
Duke Infrastructure A/S

Lindholmvej 3, DK-5800 Nyborg

Annual Report for 1 January - 31 December 2015

CVR No 31 85 66 20

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
29/04 2016

Karri Kaitue
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Duke Infrastructure A/S for the financial year 1 January - 31 December 2015.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2015 of the Company and of the results of the Company operations for 2015.

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

Nyborg, 27 April 2016

Executive Board

Thomas Haislund Agergaard

Board of Directors

Karri Kaiture
Chairman

Jani Juhani Lösönen

Hillppa Riikka Sofia Rautpalo

Independent Auditor's Report on the Financial Statements

To the Shareholders of Duke Infrastructure A/S

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

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

Our audit has not resulted in any qualification.

Opinion

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

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

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

Hellerup, 27 April 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Kim Fücksel
statsautoriseret revisor

Line Hedam
statsautoriseret revisor

Company Information

The Company

Duke Infrastructure A/S
Lindholmvej 3
DK-5800 Nyborg

CVR No: 31 85 66 20

Financial period: 1 January - 31 December

Municipality of reg. office: Nyborg

Board of Directors

Karri Kaiture, Chairman
Jani Juhani Lösönen
Hillppa Riikka Sofia Rautpalo

Executive Board

Thomas Haislund Agergaard

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of Duke Infrastructure A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been prepared under the same accounting policies as last year.

Main activity

The Company's main purpose is to hold shares in Ekokem A/S and Ekokem OW A/S.

Development in the year

The income statement of the Company for 2015 shows a loss of DKK'000 81,095, and at 31 December 2015 the balance sheet of the Company shows equity of DKK'000 677,977.

The main reason for the loss realised is attributable to the recognition of loss from subsidiaries of DKK'000 62,703 due to provision of future obligations relating to land on leased site in Ekokem A/S and Ekokem OW A/S.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2015 DKK'000	2014 DKK'000
Other operating income		0	565
Other external expenses		-249	-76
Gross profit/loss		-249	489
Staff expenses	1	-3	-167
Profit/loss before financial income and expenses		-252	322
Result from investments in subsidiaries		-80.102	-10.962
Financial income	2	198	301
Financial expenses	3	-1.425	-2.284
Profit/loss before tax		-81.581	-12.623
Tax on profit/loss for the year	4	486	413
Net profit/loss for the year		-81.095	-12.210

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year		0	0
Reserve for net revaluation under the equity method		-80.102	-10.962
Retained earnings		-993	-1.248
		-81.095	-12.210

Balance Sheet 31 December

Assets

	Note	2015 DKK'000	2014 DKK'000
Investments in subsidiaries	5	773.064	991.569
Fixed asset investments		773.064	991.569
Fixed assets		773.064	991.569
Receivables from group enterprises		15.518	15.987
Other receivables		2	2
Corporation tax		893	407
Receivables		16.413	16.396
Cash at bank and in hand		390	458
Currents assets		16.803	16.854
Assets		789.867	1.008.423

Balance Sheet 31 December

Liabilities and equity

	Note	2015 DKK'000	2014 DKK'000
Share capital		1.000	1.000
Share premium account		0	238.190
Reserve for net revaluation under the equity method		318.732	539.258
Retained earnings		<u>358.245</u>	<u>121.049</u>
Equity	6	<u>677.977</u>	<u>899.497</u>
Payables to group enterprises		111.671	108.911
Other payables		<u>219</u>	<u>15</u>
Short-term debt		<u>111.890</u>	<u>108.926</u>
Debt		<u>111.890</u>	<u>108.926</u>
Liabilities and equity		<u>789.867</u>	<u>1.008.423</u>
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Statement of Changes in Equity

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Equity at 1 January	1.000	238.190	539.258	121.048	899.496
Other equity adjustments	0	0	-140.424	0	-140.424
Net profit/loss for the year	0	0	-80.102	-993	-81.095
Transfer from share premium account	0	-238.190	0	238.190	0
Equity at 31 December	1.000	0	318.732	358.245	677.977

Notes to the Financial Statements

	2015 <u>DKK'000</u>	2014 <u>DKK'000</u>
1 Staff expenses		
Wages and salaries	<u>3</u>	<u>167</u>
	3	167
Average number of employees	<u>0</u>	<u>0</u>
2 Financial income		
Interest received from group enterprises	<u>198</u>	<u>301</u>
	198	301
3 Financial expenses		
Interest paid to group enterprises	1.424	2.283
Other financial expenses	<u>1</u>	<u>1</u>
	1.425	2.284
4 Tax on profit/loss for the year		
Estimated tax charge for the year	-348	-407
Adjustment of tax concerning previous years	<u>-138</u>	<u>-6</u>
	-486	-413

Notes to the Financial Statements

	2015 DKK'000	2014 DKK'000
5 Investments in subsidiaries		
Cost at 1 January	452.311	452.311
Additions for the year	2.021	0
Cost at 31 December	<u>454.332</u>	<u>452.311</u>
Value adjustments at 1 January	539.258	-57.169
Exchange adjustment	0	607.389
Net profit/loss for the year	-62.703	706
Share of other equity adjustments	-140.424	0
Amortisation of goodwill	-17.399	-11.668
Value adjustments at 31 December	<u>318.732</u>	<u>539.258</u>
Carrying amount at 31 December	<u>773.064</u>	<u>991.569</u>
Remaining positive difference included in the above carrying amount at 31 December	<u>47.167</u>	<u>62.545</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Ekokem A/S	Nyborg	3.150	100%	703.428	-41.368
Ekokem OW A/S	Esbjerg	600	100%	22.469	-21.335
				<u>725.897</u>	<u>-62.703</u>

6 Equity

The share capital consists of 10,000 shares of a nominal value of DKK'000 100. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

Notes to the Financial Statements

7 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Duke Infrastructure Holding ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

8 Related parties and ownership

Basis

Controlling interest

Parent Company:	Reg. office
Duke Infrastructure Holding ApS	Nyborg, Denmark
Ekokem Oyj	Riihimäki, Finland

Ownership

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

Duke Infrastructure Holding ApS, Lindholmvej 3, DK-5800 Nyborg

Accounting Policies

Basis of Preparation

The Annual Report of Duke Infrastructure A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in DKK'000.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Ekokem OYJ, the Company has not prepared consolidated financial statements.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, herunder afskrivninger, nedskrivninger og hensatte forpligtelser samt tilbageførsler som følge af ændrede regnskabsmæssige skøn af beløb, der tidligere har været indregnet i resultatopgørelsen.

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

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

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

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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

Accounting Policies

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

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

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Other external expenses

Other external expenses comprise expenses to manage the company..

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Accounting Policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Extraordinary income and expenses

Extraordinary income and expenses comprise income and expenses resulting from events or transactions which clearly differ from ordinary activities and which are not expected to be of a recurring nature.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured under the equity method.

The items "Investments in subsidiaries" and "Investments in associates" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised inter-company profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries and associates.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Accounting Policies

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Current asset investments

Current asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.