

**Dynatest International A/S
Central Business Registration No
64532413**

Annual report 2014

The Annual General Meeting adopted the annual report on 29.05.2015

Chairman of the General Meeting

Name: Niels Kornerup

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Entity details

Company

Dynatest International A/S
Gladsaxevej 342
2860 Søborg

Central Business Registration No: 64532413

Registered in: Gladsaxe

Financial year: 01.01.2014 - 31.12.2014

Board of Directors

Anders Sørensen
Poul Erik Vennekilde
Torben Anker Sørensen

Executive Board

Torben Anker Sørensen, CEO

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
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 International A/S for the financial year 01.01.2014 - 31.12.2014.

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 31.12.2014 and of the results of its operations and cash flows for the financial year 01.01.2014 - 31.12.2014.

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.

Søborg, 13.05.2015

Executive Board

Torben Anker Sørensen
CEO

Board of Directors

Anders Sørensen

Poul Erik Vennekilde

Torben Anker Sørensen

Independent auditor's reports

To the owners of Dynatest International A/S Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of Dynatest International A/S for the financial year 01.01.2014 - 31.12.2014, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 reports

Opinion

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2014, and of the results of their operations and the Group's cash flows for the financial year 01.01.2014 - 31.12.2014 in accordance with the Danish Financial Statements Act.

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 consolidated financial statements and parent financial statement.

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

Copenhagen, 13.05.2015

Deloitte

Statsautoriseret Revisionspartnerselskab

Jens Sejer Pedersen
State Authorised Public Accountant

Eigil Hansen
State Authorised Public Accountant

Management commentary

	2014	2013	2012	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial high-lights					
Key figures					
Revenue	155.706	118.796	118.357	105.065	97.159
Gross profit/loss	55.684	36.944	35.553	29.368	28.078
Operating profit/loss	3.826	(1.137)	6.075	623	1.084
Net financials	(472)	(794)	(782)	(1.293)	(2.022)
Profit/loss for the year	167	(1.849)	4.031	257	577
Total assets	99.594	100.291	66.742	63.114	55.653
Investments in property, plant and equipment	4.201	5.216	3.610	5.295	5.150
Equity	44.759	17.163	22.035	17.810	16.593
Ratios					
Gross margin (%)	35,8	31,1	30,0	28,0	28,9
Net margin (%)	0,1	(1,6)	3,4	0,2	0,6
Return on equity (%)	0,5	(9,4)	20,2	1,5	3,5
Equity ratio (%)	44,9	17,1	33,0	28,2	29,8
Gennemsnitligt antal ansatte	107,0	92,0	87,5	82,0	82,0

Due to changes in accounting principles the comparative figures for 2012 in financial highlights and ratios, the consolidated income statement and the consolidated balance sheet have been adjusted accordingly. Financial highlights and ratios have not been adjusted for the years 2011 and backwards.

Management commentary

Primary activities

Dynatest International A/S is a leading and multinational provider of pavement consultancy and design services, incl. unique software tools, for use in planning and maintenance of pavements for airports, roads and pathways. It also develop, manufacture and sell high technology data collection equipment for condition monitoring of pavements.

Dynatest International A/S has delivered data collection equipment and consultancy globally for almost 40 years, and has a strong reputation for quality. Dynatest International A/S is honored to have delivered equipment and services to almost all countries in the world.

Dynatest International A/S is headquartered in Copenhagen, Denmark and has own activities in 14 countries, with a focus on US, Europe and South America, covering a total of 21 sites, of which 8 are in US.

The mission of Dynatest International A/S is to:

- Continuously advance the state of the art in pavement technology.
- Help pavement stakeholders provide and maintain safe, economically and environmentally sound pavement networks for the benefit of the travelling public.

Dynatest International target groups are owners and operators of airports and roads globally, and provide:

- Consultancy services for determining life expectancy of pavements, maintenance strategies and strategic design of existing and new pavements. Unique software tools are key, incl. repository of data.
- High tech data collection equipment for condition monitoring of pavements
- Customer service for the installed base of equipment

Development in activities and finances

Revenue increased by 31% to 155,7 MDKK, and the net result after tax rose to a profit of 0,2 MDKK. The equity increased to 44,8 MDKK, equal to an equity ratio of 45%.

On June 27th 2014 the Annual General Meeting approved a capital increase of 26 MDKK, and an offer to all existing shareholders to buy shares. The result of the transactions are that Dynatest Holding ApS, controlled by the capital fund SE Blue Equity and Torben Anker Sørensen, controls 69,7% of the votes. The new majority ownership allows Dynatest International A/S to unleash its global potential, and make the longterm investments required.

Management commentary

The gross margin improved to 35,8%, as a reflection of an improvement in underlying operations, to a level which is satisfactory. The net result is burdened by costs associated with share transactions, changes in structure, and not capitalized development costs.

Outlook

Expectations for 2015 are that the positive development continues, albeit net result will continue to be influenced by costs associated with the planned longterm investments in people, markets and new development of tools for consultancy and new data collection equipment.

The first major improvement in 40 years of the core product, the FastFWD (Falling Weight Deflectometer), was introduced at TRB in Washington in January 2015. The FastFWD has a significantly higher productivity rate, being up to 5 times faster per drop than existing FWDs, and has very well received by the market.

A consolidation of the three manufacturing sites in US towards one site in the State of Georgia has been launched.

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.

The accounting policies applied for this consolidated financial statements and parent financial statements are consistent with those applied last year.

Management judgements and estimates

When preparing the Company's annual report, it is necessary that Management makes a number of accounting judgments and estimates which form the basis for presentation, recognition and measurement of the Company's assets and liabilities. In particular, the accounting judgments and estimates made by Management related to :

- The recognition and measurement of development costs, and
- The measuring of the stage of completion and the value of contract work in progress.

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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in

Accounting policies

which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises, provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet under deferred income, and they are recognised in the income statement when such adverse development is realised.

Profits or losses from divestment of equity investments

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding-up, inclusive of non-amortised goodwill and estimated divestment or winding-up expenses

Accounting policies

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..

Income statement

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).

Production costs

Production costs comprise expenses incurred to earn revenue for the financial year. Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary write-down of inventories.

Also, provisions for loss on contract work in progress are recognised under production costs.

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment attached to the distribution process.

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationary 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.

Accounting policies

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies 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.

Balance sheet

Intellectual property rights etc

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is usually 3 years. Development projects are written down to the lower of recoverable amount and carrying amount

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 costs of materials, components, sub-suppliers and labour costs.

Accounting policies

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	31 - 39 years
Plant and machinery	3 - 10 years
Other fixtures and fittings, tools and equipment	3 - 10 years
Leasehold improvements	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 recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

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

Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised pro rata internal profits and losses.

Associates with negative equity are measured at DKK 0, and any receivables from these associates are written down by the share of such negative equity if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if there is a legal or constructive obligation to cover the liabilities of the relevant associate.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Accounting policies

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

Inventories

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

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

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

Receivables

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

Contract work in progress

Contract work in progress regarding individualized products 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.

Accounting policies

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Minority interests

Minority interests consist of non-controlling interests share of equity in subsidiaries not 100% owned by the parent company.

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.

If goods are sold on approval, a provision is made for the mark-up on the goods estimated to be returned as well as any expenses related to the returns.

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

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructurings in the acquired enterprise that were decided and published at the takeover date at the latest.

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.

Accounting policies

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income tax receivable or payable

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.

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 and short-term securities with an insignificant price risk less short-term bank debt.

Accounting policies

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
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The Entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$	The Entity's operating profitability.
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.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the Entity.

Consolidated income statement for 2014

	<u>Notes</u>	<u>2014 DKK</u>	<u>2013 DKK'000</u>
Revenue		155.705.835	118.796
Production costs	1	<u>(100.021.358)</u>	<u>(81.852)</u>
Gross profit/loss		55.684.477	36.944
Distribution costs	1	(5.925.544)	(7.361)
Administrative costs	1	<u>(45.933.221)</u>	<u>(30.720)</u>
Operating profit/loss		3.825.712	(1.137)
Income from investments in associates		581.711	506
Other financial income		48.596	15
Other financial expenses		<u>(1.101.952)</u>	<u>(1.315)</u>
Profit/loss from ordinary activities before tax		3.354.067	(1.931)
Tax on profit/loss from ordinary activities	2	<u>(3.099.632)</u>	<u>330</u>
Consolidated profit/loss		254.435	(1.601)
Minority interests' share of profit/loss		<u>(87.000)</u>	<u>(248)</u>
Profit/loss for the year		167.435	(1.849)
Proposed distribution of profit/loss			
Retained earnings		<u>167.435</u>	<u>(1.849)</u>
		167.435	(1.849)

Consolidated balance sheet at 31.12.2014

	<u>Notes</u>	<u>2014 DKK</u>	<u>2013 DKK'000</u>
Completed development projects		2.169.272	1.530
Development projects in progress		5.935.526	2.695
Intangible assets	3	8.104.798	4.225
Land and buildings		2.418.233	2.216
Other fixtures and fittings, tools and equipment		17.239.610	13.554
Property, plant and equipment in progress		0	2.444
Property, plant and equipment	4	19.657.843	18.214
Investments in group enterprises		(0)	0
Investments in associates		2.584.099	2.003
Deposits		1.511.582	424
Fixed asset investments	5	4.095.681	2.427
Fixed assets		31.858.322	24.866
Raw materials and consumables		12.439.314	9.619
Manufactured goods and goods for resale		1.528.798	2.121
Prepayments for goods		574.879	4.095
Inventories		14.542.991	15.835
Trade receivables		25.832.722	14.997
Contract work in progress	8	11.810.806	24.936
Deferred tax assets		1.680.438	1.215
Other short-term receivables		1.565.441	268
Prepayments		1.152.326	3.916
Receivables		42.041.733	45.332
Cash		11.151.258	14.258
Current assets		67.735.982	75.425
Assets		99.594.304	100.291

Consolidated balance sheet at 31.12.2014

	<u>Notes</u>	<u>2014 DKK</u>	<u>2013 DKK'000</u>
Contributed capital		2.040.000	1.000
Retained earnings		42.718.794	16.163
Equity		<u>44.758.794</u>	<u>17.163</u>
Minority interests	9	<u>587.671</u>	<u>502</u>
Provisions for deferred tax		1.305.000	20
Other provisions		2.413.533	1.792
Provisions		<u>3.718.533</u>	<u>1.812</u>
Mortgage debts		570.786	680
Bank loans		1.704.217	2.029
Payables to shareholders and management		0	301
Non-current liabilities other than provisions	10	<u>2.275.003</u>	<u>3.010</u>
Current portion of long-term liabilities other than provisions	10	4.175.758	1.468
Bank loans		13.607.421	17.037
Prepayments received from customers		263.546	0
Contract work in progress		9.673.565	36.541
Trade payables		9.014.798	14.563
Income tax payable		563.630	0
Other payables		10.955.584	8.195
Current liabilities other than provisions		<u>48.254.302</u>	<u>77.804</u>
Liabilities other than provisions		<u>50.529.305</u>	<u>80.814</u>
Equity and liabilities		<u>99.594.304</u>	<u>100.291</u>
Subsidiaries	6		
Mortgages and securities	12		

Consolidated statement of changes in equity for 2014

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1.000.000	16.162.478	17.162.478
Increase of capital	1.040.000	24.960.000	26.000.000
Exchange rate adjustments	0	1.428.881	1.428.881
Profit/loss for the year	0	167.435	167.435
Equity end of year	<u>2.040.000</u>	<u>42.718.794</u>	<u>44.758.794</u>

Consolidated cash flow statement for 2014

	<u>Notes</u>	<u>2014 DKK</u>	<u>2013 DKK'000</u>
Operating profit/loss		3.825.712	(1.137)
Amortisation, depreciation and impairment losses		6.501.940	3.250
Other provisions		621.671	(303)
Working capital changes	11	<u>(24.368.357)</u>	<u>17.895</u>
Cash flow from ordinary operating activities		(13.419.034)	19.705
Financial income received		48.596	15
Financial income paid		(1.101.952)	(1.315)
Income taxes refunded/(paid)		<u>(1.088.047)</u>	<u>(1.893)</u>
Cash flows from operating activities		(15.560.437)	16.512
Acquisition etc of intangible assets		(6.802.139)	(1.278)
Acquisition etc of property, plant and equipment		(4.200.758)	(7.846)
Acquisition of fixed asset investments		(1.087.983)	0
Sale of fixed asset investments		<u>0</u>	<u>248</u>
Cash flows from investing activities		(12.090.880)	(8.876)
Loans raised		1.973.774	0
Instalments on loans etc		0	(1.098)
Cash increase of capital		<u>26.000.000</u>	<u>0</u>
Cash flows from financing activities		27.973.774	(1.098)
Increase/decrease in cash and cash equivalents		322.457	6.538
Cash and cash equivalents beginning of year		<u>(2.778.620)</u>	<u>(9.317)</u>
Cash and cash equivalents end of year		(2.456.163)	(2.779)
Cash and cash equivalents at year-end are composed of:			
Cash		11.151.258	14.258
Short-term debt to banks		<u>(13.607.421)</u>	<u>(17.037)</u>
Cash and cash equivalents end of year		(2.456.163)	(2.779)

Notes to consolidated financial statements

	2014	2013
	DKK	DKK'000
1. Staff costs		
Wages and salaries	49.108.983	37.145
Pension costs	901.825	741
Other social security costs	6.435.755	5.803
Other staff costs	126.924	79
	56.573.487	43.768
Average number of employees	107	92
	Remuneration of management	Remuneration of management
	2014	2013
	DKK	DKK'000
Board of Directors	586.000	178
	586.000	178
	2014	2013
	DKK	DKK'000
2. Tax on ordinary profit/loss for the year		
Tax on current year taxable income	2.548.311	(22)
Change in deferred tax for the year	20.562	(308)
Adjustment concerning previous years	530.759	0
	3.099.632	(330)

Notes to consolidated financial statements

		Completed development projects DKK	Development projects in progress DKK
3. Intangible assets			
Cost beginning of year		1.785.252	2.694.864
Transfer to and from other items		1.597.243	(1.597.243)
Additions		0	6.802.139
Disposals		0	(1.964.234)
Cost end of year		3.382.495	5.935.526
Amortisation and impairment losses beginning of year		(255.036)	0
Amortisation for the year		(958.187)	0
Amortisation and impairment losses end of year		(1.213.223)	0
Carrying amount end of year		2.169.272	5.935.526
		Other fix- tures and fittings, tools and equipment DKK	Property, plant and equipment in progress DKK
	Land and buildings DKK		
4. Property, plant and equipment			
Cost beginning of year	3.475.364	30.050.444	2.443.809
Exchange rate adjustments	467.931	2.166.546	0
Transfer to and from other items	0	2.443.809	(2.443.809)
Additions	17.349	4.183.409	0
Disposals	0	(741.691)	0
Cost end of year	3.960.644	38.102.517	0
Depreciation and impairment losses beginning of the year	(1.260.249)	(16.497.241)	0
Exchange rate adjustments	(169.713)	(1.048.833)	0
Depreciation for the year	(112.449)	(3.467.070)	0
Reversal regarding disposals	0	150.237	0
Depreciation and impairment losses end of the year	(1.542.411)	(20.862.907)	0
Carrying amount end of year	2.418.233	17.239.610	0

Notes to consolidated financial statements

	Investments in group enter- prises DKK	Investments in associates DKK	Deposits DKK
5. Fixed asset investments			
Cost beginning of year	(0)	95.946	423.599
Additions	0	0	1.087.983
Cost end of year	(0)	95.946	1.511.582
Revaluations beginning of year	0	1.906.442	0
Share of profit/loss for the year	0	581.711	0
Revaluations end of year	0	2.488.153	0
Carrying amount end of year	(0)	2.584.099	1.511.582

	Equi- ty inte- rest %	Equity DKK	Profit/loss DKK
6. Subsidiaries			
Dynatest Consulting Inc.	Florida, USA	100,0	15.858.986
Dynatest Denmark A/S	Søborg, Danmark	100,0	2.649.756
Dynatest UK Ltd,	England	100,0	(1.055.050)
Dynatest New Zealand Ltd.	New Zealand	100,0	(1.943.930)
Dynatest Chile SpA	Chile	100,0	(2.044.753)
Dynatest Nederland B.V.	Holland	51,0	611.657
Dynatest Peru SpA	Peru	100,0	(223.979)
Internal profit on fixed assets	N/A	N/A	(614.048)

	Equity inte- rest %
7. Associates	
Dynatest Asia-Pacific Sd. Bhd	Malaysia 50,0
Dynatest Africa Ltd.	Sydafrika 50,0

Notes to consolidated financial statements

	2014	2013
	DKK	DKK'000
8. Contract work in progress		
Contract work in progress	37.672.239	27.898
Progress billings regarding contract work in progress	(35.534.998)	(39.503)
Transferred to liabilities other than provisions	9.673.565	36.541
	11.810.806	24.936

9. Minority interests

There has been no changes in minority interests during 2014. Minority interests relates to Dynatest Nederland B.V.

	Instalments within 12 months 2014 DKK	Instalments within 12 months 2013 DKK'000	Instalments beyond 12 months 2014 DKK
10. Long-term liabilities other than provisions			
Mortgage debts	200.382	192	570.786
Bank loans	3.975.376	1.276	1.704.217
	4.175.758	1.468	2.275.003

	2014	2013
	DKK	DKK'000
11. Change in working capital		
Increase/decrease in inventories	1.292.783	(2.965)
Increase/decrease in receivables	3.730.133	(1.969)
Increase/decrease in trade payables etc	(29.391.273)	24.577
Other changes	N/A	(1.748)
	(24.368.357)	17.895

12. Mortgages and securities

Dynatest International A/S has issued a Letter of Support in regards to the subsidiaries Dynatest UK Ltd. and Dynatest New Zealand Ltd.

Dynatest International A/S has issued guarantees to customers in subsidiaries in the amount of DKK ('000) 500 with expiry in the period until 2015.

Dynatest International A/S has issued a guarantee of payment for the total obligations of the Danish companies to the bank, a debt of DKK ('000) 6,300 as per 31 December 2014.

Notes to consolidated financial statements

Dynatest International A/S has issued a guarantee of payment for the total obligations of the US companies to the bank, a debt of DKK ('000) 6,763 as per 31 December 2014.

As a security for debt to banks of DKK ('000) 6,326 Dynatest Denmark A/S has issued a floating charge of a nominal amount of DKK ('000) 7,000. The floating charge includes the following assets, with a carrying amount as at 31 December 2014 of:

Fixtures and equipment, DKK ('000) 6,163

Trade receivables, DKK ('000) 7,848

Inventories, DKK ('000) 6,039

Dynatest Denmark A/S has issued guarantees to customers in the amount of DKK ('000) 1,264 with expiry in the period until 2016.

Dynatest Denmark A/S has signed a tenancy rental agreement with 89 months interminability at 31 December 2013 corresponding to a rent of DKK ('000) 10,855.

Dynatest Denmark A/S has lease payments (operating lease) of DKK ('000) 70 until 2019.

Dynatest Consulting Inc. has signed a tenancy rental agreement with 12 months interminability at 31 December 2014 corresponding to a rent of DKK ('000) 125.

Dynatest Consulting Inc. has signed a lease agreement with 11 months interminability at 31 December 2014 corresponding to a rent of DKK ('000) 25.

Dynatest Consulting Inc. has provided the following security for obligations to lenders :

Property, inventory, receivables, cars, furniture, fixtures, tools and equipment.

Parent income statement for 2014

	<u>Notes</u>	<u>2014 DKK</u>	<u>2013 DKK'000</u>
Revenue		23.466.994	10.603
Production costs		<u>(1.076.870)</u>	<u>(3.679)</u>
Gross profit/loss		22.390.124	6.924
Administrative costs	1	<u>(16.016.611)</u>	<u>(6.627)</u>
Operating profit/loss		6.373.513	297
Income from investments in group enterprises		(5.381.003)	(2.220)
Income from investments in associates		581.711	505
Other financial income	2	332.601	190
Other financial expenses	3	<u>(344.387)</u>	<u>(683)</u>
Profit/loss from ordinary activities before tax		1.562.435	(1.911)
Tax on profit/loss from ordinary activities	4	<u>(1.395.000)</u>	<u>62</u>
Profit/loss for the year		<u>167.435</u>	<u>(1.849)</u>
Proposed distribution of profit/loss			
Reserve for net revaluation according to the equity method		(5.381.003)	(2.220)
Retained earnings		<u>5.548.438</u>	<u>371</u>
		<u>167.435</u>	<u>(1.849)</u>

Parent balance sheet at 31.12.2014

	<u>Notes</u>	<u>2014 DKK</u>	<u>2013 DKK'000</u>
Completed development projects		2.169.272	1.530
Development projects in progress		5.935.526	2.695
Intangible assets	5	8.104.798	4.225
Other fixtures and fittings, tools and equipment		122.642	560
Property, plant and equipment	6	122.642	560
Investments in group enterprises		18.506.813	18.515
Investments in associates		2.584.099	2.003
Fixed asset investments	7	21.090.912	20.518
Fixed assets		29.318.352	25.303
Receivables from group enterprises		26.814.634	4.999
Deferred tax assets		0	90
Other short-term receivables		276.840	268
Prepayments	8	574.584	239
Receivables		27.666.058	5.596
Cash		4.808.541	658
Current assets		32.474.599	6.254
Assets		61.792.951	31.557

Parent balance sheet at 31.12.2014

	<u>Notes</u>	<u>2014 DKK</u>	<u>2013 DKK'000</u>
Contributed capital		2.040.000	1.000
Reserve for net revaluation according to the equity method		8.690.751	14.072
Retained earnings		34.028.043	2.091
Equity		<u>44.758.794</u>	<u>17.163</u>
Provisions for deferred tax		1.305.000	0
Provisions for investments in group enterprises	9	5.267.712	1.604
Provisions		<u>6.572.712</u>	<u>1.604</u>
Payables to shareholders and management	10	0	300
Non-current liabilities other than provisions		<u>0</u>	<u>300</u>
Bank loans		6.051.433	7.002
Prepayments received from customers		0	164
Trade payables		897.205	1.111
Debt to group enterprises		1.859.957	4.006
Other payables		1.652.850	207
Current liabilities other than provisions		<u>10.461.445</u>	<u>12.490</u>
Liabilities other than provisions		<u>10.461.445</u>	<u>12.790</u>
Equity and liabilities		<u>61.792.951</u>	<u>31.557</u>
Mortgages and securities	11		
Related parties with controlling interest	12		
Ownership	13		

Parent statement of changes in equity for 2014

	Contributed capital DKK	Reserve for net revaluati- on according to the equity method DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	1.000.000	14.071.754	2.090.724	17.162.478
Increase of capital	1.040.000	0	24.960.000	26.000.000
Exchange rate adjustments	0	0	1.428.881	1.428.881
Profit/loss for the year	0	(5.381.003)	5.548.438	167.435
Equity end of year	2.040.000	8.690.751	34.028.043	44.758.794

Notes to parent financial statements

	2014 DKK	2013 DKK'000
1. Staff costs		
Wages and salaries	8.705.866	2.849
Pension costs	166.161	58
Other social security costs	11.133	4
Other staff costs	30.000	6
	8.913.160	2.917
Average number of employees	2	1
	Remuneration of management 2014 DKK	Remuneration of management 2013 DKK'000
Board of Directors	310.000	586
	310.000	586
	2014 DKK	2013 DKK'000
2. Other financial income		
Financial income arising from group enterprises	332.540	190
Interest income	61	0
	332.601	190
	2014 DKK	2013 DKK'000
3. Other financial expenses		
Financial expenses from group enterprises	69.534	257
Interest expenses	274.853	426
	344.387	683
	2014 DKK	2013 DKK'000
4. Tax on ordinary profit/loss for the year		
Change in deferred tax for the year	1.395.000	(62)
	1.395.000	(62)

Notes to parent financial statements

	Completed development projects DKK	Development projects in progress DKK
5. Intangible assets		
Cost beginning of year	1.785.252	2.694.864
Transfer to and from other items	1.597.243	(1.597.243)
Additions	0	6.802.139
Disposals	0	(1.964.234)
Cost end of year	3.382.495	5.935.526
Amortisation and impairment losses beginning of year	(255.036)	0
Amortisation for the year	(958.187)	0
Amortisation and impairment losses end of year	(1.213.223)	0
Carrying amount end of year	2.169.272	5.935.526
		Other fix- tures and fittings, tools and equipment DKK
6. Property, plant and equipment		
Cost beginning of year		5.892.739
Additions		39.637
Cost end of year		5.932.376
Depreciation and impairment losses beginning of the year		(5.332.387)
Depreciation for the year		(477.347)
Depreciation and impairment losses end of the year		(5.809.734)
Carrying amount end of year		122.642

Notes to parent financial statements

		Investments in group enter- prises DKK	Investments in associates DKK	
7. Fixed asset investments				
Cost beginning of year		4.745.931	95.946	
Additions		279.940	0	
Cost end of year		5.025.871	95.946	
Revaluations beginning of year		12.165.352	1.906.442	
Exchange rate adjustments		1.428.881	0	
Share of profit/loss for the year		(5.381.003)	581.711	
Revaluations end of year		8.213.230	2.488.153	
Investments with negative equity transferred to provisions		5.267.712	0	
Impairment losses end of year		5.267.712	0	
Carrying amount end of year		18.506.813	2.584.099	
	Registered in	Equity inte- rest %	Equity DKK	Profit/loss DKK
Investments in associates comprise:				
Dynatest Asia-Pacific Sd. Bhd.	Malaysia	50,0	2.211.040	591.058
Dynatest Africa Ltd.	Sydafrika	50,0	373.059	(9.347)

8. Prepayments

Prepayments comprise prepaid expenses.

9. Provisions for investments in group enterprises

Investments in group enterprises with negative equity transferred from fixed asset investments.

10. Payables to shareholders and management

As per the original loan agreement repayment of the loan commences on a quarterly basis from 1 January 2015, however the loan has been repaid during 2014.

Notes to parent financial statements

11. Mortgages and securities

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Dynatest International A/S has issued a guarantee of payment for the total obligations of the US companies to the bank, a debt of DKK ('000) 6,763 as per 31 December 2014.

12. Related parties with controlling interest

Dynatest International A/S' related parties having a significant influence comprise group enterprises and associates, as well as the companies' Board of Directors, Executive Boards and executive officers and their relatives. Relative parties include also companies in which the above mentioned group of persons has material interests.

13. Ownership

The following shareholders are recorded in the company's register of shareholders as owing minimum 5% of the votes or minimum 5% of the share capital :

Dynatest Holding ApS, Jupitervej 2, 6000 Kolding

ANS Holding ApS, Enighedsvej 11, 2800 Kgs. Lyngby, Denmark

GLN Holding ApS, Rørmosen 106, 2990 Nivå, Denmark