Piaster Revisorerne
vi giver bedre råd

Combineering A/S

CVR-nr. 29 60 99 69

Bistrupvej 176
DK-3460 Birkerød

Annual Report 2015

(Financial year 1 January 2015 - 31 December 2015)

The Annual Report is presented and adopted at the Annual General Meeting of shareholders on the 6 June 2016

Mads Prag Roesen
Chairman of the meeting

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Management's Statement

The Supervisory Board and the Executive Board have today considered and approved the Annual Report of 1 January 2015 - 31 December 2015 for the financial year 2015.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 December 2015.

In our opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

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

Birkerød, den 6 June 2016

Executive Board:

Lars Vedel Jørgensen

Supervisory Board:

Mads Prag Roesen *Chairman*	Lars Vedel Jørgensen	Jens Brandt Bering
Erik Vedel Lange		

Independent Auditor’s Reports

To the Shareholders of Combineering A/S

Report on the Financial Statements

We have audited the financial statements of Combineering A/S for the financial year 1 January 2015 - 31 December 2015, which comprise the income statement, balance sheet, notes and accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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

Auditor's Responsibility
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 the 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.

Independent Auditor's Reports (-continued)

Opinion

In our opinion the financial statements give a true and fair view of 31 December 2015 and of its financial operations for the financial year 1 January 2015 - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statements in accordance with other legislation and regulatory

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information given in the Management's Review is consistent with the financial statements.

Birkerød, 6 June 2016
Piaster Revisorerne,
Statsautoriseret Revisionsaktieselskab
CVR. no.: 25 16 00 37

Niels Kristian Tordrup Nielsen
State Authorized Public Accountant

Corporate information

The Company	Combineering A/S Bistrupvej 176 DK-3460 Birkerød	
	Web:	www.combineering.dk
	Identification no.:	29 60 99 69
	Founded:	31. maj 2006
	Registered office:	Rudersdal
	Financial year:	1 January - 31. december
Executive Board	Lars Vedel Jørgensen	
Supervisory Board	Mads Prag Roesen Lars Vedel Jørgensen Jens Brandt Bering Erik Vedel Lange	
Auditor	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab Abildgårdsparken 8A DK-3460 Birkerød	
Bank	Danske Bank Munkeengen 30 DK-3400 Hillerød	

Management’s Review

Primary activities of entity
The company's activities is handling, recycling and utilization including safe destruction of industrial residues and waste product indcluding development of enviroment solutions on behalf of customers.

Development in activities and financial affairs
The company's financial performance is considered satisfying

Significant events occurred after the end of the financial year
No event materially affecting the financial position of the company have occurred after the end of the financial year.

Income statement 1 January - 31 December

	Notes	2015	2014
Gross profit		**23.977.018**	**21.528.420**
Staff costs	1	-13.597.610	-11.901.034
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	2	-1.941.436	-1.690.181
Operating profit		**8.437.972**	**7.937.205**
Income from investments in group enterprises	9	317.713	128.057
Other finance income from group enterprises		7.999	19.259
Financial income		0	78.543
Financial expenses	3	-1.284.178	-1.125.817
Profit before tax		**7.479.506**	**7.037.247**
Tax expense	4	-2.078.904	-1.899.393
Profit for the year		**5.400.602**	**5.137.854**
Proposed distribution of results			
Retained earnings		1.810.713	2.155.839
Proposed dividend recognised in liabilities		3.500.000	3.000.000
Reserve for net revaluation according to equity method		89.889	-17.985
Total distribution		**5.400.602**	**5.137.854**

Balance sheet at 31 December

Assets

	Notes	2015	2014
Goodwill	6	0	1.160.000
Acquired licences	5	0	0
Intangible assets		**0**	**1.160.000**
Land and buildings	7	6.843.992	6.725.828
Fixtures, fittings, tools and equipment	8	469.082	848.815
Property, plant and equipment		**7.313.074**	**7.574.643**
Long-term investments in group enterprises	9	3.425.213	164.157
Other long-term receivables		10.814	1.400
Financial fixed assets		**3.436.027**	**165.557**
Fixed assets		**10.749.101**	**8.900.200**
Trade receivables		19.747.125	17.023.446
Receivables from group enterprises		0	554.448
Other receivables		1.510.563	1.596.534
Receivables		**21.257.688**	**19.174.428**
Cash and cash equivalents		**4.763.945**	**2.423.924**
Current assets		**26.021.633**	**21.598.352**
Assets		**36.770.734**	**30.498.552**

Balance sheet at 31 December

Equity and liabilities

	Note	2015	2014
Share capital		500.000	500.000
Reserve for net revaluation according to equity method		252.904	163.015
Retained earnings		11.689.354	9.827.037
Equity	10	**12.442.258**	**10.490.052**
Long-term mortgage debt	11	3.496.933	3.699.434
Long-term payables to group enterprises		894.231	960.898
Long-term liabilities other than provisions		**4.391.164**	**4.660.332**
Short-term mortgage debt	11	212.447	202.983
Short-term part of long-term liabilities other than provisions		0	2.073.149
Trade payables		11.183.600	5.641.993
Payables to group enterprises		1.746.880	0
Tax payables		272.811	98.912
Other payables		3.021.574	3.160.561
Deferred income		0	1.170.570
Proposed dividend		3.500.000	3.000.000
Short-term liabilities other than provisions		**19.937.312**	**15.348.168**
Liabilities other than provisions		**24.328.476**	**20.008.500**
Equity and liabilities		**36.770.734**	**30.498.552**
Contingent liabilities	12		
Mortgages and collaterals	13		
Related parties	14		

Noter

		2015	2014
1	**Staff costs**		
	Wages and salaries	12.771.934	11.261.560
	Post-employment benefit expense	148.520	147.813
	Social security contributions	677.156	491.661
		13.597.610	**11.901.034**

2	**Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss**		
	Depreciation, goodwill	1.160.000	1.160.000
	Depreciation, land and buildings	210.996	205.056
	Depreciation, Fixtures, fittings, tools and equipment	476.745	405.308
	Minor acquisitions	75.273	37.610
	Loss from sales of property, plant and equipment	18.422	-117.793
		1.941.436	**1.690.181**

3	**Financial expenses**		
	Finance expenses arising from group enterprises	100.230	55.106
	Other financial expenses	1.183.948	1.070.711
		1.284.178	**1.125.817**

4	**Tax expense**		
	Calculated tax on taxable income for the year	2.078.904	2.021.912
	Adjustment of deferred tax	0	-124.000
	Tax, prior years	0	1.481
		2.078.904	**1.899.393**

Noter

		2015	2014
5	**Acquired licences**		
	Cost at 1 January	0	0
	Disposal due to full depreciation	0	0
	Cost at 31 December	0	0
	Depreciation at 1 January	0	0
	Disposal due to full depreciation	0	0
	Depreciation at 31 December	0	0
	Carrying amount at 31 December	**0**	**0**
6	**Goodwill**		
	Cost at 1 January	11.600.000	11.600.000
	Cost at 31 December	11.600.000	11.600.000
	Depreciation at 1 January	10.440.000	9.280.000
	Depreciation for the year	1.160.000	1.160.000
	Depreciation at 31 December	11.600.000	10.440.000
	Carrying amount at 31 December	**0**	**1.160.000**
7	**Land and buildings**		
	Cost at 1 January	8.422.589	8.422.589
	Additions	356.401	0
	Disposals	-40.059	0
	Cost at 31 December	8.738.931	8.422.589
	Depreciation at 1 January	1.696.761	1.491.705
	Depreciation for the year	210.996	205.056
	Depreciation on disposals for the year	-12.818	0
	Depreciation at 31 December	1.894.939	1.696.761
	Carrying amount at 31 December	**6.843.992**	**6.725.828**

Noter

		2015	2014
8	**Fixtures, fittings, tools and equipment**		
	Cost at 1 January	1.976.885	1.842.105
	Additions	308.252	602.921
	Disposals	-359.557	-468.141
	Cost at 31 December	1.925.580	1.976.885
	Depreciation at 1 January	1.128.070	1.176.737
	Annual depreciations	476.745	405.308
	Depreciation on disposals	-148.317	-453.975
	Depreciations at 31 December	1.456.498	1.128.070
	Carrying amount at 31 December	**469.082**	**848.815**

		2015	2014
9	**Long-term investments in group enterprises**		
	Cost at 1 January	1.142	1.142
	Additions	3.171.167	0
	Cost at 31 December	3.172.309	1.142
	Revaluations at 1 January	163.015	181.000
	Exchange rate adjustments	51.604	0
	Share of profit for the year	317.713	128.056
	Dividends received from group enterprises	-279.428	-146.041
	Revaluations at 31 December	252.904	163.015
	Carrying amount at 31 December	**3.425.213**	**164.157**
	Goodwill in group companies at 31 December	1.988.331	0

Information from the latest financial statements

	Ownership Percentage	Share Capital	Profit for the year	Equity
Combineering (UK) Limited				
Company No. 07506396	100%	200 GBP	21.890 GBP	28.410 GBP

The above stated information are from the annual report 2014, since the 2015 annual report has not been finalized.

Noter

		2015	2014
10	**Equity**		
	Share capital at 1 January	500.000	500.000
	Share capital at 31 December	500.000	500.000
	Reserve for net revaluation according to equity method at 1 January	163.015	181.000
	Proposed distribution of results this year	89.889	-17.985
	Reserve for net revaluation according to equity method at 31 December	252.904	163.015
	Retained earnings at 1 January	9.827.037	7.671.198
	Exchange rate adjustments, investment in group	51.604	0
	Proposed distribution of results this year	1.810.713	2.155.839
	Retained earnings at 31 December	11.689.354	9.827.037
	Equity at 31 December	**12.442.258**	**10.490.052**

The share capital has in 2012 been reduced with 170 tDKK and been increased with 170 tDKK.

Share capital

The share capital comprises:

A-shares, 1.000 shares of DKK 500	500.000	500.000
Capital increase 15/3 2012, 340 shares of DKK 500	0	0
Capital reduction 15/3 2012, -340 shares of DKK 500	0	0
	500.000	**500.000**

Noter

		2015	2014
11	**Long-term mortgage debt**		
	Repayments with maturity of more than five years	2.545.881	2.790.740
	Repayments with maturity after 1 year and less than 5 years	951.052	908.694
	Long-term part	3.496.933	3.699.434
	Repayments with maturity within 1 year	212.447	202.983
		3.709.380	**3.902.417**

12 Contingent liabilities

Contingent liabilities

The company is joint taxed with the other Danish companies in the Vedel Invest ApS group. The company is jointly liable with the other Danish companies in the joint taxation Danish corporation taxes and taxes on dividends, interest and royalties.

13 Mortgages and collaterals

In regards to long-term debt (realkreditinstitutter) of tDKK. 3.709, the company has posted collateral in land and building, with an accounting value at the 31 December 2015 of tDKK. 6.844.

In regards to debt in Danske Bank the company has signed a mortgage deed of tDKK 1.074, with land and buildings as collateral.

As collateral for the Norwegian and Danish Goverment (miljøstyrelsen) the company has posted a garanty of tDKK 314.

14 Owners

The following shareholders are registered in the share register holding minimum 5 % of the votes or minimum 5 % of the share capital:

Combineering Holding ApS
Bistrupvej 176
DK-3460 Birkerød

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

Changes in accounting policies
The company has in relation to size limits chosen to implement the new Danish Financial Statements Act. Early implementation does not lead to any change on net income, total assets or equity. The Company remains in reporting class B. There is not implemented further from the new Danish Financial Statements Act.

Besides this the accounting policies are consistent with those of last year.

General

Reporting / functional currency
The Annual Report is presented in Danish kroner (DKK).

In general regarding accounting and measuring
Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On inital recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

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.

Accounting policies

Currency retranslation
Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Non-current assets aquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

Consolidated financial statements
In accordance with the exemption in the Danish Financial Statements Act no consolidated financial statements have been prepared.

Income statement

Gross profit
With reference to section 32 of the Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

Revenue
Revenue includes invoiced sales of goods and rendering of services, recognition is done, when

- delivery and transfer of risk to the buyer has taken place before year end
- a commiting sales agreement exists
- sales price is determined, and
- payment is received, or there are reasonable security that it will be received

Revenue is recognized excluding value added tax and after deduction of provisions rebates and trade discounts relating to the sale.

Accounting policies

Cost of sales
Cost of sales include costs incurred to achieve revenue for the year. Cost of sales include freight and forwarding costs.

Other external expenses
Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

Staff costs
Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

Research and development expenditures
The costs of the company´s ongoing research and development are recognised in the income statement.

Other operating income
Other operating income and expenses includes items of a secondary nature relative to the enterprise's core business.

Income from investments in group enterprises
The proportionate share of the results of group enterprises after tax is recognized in the income statement after the elimination of intercompany proceeds and deduction of goodwill depreciation and goodwill impairment losses.

Financial items
Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Tax expense
Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

Accounting policies

Balance sheet

Intangible assets
Acquired goodwill is measured at historic cost less accumulated amortisation and impairment losses. Goodwill is depreciated over the estimated useful economic life estimated at 3-10 years due to high loyalty from customers.

Impairment of intangible assets
The carrying amount of intangible assets is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by amortisations. If this is the case a impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Property, plant and equipment
Property, plant and fixtures, fittings, tools and equipment are measured at historic cost less accumulated depreciation and impairment losses.

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	Useful life	Scrap value
Land and buildings	25 years	0%
Fixtures, fittings, tools and equipment	3-8 years	0%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under depreciations.

Accounting policies

Impairment of property, plant and equipment
The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Financial fixed assets
Investments in group enterprises
Investments in group enterprises are recognized according to the equity method and measured at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus the proportionate share of unrealised intercompany proceeds and minus or plus the carrying amount of goodwill measured according to the equity method.

Investments in group enterprises with a negative net asset value are measured at value of DKK 0. Any receivables from group enterprises are written down by the share at the negative net asset value if the amount owed is irrecoverable. If the negative net asset value exceeds the receivable, the remaining amount is recognized under provisions to the extent the parent company has a legal or constructive obligation to cover the negative net assets of the group enterprises.

Net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds purchase price deducted goodwill depreciation.

Acquired enterprises or newly founded enterprises are recognized in the financial statements from the date of acquisition or foundation. Enterprises sold or disposed are recognized until the time of disposal.

Gains or losses on disposal of group enterprises are determined as the difference between the sales amount and the carrying amount of net assets at the time of disposal, including non-depreciated goodwill and estimated costs of disposal. Gains and losses are recognized in the income statement under financial income or financial expenses.

Accounting policies

Receivables
Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

Deferred income
Deferred income, recognized under liabilities, comprise income concerning subsequent financial years.

Dividends
Dividends expected to be paid in respect of the year are stated as a separate line item under liabilities.

Current tax and current deferred tax
Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Liabilities
Borrowings are recognized at the time the loans are obtained and are initially measured at the proceeds received less transaction costs. In the subsequent periods, financial liabilities are measured at amortized cost, applying the 'effective interest rate method', to the effect that the difference between the proceeds and the nominal value is recognized in the income statement under financial expenses over the term of the loan.

Mortgage debt is recognized at amortized cost price, which for cash loans is equal to outstanding loan. For bond loans amortized cost price equals the underlying cash value at time of borrowing regulated with an exchange rate at the time of borrowing depreciated over the maturity.

Other liabilities are measured at amortized cost, corresponding to the nominal value.