000
Increase of capital increase at 25 June 2012	150,000
Increase of capital increase at 25 April 2013	4,000,000
<b>Share capital at the end of the year</b>	<b>4,750,000</b>

## 11. Total equity

	Company capital DKK	Retained earnings DKK	Reserve for net revaluation under the equity method DKK	In total DKK
Balance at the beginning of the year	4,750,000	33,982,775	840,904	39,573,679
Value adjustment of hedged future cash flows at the beginning of the year	0	215,483	0	215,483
Value adjustment of hedged future cash flows	0	-153,480	0	-153,480
Distributed dividends	0	-10,000,000	0	-10,000,000
Allocation of profits	0	10,992,819	517,469	11,510,288
<b>Equity at the end of the year</b>	<b>4,750,000</b>	<b>35,037,597</b>	<b>1,358,373</b>	<b>41,145,970</b>

# Notes

## 12. Contingent liabilities

The Company has entered into an operating lease agreement for the premises Sverigesgade 4, and 8, Odense. The periods of notice for the 2 leases vary from 6 months to 14 months. Rent amounts to DKK 1,608 thousand of which 1,424 falls due in the financial year 2016/17.

The Company is jointly taxed with other enterprises in the Valcon Business Development A/S group. As a jointly taxed company, not wholly-owned, the Company has limited and secondary liability for Danish corporation taxes in the joint taxation group. The total amount of corporation tax payable is disclosed to SKAT in the Annual Report of Valcon Business Development A/S, CVR no. 28 68 10 11, which is the management company of the joint taxation purposes. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 13. Collateral and assets charged as collateral

The Company's bank has raised the performance bond made to one of the Company's clients of CAD 7,380,600 equalling DKK 38.2 million. The performance bond expires on 30 June 2020 with the possibility of two extensions of one year each.

The Company guarantees the performance bond to the bank.

## 14. Related parties and ownership

### Information relating to owners

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Valcon Business Development A/S, Christianshusvej 187, 2970 Hørsholm  
 OMT Medarbejder Holding ApS, c/o Valcon A/S, Christianshusvej 187, 2970 Hørsholm  
 Clavis (HK) Limited, Suite 1309 Asia Standard Tower, 59-65, Queens road Central, Hong Kong  
 Kuja Holding ApS, CVR-nr. 36939745, Hestehavevej 79, 4720 Præstø

# Notes

## Information relating to group

The Company's Financial Statements are included in the Consolidated Financial Statements of Valcon Business Development A/S, Christianshusvej 187, 2970 Hørsholm, CVR no. 28 68 10 11.

### **Subsidiary:**

OMT Canada INC, Registry no. 3274256

Odense Maritime Technology (Shanghai) Co. Ltd.

Odense Maritime Technology (India) Private Limited

Odense Maritime Technology (SEA) PTE. Ltd.