

**Dynatest South America
Holding ApS**

Gladsaxevej 342
2860 Søborg
Business Registration No
38281194

**Annual report 20.12.2016
- 31.12.2017**

The Annual General Meeting adopted the annual report on 29.06.2018

Chairman of the General Meeting

Name: Nicholas Liebach

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Entity details

Entity

Dynatest South America Holding ApS
Gladsaxevej 342
2860 Søborg

Central Business Registration No (CVR): 38281194
Registered in: Gladsaxe
Financial year: 20.12.2016 - 31.12.2017

Board of Directors

Christian Lanng Nielsen, Chairman
Lars Ytting
Helle Lund Bjerre
Christian Ussing-Nielsen

Executive Board

Søren Starup Nielsen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Dynatest South America Holding ApS for the financial year 20.12.2016 - 31.12.2017.

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 Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 20.12.2016 - 31.12.2017.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 28.06.2018

Executive Board

Søren Starup Nielsen
CEO

Board of Directors

Christian Lanng Nielsen
Chairman

Lars Ytting

Helle Lund Bjerre

Christian Ussing-Nielsen

Independent auditor's report

To the shareholders of Dynatest South America Holding ApS

Opinion

We have audited the financial statements of Dynatest South America Holding ApS for the financial year 20.12.2016 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including 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 Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 20.12.2016 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 responsibilities 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of 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 judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Copenhagen, 28.06.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Jens Sejer Pedersen
State Authorised Public Accountant
Identification No (MNE) mne14986

Management commentary

Primary activities

Dynatest International A/S is a leading international provider of pavement engineering consulting services and equipment incl. unique software tools for use in planning and maintenance of pavements for airports and roads.

Dynatest South America ApS is a subsidiary of Dynatest International A/S, and is the parent company for Dynatest's activities in South America.

Development in activities and finances

The Company has a loss for the year of (3.258) th.DKK, and at December 31, 2017 the Equity amounts to 4.291 th.DKK.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2016/17

	<u>Notes</u>	<u>2016/17 DKK</u>
Gross profit		0
Administrative expenses		<u>(85.000)</u>
Operating profit/loss		<u>(85.000)</u>
Other financial income	1	77.230
Impairment losses on financial assets		(2.777.103)
Other financial expenses		<u>(473.789)</u>
Profit/loss for the year		<u>(3.258.662)</u>
Proposed distribution of profit/loss		
Retained earnings		<u>(3.258.662)</u>
		<u>(3.258.662)</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2016/17 DKK</u>
Investments in group enterprises		3
Receivables from group enterprises		<u>4.854.566</u>
Fixed asset investments	2	<u>4.854.569</u>
Fixed assets		<u>4.854.569</u>
 Cash		<u>4.558.470</u>
Current assets		<u>4.558.470</u>
Assets		<u>9.413.039</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2016/17 DKK</u>
Contributed capital	3	75.000
Retained earnings		<u>4.216.338</u>
Equity		<u>4.291.338</u>
Debt to other credit institutions		<u>4.967.357</u>
Non-current liabilities other than provisions	4	<u>4.967.357</u>
Trade payables		85.000
Other payables		<u>69.344</u>
Current liabilities other than provisions		<u>154.344</u>
Liabilities other than provisions		<u>5.121.701</u>
Equity and liabilities		<u>9.413.039</u>
Contingent liabilities	5	

Statement of changes in equity for 2016/17

	Contributed capital DKK	Retained earnings DKK	Total DKK
Increase of capital	75.000	7.475.000	7.550.000
Profit/loss for the year	0	(3.258.662)	(3.258.662)
Equity end of year	75.000	4.216.338	4.291.338

Notes

	2016/17 DKK
1. Other financial income	
Financial income arising from group enterprises	77.230
	77.230

	Invest- ments in group enterprises DKK	Receivables from group enterprises DKK
2. Fixed asset investments		
Additions	3	7.631.669
Cost end of year	3	7.631.669
Investments with negative equity value depreciated over receivables	0	(2.777.103)
Impairment losses end of year	0	(2.777.103)
Carrying amount end of year	3	4.854.566

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK
Investments in group enterprises comprise:					
Dynatest Columbia SpA	Columbia	SpA	100,0	(5.790.095)	(647.784)
Dynatest Peru SpA	Peru	SpA	100,0	(2.407.261)	(872.486)
Dunatest Chile SpA	Chile	SpA	100,0	(3.425.876)	190.184

	Number	Par value DKK	Nominal value DKK
3. Contributed capital			
Anpartskapital	75.000	1	75.000
	75.000		75.000

Notes

	Outstanding after 5 years DKK
4. Liabilities other than provisions	
Debt to other credit institutions	3.333.000
	3.333.000

5. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Dynatest Finance ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group, as well as for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are stated below.

Consolidated financial statements

Referring to section 112(1) / 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, production costs and other operating income.

Administrative costs

Administrative costs comprise expenses incurred for the Entity's administrative functions, stationery and office supplies as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets etc.

Impairment of financial assets

Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities etc.

Balance sheet

Investments in group enterprises

Investments in group enterprises are measured at cost.

Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Accounting policies

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.