

Qubiqa A/S
Central Business Registration No
61628711
Industrivej 8
9510 Arden

Annual report 2015/16

The Annual General Meeting adopted the annual report on 29.06.2016

Chairman of the General Meeting

Name: 
Peter Lynghøj Johansen

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Entity details

Entity

Qubiqa A/S
Industrivej 8
9510 Arden

Central Business Registration No: 61628711

Registered in: Mariagerfjord

Financial year: 01.06.2015 - 31.05.2016

Board of Directors

Mogens Jensen, Chairman

Esben Bay Jørgensen

Bernd Petersen

Executive Board

Axel Manøe Jepsen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus 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 Qubiqa A/S for the financial year 01.06.2015 - 31.05.2016.

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 Entity's financial position at 31.05.2016 and of the results of its operations and cash flows for the financial year 01.06.2015 - 31.05.2016.

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.

Arden, 29.06.2016

Executive Board

Axel Manøe Jepsen
CEO

Board of Directors



Mogens Jensen
Chairman



Esben Bay Jørgensen



Bernd Petersen

Independent auditor's reports

To the owners of Qubiqa A/S

Report on the financial statements

We have audited the financial statements of Qubiqa A/S for the financial year 01.06.2015 - 31.05.2016, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement 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 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity'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 Entity'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 the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.05.2016 and of the results of its operations and cash flows for the financial year 01.06.2015 - 31.05.2016 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Aarhus, 29.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Jacob Nørmark

State Authorised Public Accountant



Lars Andersen

State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

| | <u>2015/16</u> <u>DKK'000</u> | <u>2014/15</u> <u>DKK'000</u> | <u>2013/14</u> <u>DKK'000</u> | <u>2012/13</u> <u>DKK'000</u> | <u>2011/12</u> <u>DKK'000</u> |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Financial high- lights | | | | | |
| Key figures | | | | | |
| Gross profit | 81.100 | 69.581 | 62.739 | 90.036 | 0 |
| Operating profit/loss | 18.377 | 3.011 | 2.614 | 25.444 | (11.276) |
| Net financials | (5.620) | (3.689) | (2.200) | 20.821 | (8.526) |
| Profit/loss for the year | 10.444 | (1.328) | (312) | 37.633 | (8.604) |
| Total assets | 174.372 | 189.847 | 196.858 | 238.083 | 206.550 |
| Investments in property, plant and equipment | 498 | 402 | 78 | 1.176 | 1.881 |
| Equity | 47.188 | 59.200 | 65.528 | 91.840 | 54.208 |
| Ratios | | | | | |
| Return on equity (%) | 19,6 | (2,1) | (0,4) | 51,5 | (22,2) |
| Solvency ratio (%) | 27,1 | 31,2 | 33,3 | 38,6 | 26,2 |

The financial highlights for 2011/12 have been prepared in accordance with IFRS, and in this connection the comparative figures have not been restated to reflect the change in accounting policies when changing into financial reporting according to the Danish Financial Statements Act but have been prepared in accordance with the previous accounting policies based on the provisions of IFRS.

As a result of the divestment of the activity in the former Nordplan A/S in the financial year 2012/13, the financial highlights in the financial year 2013/14 only cover the surviving activity Qubiqa Logistics.

Management commentary

Primary activities

The Company's activity consists of development, production, sale and installation of products and systems within intelligent logistics and storage solutions. The domestic market is Scandinavia for systems and globally for products sold to system integrators and directly to the end user. Production takes place in Qubiqa A/S and at sub-suppliers, whereas sales are primarily handled from Denmark.

The Enterprise is well prepared for the future as an efficient and technological enterprise geared to handle small to medium-sized projects at a competitive level. The Enterprise's focus is primarily directed towards the food sector and general distribution. The solutions are always prepared in close cooperation with the customer to secure an optimum and functional solution, which also matches the requirements of the future.

Our product range comprises solutions for all processes in the logistics flow: Receipt of goods, container unloading, weight and volume checking as well as internal transport and storage solution systems – including mini-load, palletizing/depalletizing, layer picking, order picking, sorting, order composition, packing and dispatch.

When working as a main supplier, we work closely together with the customer to identify the customer's needs and requirements. We undertake the complete project management and coordination with sub-suppliers. A complete delivery will include mechanical units as well as electrical controlling of these units.

Depending on the scope of the delivery, a control system from the Group may be a simple PLC control of single products – it can be a PC control with embedded visualisation of conveyor systems - or it may be a complete Warehouse Management System (WMS) interfacing with the customer's administrative system (ERP). In the latter case, we always cooperate with professional sub-suppliers of SW solutions.

In addition to the products being of tested quality, the customer will receive an extra bonus thanks to the Enterprise's own experience in system integration. Finally, our well-developed service management concept always ensures that there is a backup in case of component or management problems. Each product is thoroughly tested and reliable and can be integrated mechanically and electrically with our other product range – and also with other providers' products.

As part of future-proofing of the logistics solution, we offer a modular-built service concept. A service agreement is flexible and customised. The customer may opt for single modules or the whole package. A service agreement ensures high availability, maximum operational reliability and a professional hotline support 24/7/365.

Management commentary

Development in activities and finances

Profit for the year amounts to DKK 12.7m before tax. The financial performance is better than expected and is considered satisfactory.

The writedown of DKK 12m on one of the company's properties is posted on the equity.

Outlook

The Company expects satisfactory financial performance for the coming financial year.

Environmental performance

The Company does not perform work that directly affects the environment and nature of the area. The Company, however, has decided to pursue an energy-conscious policy with focus on reduction of energy consumption.

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.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied for these financial statements are consistent with those applied last year.

Consolidated financial statements

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Accounting policies

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Impairment of financial assets

Impairment of financial assets comprises impairment of 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 losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business arever ea. The amortisation period is usually 10 years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. The rights are amortised on a straight-line basis over their estimated useful lives. The amortisation period is 8-10 years, but no more than the remaining term of the rights concerned.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-manufactured assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

| | |
|--|-------------|
| Buildings | 30-50 years |
| Plant and machinery | 5-10 years |
| Other fixtures and fittings, tools and equipment | 3-5 years |

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Other investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Accounting policies

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on and impairment losses relating to machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management. Financing costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as financing costs are recognised in the income statement as incurred.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Accounting policies

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructurings, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is likely that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Accounting policies

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash less short-term bank debt.

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2010" issued by the Danish Society of Financial Analysts.

| Ratios | Calculation formula | Ratios reflect |
|----------------------|--|--|
| Return on equity (%) | $\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$ | The Entity's return on capital invested in the Entity by the owners. |
| Soliditetsgrad (%) | $\frac{\text{Equity} \times 100}{\text{Total assets}}$ | The financial strength of the Entity. |

Income statement for 2015/16

| | <u>Notes</u> | <u>2015/16 DKK</u> | <u>2014/15 DKK</u> |
|--|--------------|--------------------------|---------------------------|
| Gross profit | | 81.099.734 | 69.581.294 |
| Staff costs | 1 | (58.510.218) | (57.499.570) |
| Depreciation, amortisation and impairment losses | 2 | (4.212.191) | (9.070.486) |
| Operating profit/loss | | 18.377.325 | 3.011.238 |
| Other financial income | 3 | 1.228.360 | 1.312.103 |
| Impairment of financial assets | | (2.807.000) | 0 |
| Other financial expenses | 4 | (4.041.003) | (5.001.051) |
| Profit/loss from ordinary activities before tax | | 12.757.682 | (677.710) |
| Tax on profit/loss from ordinary activities | 5 | (2.313.552) | (650.359) |
| Profit/loss for the year | | <u>10.444.130</u> | <u>(1.328.069)</u> |
| Proposed distribution of profit/loss | | | |
| Dividend for the financial year | | 0 | 10.000.000 |
| Retained earnings | | <u>10.444.130</u> | <u>(11.328.069)</u> |
| | | <u>10.444.130</u> | <u>(1.328.069)</u> |

Balance sheet at 31.05.2016

| | <u>Notes</u> | <u>2015/16 DKK</u> | <u>2014/15 DKK</u> |
|--|--------------|--------------------------|---------------------------|
| Acquired patents | | 8.270.044 | 10.135.030 |
| Goodwill | | 2.888.683 | 3.096.455 |
| Intangible assets | 6 | <u>11.158.727</u> | <u>13.231.485</u> |
| Land and buildings | | 30.657.628 | 44.558.018 |
| Plant and machinery | | 26.046 | 40.242 |
| Other fixtures and fittings, tools and equipment | | 1.390.842 | 1.263.092 |
| Property, plant and equipment | 7 | <u>32.074.516</u> | <u>45.861.352</u> |
| Investments in group enterprises | | 1 | 1 |
| Other investments | | 30.597.149 | 30.597.149 |
| Other receivables | | 13.330.693 | 17.303.769 |
| Fixed asset investments | 8 | <u>43.927.843</u> | <u>47.900.919</u> |
| Fixed assets | | <u>87.161.086</u> | <u>106.993.756</u> |
| Raw materials and consumables | | 7.788.569 | 9.351.630 |
| Manufactured goods and goods for resale | | 291.504 | 176.863 |
| Inventories | | <u>8.080.073</u> | <u>9.528.493</u> |
| Trade receivables | | 28.338.929 | 24.940.809 |
| Contract work in progress | 9 | 22.492.292 | 19.353.316 |
| Receivables from group enterprises | | 14.393.592 | 6.457.045 |
| Deferred tax assets | 10 | 9.100.000 | 14.600.000 |
| Other short-term receivables | | 359.802 | 316.061 |
| Income tax receivable | | 1.377.140 | 1.681.533 |
| Prepayments | 11 | 514.190 | 597.355 |
| Receivables | | <u>76.575.945</u> | <u>67.946.119</u> |

Balance sheet at 31.05.2016

| | | |
|-----------------------|--------------------|--------------------|
| Cash | <u>2.554.679</u> | <u>5.378.988</u> |
| Current assets | <u>87.210.697</u> | <u>82.853.600</u> |
| Assets | <u>174.371.783</u> | <u>189.847.356</u> |

Balance sheet at 31.05.2016

| | <u>Notes</u> | <u>2015/16 DKK</u> | <u>2014/15 DKK</u> |
|--|--------------|---------------------------|---------------------------|
| Contributed capital | 12 | 7.500.000 | 7.500.000 |
| Revaluation reserve | | 5.052.002 | 17.508.002 |
| Retained earnings | | 34.635.688 | 24.191.558 |
| Proposed dividend | | 0 | 10.000.000 |
| Equity | | <u>47.187.690</u> | <u>59.199.560</u> |
| Other provisions | 13 | 6.997.226 | 4.144.226 |
| Provisions | | <u>6.997.226</u> | <u>4.144.226</u> |
| Mortgage debts | | 22.264.753 | 24.994.668 |
| Deposits | | 150.000 | 0 |
| Other payables | | 2.193.056 | 1.618.954 |
| Non-current liabilities other than provisions | 14 | <u>24.607.809</u> | <u>26.613.622</u> |
| Current portion of long-term liabilities other than provisions | 14 | 3.029.916 | 3.006.715 |
| Subordinate loan capital | | 1.628.256 | 1.514.453 |
| Bank loans | | 40.348.997 | 42.009.423 |
| Contract work in progress | | 10.535.449 | 13.886.820 |
| Trade payables | | 19.937.824 | 18.140.610 |
| Debt to group enterprises | | 3.081.732 | 5.948.766 |
| Other payables | | 17.016.884 | 15.383.161 |
| Current liabilities other than provisions | | <u>95.579.058</u> | <u>99.889.948</u> |
| Liabilities other than provisions | | <u>120.186.867</u> | <u>126.503.570</u> |
| Equity and liabilities | | <u>174.371.783</u> | <u>189.847.356</u> |
| Unrecognised rental and lease commitments | 16 | | |
| Contingent liabilities | 17 | | |
| Assets charged and collateral | 18 | | |
| Related parties with control | 19 | | |
| Ownership | 20 | | |
| Consolidation | 21 | | |

Statement of changes in equity for 2015/16

| | Contributed capital DKK | Revaluation reserve DKK | Retained earnings DKK | Proposed dividend DKK | Total DKK |
|---------------------------|--|--|--------------------------------------|--------------------------------------|----------------------|
| Equity beginning of year | 7.500.000 | 17.508.002 | 24.191.558 | 10.000.000 | 59.199.560 |
| Ordinary dividend paid | 0 | 0 | 0 | (10.000.000) | (10.000.000) |
| Reversal of revaluations | 0 | (12.456.000) | 0 | 0 | (12.456.000) |
| Profit/loss for the year | 0 | 0 | 10.444.130 | 0 | 10.444.130 |
| Equity end of year | 7.500.000 | 5.052.002 | 34.635.688 | 0 | 47.187.690 |

Cash flow statement 2015/16

| | <u>Notes</u> | <u>2015/16 DKK</u> | <u>2014/15 DKK</u> |
|--|--------------|----------------------------|----------------------------|
| Operating profit/loss | | 18.377.325 | 3.011.238 |
| Amortisation, depreciation and impairment losses | | 4.212.191 | 9.070.486 |
| Other provisions | | 2.853.000 | 736.662 |
| Working capital changes | 15 | <u>(15.773.267)</u> | <u>594.904</u> |
| Cash flow from ordinary operating activities | | 9.669.249 | 13.413.290 |
| Financial income received | | 1.228.360 | 1.063.799 |
| Financial income paid | | (4.041.003) | (4.752.748) |
| Income taxes refunded/(paid) | | <u>3.490.841</u> | <u>0</u> |
| Cash flows from operating activities | | <u>10.347.447</u> | <u>9.724.341</u> |
| Acquisition etc of intangible assets | | (332.378) | (750.000) |
| Acquisition etc of property, plant and equipment | | (498.000) | (401.539) |
| Sale of property, plant and equipment | | 21.781 | 0 |
| Sale of fixed asset investments | | <u>1.166.076</u> | <u>1.930.575</u> |
| Cash flows from investing activities | | <u>357.479</u> | <u>779.036</u> |
| Loans raised | | (1.868.809) | (3.667.067) |
| Dividend paid | | <u>(10.000.000)</u> | <u>(5.000.000)</u> |
| Cash flows from financing activities | | <u>(11.868.809)</u> | <u>(8.667.067)</u> |
| Increase/decrease in cash and cash equivalents | | (1.163.883) | 1.836.310 |
| Cash and cash equivalents beginning of year | | <u>(36.630.435)</u> | <u>(38.466.745)</u> |
| Cash and cash equivalents end of year | | <u>(37.794.318)</u> | <u>(36.630.435)</u> |
| Cash and cash equivalents at year-end are composed of: | | | |
| Cash | | 2.554.679 | 5.378.988 |
| Short-term debt to banks | | <u>(40.348.997)</u> | <u>(42.009.423)</u> |
| Cash and cash equivalents end of year | | <u>(37.794.318)</u> | <u>(36.630.435)</u> |

Notes

| | <u>2015/16</u> <u>DKK</u> | <u>2014/15</u> <u>DKK</u> |
|--|------------------------------|------------------------------|
| 1. Staff costs | | |
| Wages and salaries | 54.078.003 | 52.781.902 |
| Pension costs | 3.729.055 | 3.596.294 |
| Other social security costs | 703.160 | 1.121.374 |
| | <u>58.510.218</u> | <u>57.499.570</u> |
| | | |
| Average number of employees | <u>89</u> | <u>86</u> |
| | | |
| | <u>2015/16</u> <u>DKK</u> | <u>2014/15</u> <u>DKK</u> |
| 2. Depreciation, amortisation and impairment losses | | |
| Amortisation of intangible assets | 2.405.136 | 2.250.116 |
| Depreciation of property, plant and equipment | 1.828.836 | 1.820.370 |
| Impairment losses on property, plant and equipment | 0 | 5.000.000 |
| Profit/loss from sale of intangible assets and property, plant and equipment | (21.781) | 0 |
| | <u>4.212.191</u> | <u>9.070.486</u> |
| | | |
| | <u>2015/16</u> <u>DKK</u> | <u>2014/15</u> <u>DKK</u> |
| 3. Other financial income | | |
| Financial income arising from group enterprises | 391.571 | 190.032 |
| Interest income | 836.789 | 901.217 |
| Exchange rate adjustments | 0 | 220.854 |
| | <u>1.228.360</u> | <u>1.312.103</u> |
| | | |
| | <u>2015/16</u> <u>DKK</u> | <u>2014/15</u> <u>DKK</u> |
| 4. Other financial expenses | | |
| Financial expenses from group enterprises | 137.192 | 154.566 |
| Interest expenses | 3.322.379 | 4.775.173 |
| Fair value adjustments | 300.000 | 0 |
| Other financial expenses | 281.432 | 71.312 |
| | <u>4.041.003</u> | <u>5.001.051</u> |

Notes

| | <u>2015/16</u> <u>DKK</u> | <u>2014/15</u> <u>DKK</u> |
|---|---|-------------------------------|
| 5. Tax on ordinary profit/loss for the year | | |
| Current tax | (3.186.448) | 4.275.359 |
| Change in deferred tax for the year | <u>5.500.000</u> | <u>(3.625.000)</u> |
| | <u>2.313.552</u> | <u>650.359</u> |
| | | |
| | <u>Acquired</u> <u>patents</u> <u>DKK</u> | <u>Goodwill</u> <u>DKK</u> |
| 6. Intangible assets | | |
| Cost beginning of year | 28.280.324 | 3.660.253 |
| Additions | <u>332.378</u> | <u>0</u> |
| Cost end of year | <u>28.612.702</u> | <u>3.660.253</u> |
| | | |
| Amortisation and impairment losses beginning of year | (18.145.294) | (563.798) |
| Amortisation for the year | <u>(2.197.364)</u> | <u>(207.772)</u> |
| Amortisation and impairment losses end of year | <u>(20.342.658)</u> | <u>(771.570)</u> |
| | | |
| Carrying amount end of year | <u>8.270.044</u> | <u>2.888.683</u> |

Notes

| | Land and buildings DKK | Plant and machinery DKK | Other fix- tures and fittings, tools and equipment DKK |
|---|---|--|---|
| 7. Property, plant and equipment | | | |
| Cost beginning of year | 48.161.946 | 3.218.352 | 23.944.868 |
| Additions | 0 | 0 | 498.000 |
| Disposals | 0 | (1.393.686) | (16.221.628) |
| Cost end of year | 48.161.946 | 1.824.666 | 8.221.240 |
| Revaluations beginning of year | 17.508.002 | 0 | 0 |
| Reversal of revaluations | (12.456.000) | 0 | 0 |
| Revaluations end of year | 5.052.002 | 0 | 0 |
| Depreciation and impairment losses beginning of the year | (21.111.930) | (3.178.110) | (22.681.776) |
| Depreciation for the year | (1.444.390) | (14.196) | (370.250) |
| Reversal regarding disposals | 0 | 1.393.686 | 16.221.628 |
| Depreciation and impairment losses end of the year | (22.556.320) | (1.798.620) | (6.830.398) |
| Carrying amount end of year | 30.657.628 | 26.046 | 1.390.842 |
| | Investments in group en- terprises DKK | Other in- vestments DKK | Other recei- vables DKK |
| 8. Fixed asset investments | | | |
| Cost beginning of year | 1 | 30.597.149 | 17.303.769 |
| Disposals | 0 | 0 | (1.166.076) |
| Cost end of year | 1 | 30.597.149 | 16.137.693 |
| Impairment losses for the year | 0 | 0 | (2.807.000) |
| Impairment losses end of year | 0 | 0 | (2.807.000) |
| Carrying amount end of year | 1 | 30.597.149 | 13.330.693 |

Notes

| | <u>Registered in</u> | <u>Corpo- rate form</u> | <u>Equity interest %</u> | <u>Equity DKK</u> | <u>Profit/loss DKK</u> |
|------------------|--------------------------------|---------------------------------|----------------------------------|-----------------------|----------------------------|
| Subsidiaries: | | | | | |
| Univeyor Limited | Leicester, Uni- ted Kingdom | Ltd. | 100,00 | (1.135.000) | (30.600) |

| | <u>2015/16 DKK</u> | <u>2014/15 DKK</u> |
|---|------------------------|------------------------|
| 9. Contract work in progress | | |
| Contract work in progress | 176.221.304 | 140.723.289 |
| Progress billings regarding contract work in progress | (164.264.461) | (135.256.793) |
| Transferred to liabilities other than provisions | 10.535.449 | 13.886.820 |
| | <u>22.492.292</u> | <u>19.353.316</u> |

| | <u>2015/16 DKK</u> | <u>2014/15 DKK</u> |
|-------------------------------|------------------------|------------------------|
| 10. Deferred tax | | |
| Intangible assets | 1.064.000 | 2.334.000 |
| Property, plant and equipment | 3.802.000 | 1.214.000 |
| Receivables | 51.000 | 0 |
| Provisions | 1.539.000 | 912.000 |
| Tax losses carried forward | 2.644.000 | 10.140.000 |
| | <u>9.100.000</u> | <u>14.600.000</u> |

11. Prepayments

Prepayments relate to prepaid expenses for insurance etc.

| | <u>Number</u> | <u>Nominal value DKK</u> |
|--------------------------------|---------------|----------------------------------|
| 12. Contributed capital | | |
| Shares | 7.500 | 7.500.000 |
| | <u>7.500</u> | <u>7.500.000</u> |

Notes

| | <u>2015/16</u> DKK | <u>2014/15</u> DKK | <u>2013/14</u> DKK | <u>2012/13</u> DKK | <u>2011/12</u> DKK |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Changes in contributed capital | | | | | |
| Contributed capital beginning of year | 7.500.000 | 7.500.000 | 7.500.000 | 75.000.000 | 75.000.000 |
| Decrease of capital | 0 | 0 | 0 | (67.500.000) | 0 |
| Contributed capital end of year | <u>7.500.000</u> | <u>7.500.000</u> | <u>7.500.000</u> | <u>7.500.000</u> | <u>75.000.000</u> |

13. Other provisions

Guarantee obligations concern goods sold within systems sales and product sales which are delivered with one year's guarantee. The provisions are prepared based on previous years' experiences. Expectations are that the costs will be incurred within 12 months.

| | <u>Instalments within 12 months 2014/15 DKK</u> | <u>Instalments within 12 months 2015/16 DKK</u> | <u>Instalments beyond 12 months 2015/16 DKK</u> | <u>Outstanding after 5 years 2015/16 DKK</u> |
|--|---|---|---|--|
| 14. Long-term liabilities other than provisions | | | | |
| Mortgage debts | 3.006.715 | 3.029.916 | 22.264.753 | 9.655.016 |
| Deposits | 0 | 0 | 150.000 | 150.000 |
| Other payables | 0 | 0 | 2.193.056 | 0 |
| | <u>3.006.715</u> | <u>3.029.916</u> | <u>24.607.809</u> | <u>9.805.016</u> |

15. Change in working capital

| | <u>2015/16</u> DKK | <u>2014/15</u> DKK |
|---|-----------------------|-----------------------|
| Increase/decrease in inventories | 1.448.420 | (334.503) |
| Increase/decrease in receivables | (14.434.219) | (354.065) |
| Increase/decrease in trade payables etc | (2.787.468) | 1.283.472 |
| | <u>(15.773.267)</u> | <u>594.904</u> |

16. Unrecognised rental and lease commitments

| | <u>2015/16</u> DKK | <u>2014/15</u> DKK |
|--|-----------------------|-----------------------|
| Commitments under rental agreements or leases until expiry | <u>4.717.723</u> | <u>4.677.797</u> |

Notes

17. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Anpartsselskabet af 15. Marts 2006 serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

18. Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises the plant and machinery deemed part of the property.

The carrying amount of mortgaged properties is DKK 30,657k, and the carrying amount of mortgaged production plant DKK 26k.

Bank debt is secured on a mortgage on unlisted shares of a nominal value of DKK 30,597k and non-current liabilities of a nominal value of DKK 13,331k as well as cash of DKK 185k.

The guarantor has provided a guarantee in connection with projects in progress. Guarantees amount to DKK 147,6m at the balance sheet date.

Collateral securities provided for subsidiaries and group enterprises

The Company has guaranteed the group enterprises' debt to Jyske Bank.

The Company is jointly and severally liable with the jointly registered group enterprises for the total VAT liability.

Notes

19. Related parties with control

Qubiqa Holding A/S holds all company shares and therefore has a controlling interest in the Company.

20. Ownership

The Entity has registered the following shareholders as holding more than 5% of the voting rights or more than 5% of the nominal value of share capital:

Qubiqa Holding A/S, Esbjerg, Denmark.

21. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Anpartsselskabet af 15. Marts 2006

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Qubiqa Holding A/S, Esbjerg, Denmark