MPWM 2014 A/S

ANNUAL CONSOLIDATED REPORT 2015

MPWM 2014 A/S

CENTRAL BUSINESS REGISTRATION NO. 35 84 67 35

Contents

Company Details

Company

MPWM 2014 A/S

Central Business Registration No. 35 84 67 35

Registered in: Faaborg-Midtfyn, Denmark

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Financial year 1 January – 31 December (first financial year 8 May – 31 December 2014)

Board of Directors

Finn Junge Andersen, Chairman

Peter Schak Larsen, Deputy Chairman

Søren Klarskov Vilby

Birgit Elin Munck-Kampmann

Executive Board

Christian Møller, CEO

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab

The annual general meeting approved the annual report on / 2016

Chairman

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Statement by the Management on the Annual Report

The Board of Directors and the Executive Board have today considered and approved the annual report of MPWM 2014 A/S for the financial year 1 January to 31 December 2015.

The consolidated financial statements are presented in accordance with International Financial Reporting Standards as adopted by the EU. The parent financial statements are presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2015 as well as of the results of their operations and cash flows for the financial year 1 January to 31 December 2015.

In our opinion, the management commentary contains a fair review of the development of the Group's and the Parent's business and financial matters, the results for the year and of the Parent's financial position and the financial position as a whole of the entities included in the consolidated financial statements, together with a description of the principal risks and uncertainties that the Group and the Parent face.

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

Ferritslev, 10 May 2016

Executive Board

Christian Møller

CEO

Board of directors

Finn Junge Andersen	Peter Schak Larsen	Søren Klarskov Vilby
Chairman	Deputy Chairman	

Birgit Elin Munck-Kampmann

Independent Auditor's Report

To the shareholders of MPWM 2014 A/S

Report on the consolidated financial statements and parent financial statements
We have audited the consolidated financial statements and parent financial statements of MPWM 2014 A/S for the financial year 1 January to 31 December 2015, which comprise the income statement, balance sheet, statement of changes in equity and notes, including the accounting policies, for the Group as well as the Parent, and the statement of comprehensive income and the cash flow statement of the Group. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the 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 that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU as well as the preparation of 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 the 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.

Opinion
In our opinion, the consolidated financial statements give a true and fair view of the Group's financial position at 31-12-2015, and of the results of its operations and cash flows for the financial year 1 January to 31 December 2015 in accordance with International Financial Reporting Standards as adopted by the EU.

Further, in our opinion, the parent financial statements give a true and fair view of the Parent's financial position at 31-12-2015, and of the results of its operations for the financial year 1 January - 31 December 2015 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 statements.

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 statements.

Odense, 10 May 2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No. 33 96 35 56

Henning Jensen	Ole Hansen
State authorised	State authorised
Public accountant	Public accountant

Management Commentary

Key figures

In thousands of DKK	**2015**	**2014**
Revenue	2.625.555	1.321.887
Operating profit	308.090	169.991
Net financials	-41.961	8.744
Profit for the year	214.479	142.097
Equity	1.523.800	1.323.623
Total Assets	3.621.485	3.538.675
Investments in tangible assets	227.306	106.798
Operating margin (%)	11,7	12,9
Return on investment (%)	9,4	5,3
Return on equity (%)	14,1	10,7
Equity ratio (%)	42,1	37,4

* Key figures contains 2 years due to business combination at 8 May 2014

MPWM 2014 A/S is established in 2014 in connection with Entreprenør Marius Pedersens Fond acquiring 65% of shares in Marius Pedersen Holding A/S from Veolia Proprete. Entreprenør Marius Pedersens Fond is solely owner of 100% of shares in MPWM 2014 A/S.

Primary activities

We consider waste to be a resource and we continue to work towards maximizing the part of waste for recycling and utilization and minimize the part for disposal.

Our services and products are by principle all types of waste – recyclable, burnable, waste for deposit, and hazardous waste both as solid and liquid waste.

Group activities include:

- Sorting, treatment and handling a series of different recyclable types of waste at our own sites.
- Trading of recyclable waste.
- Services concerning handling of waste and recyclables from the client to final recycling, utilisation, or disposal – that is consulting, materiel for rent, transport service, sludge service, management reporting and other types of reporting for trade, industrial production, institutions, households and municipal recycling stations. In addition the Group executes contractor business and furthermore owns companies in Denmark, Czech Republic and Slovakia primarily handling environmental activities.

Development in activities

During 2015 Marius Pedersen A/S has increased its revenue in segment of collection from commercial and industrial customers, whereas revenue in municipal waste collection has been decreased due to in general too low prices at the tenders.

For sorting and recycling activities the revenue has been negatively affected by price fluctuations for produced raw materials following the world market. For some fractions quantities have been reduced due to focusing on important waste streams and segments of clients. During 2015 there was very limited activity for Marius Pedersen A/S related to the Danish Governments resource strategy. It seems that only few municipalities have implemented new waste schemes in order to increase the quantity of recyclables.

At the end of 2015 Marius Pedersen A/S acquired commercial and industrial customers from Miljøteam A/S, as well as contracts with municipality of Aarhus with effect from 1 January 2016.

Management Commentary

In the markets in Czech Republic and Slovakia the volumes in 2015 have been stable and the development has been satisfactory. In Slovakia Marius Pedersen a.s. acquired the activities from SITA Slovensko in October 2015, and in Czech Republic Marius Pedersen a.s. acquired a production plant for granulating car tires at the end of the year.

Development in finances
Profit for the financial year covering the period 1 January to 31 December 2015 is 214,5 MDKK and operating income is 308,1 MDKK and revenue is 2.625,6 MDKK. Impact from foreign exchange adjustments in Marius Pedersen A/S and MPWM 2014 A/S regarding currency loans in CZK and EUR is included in financial expenses with 21,6 MDKK.

Financial reporting
The Group has decided to prepare a consolidated financial statement according to International Financial Reporting Standards (IFRS).

The Group has decided to prepare the financial statements for the parent company and the Group in English.

Particular risks

Financial risks and interest risks
The Group has a financial policy which operates with a low risk profile. This means that currency, interest and credit risk only occur based on commercial conditions.

The Group's use of derivative financial instruments is regulated by a written policy approved by the board of directors and internal procedures which among other things set maximum amounts allowed and which derivative financial instrument that can be used.

Currency risks
The Group's result from group enterprises is dependent on changes in exchange rates (CZK, EUR), due to the fact that the foreign group enterprises' results and equity at the end of the year are being converted into Danish kroner based on the average rate and the rate of the balance sheet date.

Business risks
The Group's most significant risks are linked to the ability of being strongly positioned on the activity areas on which the Group's services are directed. The Group continuously invests in new equipment and facilities to secure optimum utilization and efficiency.

Environmental performance
The Group acts in accordance with current environmental and safety legislations which help to create a healthy and safe environment.

The Group continuously evaluates the total activities in order to constantly reduce the environmental impact. Business relations are also encouraged to choose systems or products that secure the highest possible amount of recycling or reduction in the use of natural resources.

The Group's ISO-14001 certification covers all environmental activities of the Group. The Group is also ISO-9001 certified.

In order to promote environmental and safety conscience in general the Group is educating and creating awareness among its employees for them to take responsibility for environment, health and safety.

Research and development
The Group is continuously developing products and service concepts. These are charged to the profit and loss account.

Events after the balance sheet date
To this date no events have occurred after the balance sheet date which influences the evaluation of this annual report.

Outlook
The Group expects a continuing positive development in the activities, revenue and result.

Corporate Social Responsibility

Corporate Social Responsibility according to Danish Financial Statements Act § 99a
From the full spectrum of general CSR topics available, we choose to work with topics that are particularly relevant to our industry, assessed in terms of our main impacts and the importance of those topics to our shareholders.

Human Rights
The Group wants at all times to respect human rights but does not have an actual group policy.

Human Resources
Through development and maintenance of the employees' knowledge and skills, the Group ensures a high level of efficiency within its companies, and this ensures creation of innovative products and their capability to be competitive in the selected markets. The necessary qualifications are insured through a purposive education of the employees, as well as through co-operation with external parties, among these knowledge institutions.

Environmental policy
The Group is actively working to promote the environmental policy. This is done by:

- Ensuring that we apply to the conditions set out in our environmental authorizations. The goal of carrying out internal evaluations of all permits, terms and conditions has been achieved in 2015.

- To affect the environment least possible including minimizing the energy consumption while handling product volumes on our plants. On basis of the 2015 results further goals have been set for 2016.

- To ensure that transport has the least possible impact on the environment, e.g. the trucks are continuously having installed speed limiter and stop at engine idling, as are the drivers trained in fuel efficient driving. In 2015 tests with installation of on board computers in a number of trucks for surveillance of the driving pattern have shown promising results.

Management Commentary

All the Group activities have been covered by our environmental certification.

We will continue promoting environment.

Health and safety policy
The Group is actively working to promote the health and safety policy. This is done by:

- Work related accidents are registered and the causes are analysed.
- Employees are instructed and trained in safe behaviour as well as potential hazards and risks of the work they are to carry out, and health and safety representatives get continuing training.
- Every second year an employee satisfaction survey is carried out and goals for the level of employee satisfaction have been set. The result from the survey gives rise to initiatives in selected areas.
- Goals are set for employee absence and the level of absence continues to be satisfactory.

We will continue promoting health and safety.

Gender composition in the Top Management Body according to Danish Financial Statements Act § 99b
At any time the Group aims to have a harmonious and competent management. The composition of management always takes into account the characteristics and capabilities of each member of the management and how they can positively contribute to the Group.

Policy and Action
The Group's employees should all feel that they have the same opportunities for career and management positions regardless of gender. The employees should feel that the Group has an open and unbiased culture in which the individual can exploit his skills in the best possible way regardless of gender.

At any time the Group aims to have a harmonious and competent management at all levels of the organisation therefore occupation of management positions take into account the candidate's qualifications and competencies relevant to the responsibility. A management position in the organisation will always be filled with the best candidate based on an overall assessment.

At appointment of management positions the Group will aim to invite at least one candidate of the underrepresented gender if the candidate has the desired and required qualifications.

Targets and status
Referring to the Danish Financial Statements Act § 99b the target is based upon the Board's knowledge about the Industry and the amount of suitable candidates generally considered in the Industry. The Board believes that the target is both ambitious and realistic to achieve.

Top Management Body (Board of Directors)
The Group has a professional Board of directors and the aim over a period of the next 3 years is to have a gender distribution of 30/70 % in the Top Management Body.

At the moment the gender distribution is 25/75 %.

Top Management
The aim over a period of the next 3 years is to maintain a gender distribution of 40/60 % in the Top Management.

Other Management
The aim over a period of the next 3 years is to have a gender distribution of 25/75 % in the Group's management team.

At the moment the gender distribution is 12,5/87,5%. Last year gender distribution was 12,5 / 87,5 %.

Section Corporate Social Responsibility regards only Danish companies. Intention of the Group is where possible to include companies in Czech Republic and Slovakia in future.

Consolidated Statement of Comprehensive Income

1 January - 31 December *In thousands of DKK*	Note	2015	2014
Revenue	6	2.625.555	1.321.887
Direct production costs	7, 8	1.757.267	873.541
Contribution margin		**868.288**	**448.346**
Other production costs	7, 8	416.579	211.830
Gross profit		**451.709**	**236.516**
Distribution costs	7, 8	91.862	39.366
Administrative costs	7, 8	62.561	29.859
Other operating income and expenses	9	9.020	1.936
Equity-accounted investees	10	1.784	764
Operating profit		**308.090**	**169.991**
Profit after tax in associates		0	-374
Income from financial investments and securities	11	-7	2.354
Financial income	12	2.952	17.638
Financial expenses	13	44.906	10.874
Profit before tax		**266.129**	**178.735**
Taxation on profit for the financial year	14	51.650	36.638
Profit for the year		**214.479**	**142.097**
Items that can be reclassified to profit or loss:			
Foreign exchange adjustments of subsidiaries		23.320	-2.909
Total comprehensive income for the year		**237.799**	**139.188**
Attributable to: Non-controlling interest		30.399	24.120
Attributable to: Owner of the parent		**207.400**	**115.068**

Consolidated Statement of Financial Position

31 December *In thousands of DKK*	Note	2015	2014
Assets			
Property, plant and equipment	15	1.290.701	1.278.122
Goodwill and other intangible assets	16	1.406.114	1.395.533
Equity accounted investees	10	4.977	4.712
Investments in associates	17	0	1.990
Securities	18	222	12.446
Trade and other receivables	19	4.076	5.053
Cash on escrow accounts	20	252.804	223.324
Deferred tax assets	21	56.184	54.152
Total non-current assets		**3.015.078**	**2.975.332**
Inventories	22	32.193	29.849
Trade and other receivables	19	406.699	409.403
Tax receivables		15.394	24.169
Other assets		27.970	7.766
Cash and cash equivalents		124.151	92.156
Total current assets		**606.407**	**563.343**
Total assets		**3.621.485**	**3.538.675**
Equity			
Share capital	23	100.000	100.000
Reserves and other funds		8.064	-2.909
Retained earnings		1.247.197	1.063.121
Issued capital and reserves attributable to owners of the parent		**1.355.261**	**1.160.212**
Non-controlling interest	23	168.539	163.411
Total equity		**1.523.800**	**1.323.623**
Liabilities			
Provisions	25	421.764	392.699
Deferred tax liabilities	21	49.786	50.289
Interest-bearing loans and borrowings	24	643.858	740.728
Other non-current liabilities		6.221	3.130
Total non-current liabilities		**1.121.629**	**1.186.846**
Trade and other payables	26	319.943	321.163
Interest-bearing loans and borrowings	24	614.154	673.013
Provisions	25	32.263	15.827
Current tax payables		9.696	18.203
Total current liabilities		**976.056**	**1.028.206**
Total liabilities		**2.097.685**	**2.215.052**
Total equity and liabilities		**3.621.485**	**3.538.675**

Consolidated Statement of Changes in Equity

In thousands of DKK	Share capital	Translation reserve	Retained earnings	Non-controlling interest	Total
Balance at 8 May 2014	**0**	**0**	**0**	**0**	**0**
Profit for the year	0	0	117.977	24.120	142.097
Other comprehensive income:					
Foreign exchange adjustments	0	-2.909	0	0	-2.909
Total comprehensive income	**0**	**-2.909**	**117.977**	**24.120**	**139.188**
Subscribed capital at foundation, cash	500	0	7	0	507
Capital increase, cash	98.500	0	1.477	0	99.977
Capital increase, shares	1.000	0	964.495	0	965.495
Business combination	0	0	0	139.365	139.365
Other capital changes	0	0	-20.835	-74	-20.909
Changes in equity	**100.000**	**-2.909**	**1.063.121**	**163.411**	**1.323.623**
Balance at 31 December 2014	**100.000**	**-2.909**	**1.063.121**	**163.411**	**1.323.623**
Balance at 1 January 2015	**100.000**	**-2.909**	**1.063.121**	**163.411**	**1.323.623**
Profit for the year	0	0	184.080	30.399	214.479
Other comprehensive income:					
Foreign exchange adjustments	0	23.320	0	0	23.320
Total comprehensive income	**0**	**23.320**	**184.080**	**30.399**	**237.799**
Dividend paid	0	0	0	-25.271	-25.271
Other capital changes	0	0	-12.351	0	-12.351
Changes in equity	**0**	**23.320**	**171.729**	**5.128**	**200.177**
Balance at 31 December 2015	**100.000**	**20.411**	**1.234.850**	**168.539**	**1.523.800**

Consolidated Statement of Cash Flows

In thousands of DKK	Note	2015	2014
Cash flows from operating activities			
Total comprehensive income for the period		237.799	139.188
Adjustments for:			
Depreciation and amortisation	15, 16	254.096	140.417
Impairment losses (reversal) on receivables		-2.889	0
Financial income	12	-2.952	-17.638
Financial expences	13	44.906	10.874
Tax expenses	14	51.650	36.638
Profit/Loss on disposals of property, plant and equipment		-8.757	-225
Profit/Loss on disposals of financial assets	11	7	-31
Increase /(decrease) in provisions		-5.173	40.791
Foreign exchange adjustments of subsidiaries		-23.320	2.909
Operating cash flow before changes in working capital		**545.367**	**352.923**
Increase/decrease in inventories		-1.645	-3.343
Increase/decrease in receivables		-16.293	-20.735
Increase/decrease in payables		3.590	-15.401
Increase/decrease in escrow accounts		-18.149	47.228
Cash flow from operations		**512.870**	**360.672**
Interests paid		-22.763	-10.874
Income taxes paid		-53.534	-29.352
Net cash from operating activities		**436.573**	**320.446**
Cash flows from investing activities			
Interests received	12	2.750	17.638
Dividends received from equity-accounted investees		1.522	0
Proceeds from sale of property, plant and equipment		20.602	2.430
Proceeds from sale of financial assets		380	2.354
Loan		0	846.546
Acquisitions of subsidiary, net of cash acquired		-23.688	-2.495.231
Acquisition of property, plant and equipment		-226.120	-121.156
Net cash used in investing activities		**-224.554**	**-1.747.419**
Cash flows from financing activities			
Dividends received from shareholders		0	850.000
Emission		0	100.484
Repayments of loan		-106.098	0
Dividends paid to non-controlling interests		-25.271	0
Increase of non-current liabilities		0	7
Net cash used in financing activities		**-131.369**	**950.491**
Net increase in cash and cash equivalents		80.650	-476.482
Cash and cash equivalents at 1 January		92.156	507
Bank overdrafts at 1 January		-567.195	0
Foreign exchange rate adjustments		11.696	936
Cash and cash equivalents at 31 December		**-382.693**	**-475.039**
Cash on bank accounts		124.151	92.156
Bank overdrafts		-506.844	-567.195
Cash and cash equivalents at 31 December		**-382.693**	**-475.039**

Notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements

1. General information

MPWM 2014 A/S is founded as at 8 May 2014 and the activity has started 27 June 2014 by the acquisition of the shares in Marius Pedersen Holding A/S. 2015 is the first financial year comprising of 12 months.

2. Basis of preparation

a) Statement of compliance

The consolidated financial statements for the year ended 31 December 2015 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and requirements of the Danish Financial Statements Act.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

c) Functional and presentation currency

The consolidated financial statements are presented in Danish kroner (DKK), which is the presentation currency for The Group's operations and the functional currency for the parent company. The currency is rounded to the nearest thousand (further described as "thousands DKK").

d) Use of estimates and judgment

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 15 – Property, plant and equipment
- Note 16 – Goodwill
- Note 19 – Trade and other receivables
- Note 25 – Provisions

Impairment of property, plant and equipment

Factors considered important, as part of an impairment review, include the following:

- Technological advancements
- Significant underperformance relative to expected historical or projected future operating results
- Significant changes in the manner of our use of the acquired assets or the strategy for our overall business

When The Group determines that the carrying value of non-current assets may not be recoverable based upon the existence of one or more of the above indicators of impairment, any impairment is measured based on our estimates of projected net discounted cash flows expected to result from that asset, including eventual disposition. Our estimated impairment could prove insufficient if our analysis overestimated the cash flows or conditions change in the future.

Recoverable amount of goodwill

Determining any need for impairment write-down of recognised goodwill requires a calculation of the values in use of the cash-generating units to which the goodwill amounts have been allocated. The calculation of value in use requires an estimate of the expected future cash flows of each cash-generating unit and the determination of a discount rate. For a detailed description of discount rates etc. see note 16.

Allowance for bad and doubtful debts

Receivables are decreased by write-downs for any amounts expected to be irrecoverable. The Group evaluates the recoverability of receivables based on the aging structure as well as an individual case-by-case assessment.

Provisions for restoration and monitoring of landfills

Provisions for restoration and monitoring of landfills are based on Group's assessment of future cost and its timing. The individual amounts are increased by expected inflation and discounted to the financial statements date. The discount rates used are based on the yield of government bonds with maturities similar to the timing of the restoration and monitoring costs.

3. Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements were prepared using the going concern assumption that the Group will continue its operations for the foreseeable future.

a) Basis for consolidation

The Group consolidates financial statements of all its subsidiaries and joint ventures.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Notes to the Consolidated Financial Statements

The Group's interests in equity-accounted investees comprise interests in joint ventures.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets, rather than rights to its assets and obligations for its liabilities. Joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the subsidiary, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair values at the acquisition date.

Goodwill arises on the acquisition of subsidiaries. Goodwill represents the excess of the cost of the acquisition over The Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired. When the excess is negative, it is recognised immediately in profit or loss. Goodwill is subsequently measured at cost less accumulated impairment losses (see accounting policy g). For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the business combination. As required by IAS 36 and IFRS 3, the impairment of goodwill is tested annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of the goodwill and then to other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary the amount of goodwill which is attributable is included in the profit or loss on disposal.

The profit or loss of consolidated subsidiaries is included in the consolidated statement of comprehensive income only for periods after the date of acquisition. Accordingly, the consolidated financial statements do not include any income, cash flows or other transactions of subsidiaries before the acquisition date.

All transactions, balances, and unrealised profits and losses on transactions within the Group have been eliminated upon consolidation.

Foreign currency translation of foreign entities.

A functional currency is designated for each of the reporting entities in the Group. The functional currency is the currency used in the primary economic environment in which the reporting entity operates.

Transactions denominated in currencies other than the functional currency are transactions in foreign currency. On initial recognition, transactions denominated in foreign currency are translated into the functional currency at the exchange rate at the transaction date. Gains and losses arising between the rate at the transaction date and the rate at the date of payment are recognised in the statement of comprehensive income under financial income and expenses, net. Receivables, payables and other monetary items denominated in foreign currency are translated into the functional currency at the exchange rate at the balance sheet date. Differences between the rate at the balance sheet date and the rate at the transaction date or the exchange rate stated in the latest annual report are recognised in the statement of comprehensive income under financial income and expenses, net. On recognition of foreign subsidiaries and associates with functional currencies other than DKK, comprehensive income statement items are translated at the rate at the transaction date, and balance sheet items including goodwill are translated at the rate at the balance sheet date. The rate at the transaction date is calculated as the average rate of the individual month to the extent that this does not significantly distort the presentation.

Foreign exchange differences arising on the translation of opening equity of these entities at the rate at the balance sheet date and on the translation of comprehensive income statement items from average rates to the rate at the balance sheet date are recognised in the consolidated financial statements in other comprehensive income in equity as a separate translation reserve. On full divestment of a foreign entity, the part of accumulated foreign exchange adjustment that is recognised in equity and that is attributable to that entity is recognised in profit/loss for the year together with any gains or losses from the divestment.

b) Foreign currency

Transactions in foreign currencies are translated to DKK at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting sheet date are translated to euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the original transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to euro at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in profit or loss.

c) Financial instruments

i. Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred

Financial assets that are created or retained by the Group are recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: loans and receivables, cash on escrow accounts and cash and cash equivalents.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment losses (see accounting policy g).

Loans and receivables comprise trade and other receivables.

Cash on escrow accounts comprise cash balances mostly with maturities of one year and longer. The use of these balances is limited by waste management legislation in Czech Republic and Slovakia mainly to payment for restoration and monitoring of waste sites.

Cash and cash equivalents comprise cash balances with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

ii. Non-derivative financial liabilities

The Group initially recognises financial liabilities (including liabilities designated at fair value through profit or loss) on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, The Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: interest bearing loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method.

d) Property, plant and equipment

i. Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and accumulated impairment losses (see accounting policy g). Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within “Other operating income and expenses” in Consolidated Statement of Comprehensive Income.

ii. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation of waste sites is recognised in profit or loss based on the capacity used. Depreciation of other assets is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Land and assets under construction are not depreciated. The estimated useful lives are as follows:

- Buildings 20 - 50 years
- Machinery and equipment 3 - 10 years
- Other tangible assets 3 - 10 years

Depreciation methods and useful lives, as well as residual values, are reassessed at each financial year-end and adjusted if appropriate.

e) Other intangible assets

i. Measurement

Other intangible assets comprise mainly software acquired by the Group and are stated at cost less accumulated amortisation (see below) and accumulated impairment losses (see accounting policy g).

ii. Amortisation

Amortisation of other intangible assets is charged to the profit or loss on a straight-line basis over the estimated useful lives of the intangible assets from the date that they are available for use. The estimated useful life of software is 4 years.

f) Inventories

Inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is based on the weighted average cost formula and includes expenditure incurred in acquiring the inventories production or conversion costs and other cost incurred bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

g) Impairment

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories (see accounting policy f) and deferred tax assets (see accounting policy m), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of the assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable asset group that generates cash inflows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses in respect of goodwill are not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h) Dividends

Dividends are recognised as a liability in the period in which they are declared.

i) Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

j) Revenue

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

Revenues from services rendered are recognised in profit or loss when performed.

k) Expenses

i. Operating lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense.

ii. Finance costs and finance income

Finance costs and finance income comprise interest expense on borrowings calculated using the effective interest rate method, interest income on funds invested, foreign exchange gains and losses, and gains and losses on derivative instruments that are recognised in the profit or loss.

Interest income and expense are recognised in the profit or loss as they accrue, using the effective interest rate method.

l) Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet liability method, recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences relating to the initial recognition of assets or liabilities in a transaction that is not a business combination and that affect neither accounting nor taxable profit are not provided for. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Joint taxation contributions payable and receivable are recognised as income tax in the balance sheet of the parent company.

m) New financial reporting standards and interpretations in 2015

MPWM 2014 A/S has implemented all new and revised financial reporting standards and interpretations adopted by the EU that are effective financial years beginning on or after 1 January 2015. MPWM 2014 A/S has assessed that they are either not relevant to the Group or the parent company, or not of significant importance.

New standards and interpretations not yet adopted

The IASB has issued a number of financial reporting standards, amendments and interpretations with which the Group and the parent company must comply for financial years beginning on or after 1 January 2016.

The financial reporting standards, amendments and interpretations that have not yet come into force are not considered to significantly affect the consolidated financial statements or the parent company in future financial years. However, the analysis of the expected impact of implementing IFRS 9, IFRS 15 and IFRS 16 has not been finalized, see below.

IFRS 9 “Financial Instruments” which replaces IAS 39, changes the classification and subsequent measurement of financial assets and liabilities. The standard introduces a more logical approach to classification of financial assets based on the business model applied in the entity and the characteristics of the underlying cash flows. The standard also introduces a new impairment model for all financial assets.

IFRS 15 “Revenue from Contracts with Customers” which replaces the current standards (IAS 11 and IAS 18) and interpretations introduces a new framework for recognition and measurement of revenue from contracts with customers. The new standard provides a five-step model to be applied to all contracts with customers to determine when and how revenue is to be recognised in profit and loss.

Under IFRS 16 “Leases”, replacing IAS 17, largely all leases must be recognised in the balance sheet of the lessee’s financial statements in the form of a lease obligation and an asset representing the lessee’s right to use the underlying asset. Operation leases and finance leases are no longer distinguished from one another.

IFRS 9 and IFRS 15 are effective for financial years beginning on or after 1 January 2018, and IFRS 16 is effective from financial years beginning on or after 1 January 2019, if adopted by the EU.

4. Fair values

A number of the Group’s accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods.

Trade and other receivables
The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Non-derivative financial liabilities
Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

The fair value of trade and other receivables, cash and cash equivalents and non-derivative financial liabilities does not significantly differ from their carrying amounts.

5. Risk management

Overview
The Group has exposure to the following risks from its use of financial instruments and from its operations:

- credit risk
- liquidity risk
- market risk
- currency risk
- interest rate risk
- operational risk.

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk, and the Group’s management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework
The Directors have overall responsibility for the establishment and oversight of the Group’s risk management framework. The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Directors monitor compliance with the Group’s risk management policies and procedures and review the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group’s receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of financial assets.

The maximum exposure to credit risk is represented by the carrying amount of all financial assets in the statement of financial position.

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group. Transactions involving derivative financial instruments are with counterparties recommended by headquarter based on their sound credit ratings. Given their high credit ratings, management does not expect any counterparty to derivative transactions to fail to meet its obligations. For the time being the Group does not use derivative financial instruments.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main component of this allowance is a specific loss component that relates to individually significant exposures.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group’s approach to managing liquidity is to ensure, to the extent possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation. Typically the Group ensures that it has sufficient cash on demand or undrawn overdraft facility to meet expected operational expenses for a period of at least

60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk
The Group is not exposed to significant foreign currency risk on sales and purchases.

The Group is exposed to currency risk regarding investments in subsidiaries in Slovakia (EUR) and especially in Czech Republic (CZK).

Interest rate risk
The Group's operating revenues and operating cash flows are assessed not to be significantly affected by interest changes with the current market conditions. The Group has no significant interest bearing asset. The Group has overdraft facility portfolio with floating interest rates (see Note 24).

Operational risk
Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the operations of the Group.

The objective of the Group is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to Directors and senior management. This responsibility is supported by the development of overall Group standards for the management of operational risk.

Capital management
The Group defines capital as its Equity. The Group's policy is to maintain a strong capital base so as to sustain future development of the business. The Group's needs for the capital are satisfied through borrowings and not through changes in share capital. The Group does not provide any employees shares.

There were no changes in the Group's approach to capital management during the period.

The Group is not subject to externally imposed capital requirements.

Financial highlights

Operating margin (%) $$\frac{\text{Operating profit x 100}}{\text{Revenue}}$$

Return on investment (%) $$\frac{\text{Operating profit x 100}}{\text{Operationally assets}}$$

Return on equity (%) $$\frac{\text{Profit for the year x 100}}{\text{Equity}}$$

Equity ratio (%) $$\frac{\text{Equity x 100}}{\text{Total assets}}$$

Operating assets are defined as balance Sheet total minus cash funds, interest bearing assets (including shares) and investments in associate enterprises.

Notes to the Consolidated Financial Statements

6. Revenue

In thousands of DKK	**2015**	**2014**
Collection local authorities	769.359	446.824
Winter and road cleaning	4.162	4.147
Collection commercial	1.145.479	511.877
Sorting	488.790	245.545
Landfill	159.725	81.392
Other	58.040	32.101
	2.625.555	**1.321.887**

7. Amortisation, Depreciation and Impairment

In thousands of DKK	**2015**	**2014**
Amortisation, depreciation and impairment losses of non-current assets are specified as follows:		
Amortisation, intangible assets	6.945	3.406
Depreciation, property, plant and equipment	247.151	137.011
	254.096	**140.417**
Amortisation, depreciation and impairment losses of non-current assets have been expensed as follows:		
Direct and other production costs	249.628	137.767
Distribution costs	3.298	1.697
Administrative costs	1.170	953
	254.096	**140.417**

8. Staff Costs

In thousands of DKK	**2015**	**2014**
Staff costs are specified as follows:		
Wages and salaries, etc.	615.544	305.462
Pension schemes	33.184	15.661
Other social security expenses	97.880	45.832
	746.608	**366.955**
Attributable to:		
Board of Directors and management		
Board remuneration and salary for management	0	0
	0	**0**
Average number of employees	**4.235**	**4.040**

Staff costs have been expensed as follows:

In thousands of DKK	**2015**	**2014**
Direct and other production costs	639.085	315.418
Distribution costs	62.479	29.851
Administrative costs	45.044	21.686
	746.608	**366.955**

Notes to the Consolidated Financial Statements

9. Other operating income and expenses

In thousands of DKK	**2015**	**2014**
Creation of value adjustment receivables	0	2.008
Other operating income and expenses	9.020	-72
	9.020	**1.936**

10. Equity accounted investees

The company has shares in two companies that represents separate entities and the Group has a residual interest in their net assets. The interests are classified as joint ventures. The following table analyses the aggregated financial information of both investees as included in their own individual financial statements adjusted for differences in accounting policies.

In thousands of DKK	**2015**	**2014**
Non current assets	10.634	9.878
Current assets	8.306	8.478
Non-current liabilities	-7.612	-7.488
Current liabilities	-2.858	-2.888
Net assets (100%)	**8.470**	**7.980**
Group's share on assets	4.977	4.712
Carrying amount of interest in joint venture	**4.977**	**4.712**
Revenue	20.664	10.094
Depreciation	-925	-515
Interest expence	0	-15
Income tax expense	-963	-384
Profit and total comprehensive income (100%)	**3.118**	**1.320**
Group's share of profit and total comp. income	1.784	764
Dividends received by the Group	**1.522**	**830**

11. Income from financial investments and securities

In thousands of DKK	**2015**	**2014**
Adjustment from shares	-7	0
Gain of sale of investments	0	2.354
	-7	**2.354**

12. Financial income

In thousands of DKK	**2015**	**2014**
Unwinding of discount of long-term provisions	0	8.672
Other interest income	2.952	8.966
	2.952	**17.638**

13. Financial expenses

In thousands of DKK	**2015**	**2014**
Unwinding of discount of long-term provisions	2.153	3.199
Other interest expenses	42.753	7.675
	44.906	**10.874**

Notes to the Consolidated Financial Statements

14. Taxation on profit for the financial year

In thousands of DKK	**2015**	**2014**
Tax on profit for the year	51.650	36.854
	51.650	**36.854**
Tax on profit has been calculated as follows		
Current tax	53.014	35.256
Change in deferred tax	-1.809	1.367
Adjustment concerning previous years	445	15
	51.650	**36.638**

Income tax reconciliation

In thousands of DKK	**2015**	**2014**
Profit before tax	266.129	178.735
Tax charged at 23,5 % / 24,5%	62.540	43.790
Adjustment of tax calculated for foreign subsidiaries in relation to 23,5 %	-9.493	-3.879
Tax effect of:		
Change in income tax rate	-2.199	-957
Non-taxable income and non-deductible expenses	1.027	-2.100
Adjustment of previous years and withholding tax	-225	-216
	51.650	**36.638**
Effective tax rate	**19,4%**	**20,6%**

15. Property, plant and equipment

In thousands of DKK	Land and buildings	Machinery and equipment	Other tangible assets	Under con-struction	Total
Cost					
Balance at 8 May 2014	**0**	**0**	**0**	**0**	**0**
Business combination	601.445	615.995	30.914	62.569	1.310.923
Exchange rate adjustments	-3.425	-2.653	-268	-385	-6.731
Acquisitions	40.763	67.700	1.317	-2.982	106.798
Transfer	10.232	1.507	43	-11.782	0
Disposals	-2.480	-22.575	-2.497	0	-27.552
Balance at 31 December 2014	**646.535**	**659.974**	**29.509**	**47.420**	**1.383.438**
Depreciation and impairment losses					
Balance at 8 May 2014	**0**	**0**	**0**	**0**	**0**
Depreciation charged for the period	39.170	94.575	3.266	0	137.011
Transfer	0	51	0	0	51
Disposals	-2.468	-26.818	-2.460	0	-31.746
Balance at 31 December 2014	**36.702**	**67.808**	**806**	**0**	**105.316**
Carrying amounts					
At 8 May 2014	0	0	0	0	0
At 31 December 2014	609.833	592.166	28.703	47.420	1.278.122
Cost					
Balance at 1 January 2015	**646.535**	**659.974**	**29.509**	**47.420**	**1.383.438**
Adjustments due to changes in estimates	0	0	0	0	0
Exchange rate adjustments	21.529	23.209	1.684	876	47.298
Acquisitions	43.333	161.030	4.144	18.799	227.306
Acquisitions as part of business combination	20.944	7.891	0	186	29.021
Transfer	25.592	7.877	0	-33.469	0
Disposals	-2.435	-88.312	-3.438	-500	-94.685
Balance at 31 December 2015	**755.498**	**771.669**	**31.899**	**33.312**	**1.592.378**
Depreciation and impairment losses					
Balance at 1 January 2015	**36.702**	**67.808**	**806**	**0**	**105.316**
Adjustments due to changes in estimates	0	0	0	0	0
Exchange rate adjustments	13.215	16.983	1.104	0	31.302
Depreciation charged for the period	55.494	182.357	9.300	0	247.151
Disposals	-1.640	-77.907	-2.545	0	-82.092
Balance at 31 December 2015	**103.771**	**189.241**	**8.665**	**0**	**301.677**
Carrying amounts					
At 1 January 2015	609.833	592.166	28.703	47.420	1.278.122
At 31 December 2015	651.727	582.428	23.234	33.312	1.290.701

Property, plant and equipment have been insured against natural risks, theft and vandalism. Mortgage and securities – see note 28.

Notes to the Consolidated Financial Statements

16. Goodwill and other intangible assets

In thousands of DKK	Software	Other intangible assets	Goodwill	Under con-struction	Total
Cost					
Balance at 8 May 2014	**0**	**0**	**0**	**0**	**0**
Business combination	9.075	3.798	1.364.886	6.374	1.384.133
Exchange rate adjustments	-46	-49	605	-86	424
Acquisitions	1.730	6.426	7.574	-1.372	14.358
Transfer	-380	0	0	380	0
Disposals	-5	0	0	0	-5
Balance at 31 December 2014	**10.374**	**10.175**	**1.373.065**	**5.296**	**1.398.910**
Depreciation and impairment losses					
Balance at 8 May 2014	**0**	**0**	**0**	**0**	**0**
Amortisation charged for the period	2.256	1.150	0	0	3.406
Disposals	-29	0	0	0	-29
Balance at 31 December 2014	**2.227**	**1.150**	**0**	**0**	**3.377**
Carrying amounts					
At 8 May 2014	0	0	0	0	0
At 31 December 2014	8.147	9.025	1.373.065	5.296	1.395.533
Cost					
Balance at 1 January 2015	**10.374**	**10.175**	**1.373.065**	**5.296**	**1.398.910**
Exchange rate adjustments	589	293	5.288	91	6.261
Acquisitions	4.520	0	6.452	380	11.352
Transfer	3.180	2.566	0	-3.165	2.581
Disposals	-16	-310	0	-2.081	-2.407
Balance at 31 December 2015	**18.647**	**12.724**	**1.384.805**	**521**	**1.416.697**
Depreciation and impairment losses					
Balance at 1 January 2015	**2.227**	**1.150**	**0**	**0**	**3.377**
Exchange rate adjustments	372	215	0	0	587
Amortisation charged for the period	4.084	2.861	0	0	6.945
Disposals	-188	-138	0	0	-326
Balance at 31 December 2015	**6.495**	**4.088**	**0**	**0**	**10.583**
Carrying amounts					
At 1 January 2015	8.147	9.025	1.373.065	5.296	1.395.533
At 31 December 2015	12.152	8.636	1.384.805	521	1.406.114

Goodwill

Goodwill has been allocated to the following segments, which represent the primary cash-generating units:

- Denmark 372 million
- Czech Republic 824 million
- Slovakia 189 million

Total **1.385 million**

Notes to the Consolidated Financial Statements

Based on expected future net cash flows, management believes that the carrying amount of goodwill will not significantly exceed the recoverable amount. The estimate is based on the results achieved and the expected level of future earnings.

The recoverable amount is based on the value in use determined by means of expected net cash flows on the basis of approved budgets for 2016 and forecasts for the period 2017-2020 and by using a pre-tax discount rate of 8,0% which takes into account the specific risks characterising the actual markets. The calculation is based on low growth assumptions.

17. Investments in associates

In thousands of DKK	2015	2014
Cost		
Cost at beginning of the year	601	601
Disposals during the year	-601	0
Cost at 31 December	**0**	**601**
Value adjustments at beginnig of the year	1.389	1.763
Share of profit	0	-374
Disposals during the year	-1.389	0
Value adjustments at 31 December	**0**	**1.389**
Carrying amounts		
At Beginning of the year	1.990	2.364
At 31 December	0	1.990

Investments in associates are measured in the consolidated balance sheet using the equity method.

18. Securities

In thousands of DKK	2015	2014
Securities are classified in the statement of financial position as follows		
Non-current assets	222	12.446
Current assets	0	0
Total	**222**	**12.446**
Types of security:		
Listed shares	0	10.669
Unlisted shares	222	1.777
Total	**222**	**12.446**

19. Trade and other receivables

In thousands of DKK	2015	2014
Trade receivables	397.014	407.575
Loans	4.616	8.586
Other receivables	29.210	18.761
Less: Allowance for bad and doubtful debts	-20.065	-20.466
	410.775	**414.456**
thereof:		
Due after more than 1 year	**4.076**	**5.053**
Due within 1 year	**406.699**	**409.403**

The aging of trade receivables that are subject to credit risk is as follows:

In thousands of DKK	2015	2014
Not yet due	330.674	331.971
Overdue by less than 1 month	67.958	72.786
Overdue by 1 to 3 months	13.695	9.642
Overdue by 3 to 6 months	-563	2.499
Overdue by 6 to 12 months	1.567	2.181
Overdue by more than 12 months	17.509	15.843
	430.840	**434.922**

Roll-forward of allowance for bad and doubtful debt

In thousands of DKK	2015	2014
Balance at beginning of the year	-20.466	-25.598
Exchange rate adjustments	-285	0
Impairment losses	-3.093	-1.996
Discounting of long-term receivables / (unwinding of interest)	134	0
Addition from business combination	-1.939	0
Use of allowance	283	2.769
Impairment reversals	5.301	4.359
Balance at 31 December	**-20.065**	**-20.466**

20. Cash on escrow accounts

Cash on escrow accounts comprise cash balances mostly with maturities of one year and longer. The use of these cash balances are limited by waste management legislation in Czech Republic and Slovakia mainly to payment for restoration and monitoring of landfills as shown in note 25.

21. Deferred tax assets and liabilities

In thousands of DKK	Property, plant and equipment	Goodwill and intangible assets	Receivables	Provisions	Tax losses	Total
Deferred tax at 8 May 2014	**0**	**0**	**0**	**0**	**0**	**0**
Business combination	18.121	7.155	-1.775	-44.728	-418	-21.645
Exchange rate adjustments	-15	0	-1	-22	0	-38
Impact of change in discounting model	0	0	0	16.237	0	16.237
Recognised in profit for the year, net	1.551	-772	578	638	-412	1.583
Deferred tax at 31 December 2014	**19.657**	**6.383**	**-1.198**	**-27.875**	**-830**	**-3.863**
Deferred tax at 1 January 2015	**19.657**	**6.383**	**-1.198**	**-27.875**	**-830**	**-3.863**
Exchange rate adjustments	-412	-7	-18	-902	-5	-1.343
Adjustments due to changes in estimates	-106	0	0	0	0	-106
Recognised in profit for the year, net	5.281	31	-85	-6.598	285	-1.086
Deferred tax at 31 December 2015	**24.420**	**6.407**	**-1.300**	**-35.375**	**-550**	**-6.398**

Net deferred tax (liability) / asset is attributable to the following:

In thousands of DKK	2015	2014
Deferred tax assets	56.184	54.152
Deferred tax liabilities	49.786	50.289
	-6.398	**-3.863**

All movements in temporary differences were recognised in the income statement during the relevant periods.

22. Inventories

In thousands of DKK	2015	2014
Raw materials and consumables	18.605	17.345
Finished goods	13.588	12.504
	32.193	**29.849**

No impairment losses have been identified during the financial year.

23. Capital and reserves

Share capital

The share capital of the Company consists of 100.000.000 shares at nominal value of DKK 1 per share. The shares have not been divided into classes.

Dividend

There has not been made dividend payment by parent company to shareholders in 2015. Dividend payment made by subsidiaries to non-controlling interest amounted to thousands DKK 25.271.

24. Interest-bearing loans and borrowings

In thousands of DKK	Interest rate risk	Effective interest rate	Year of maturity	2015	2014
Short-term bank loan (Euro)	*Floating rate*	*0-1%*	*Upon request*	67.208	123.288
Short-term bank loan (CZK)	*Floating rate*	*1-2%*	*Upon request*	293.344	314.990
Short-term bank loan (DKK)	*Floating rate*	*1-2%*	*Upon request*	142.038	128.917
Short-term loan (EUR)	*Fixed rate*	*1-2%*	*Upon request*	4.254	0
Current portion of the long-term bank loan (CZK)	*Floating rate*	*1-2%*	*30-6-15*		52.693
Current portion of the long-term bank loan (DKK)	*Floating rate*	*1-2%*	*30-6-15*		53.125
Current portion of the long-term bank loan (CZK)	*Floating rate*	*1-2%*	*30-6-16*	54.185	
Current portion of the long-term bank loan (DKK)	*Floating rate*	*1-2%*	*30-6-16*	53.125	
				614.154	**673.013**

In thousands of DKK	Interest rate risk	Effective interest rate	Year of maturity	2015	2014
Long-term bank loan (CZK)	*Floating rate*	*1-2%*	*30-6-16*		52.693
Long-term bank loan (DKK)	*Floating rate*	*1-2%*	*30-6-16*		53.125
Long-term bank loan (CZK)	*Floating rate*	*1-2%*	*30-6-17*	54.185	52.693
Long-term bank loan (DKK)	*Floating rate*	*1-2%*	*30-6-17*	53.125	53.125
Long-term bank loan (CZK)	*Floating rate*	*1-2%*	*30-6-18*	270.923	263.466
Long-term bank loan (DKK)	*Floating rate*	*1-2%*	*30-6-18*	265.625	265.626
				643.858	**740.728**

Notes to the Consolidated Financial Statements

For more information about the Group's exposure to liquidity, interest rate and foreign currency risk, see note 28.

25. Provisions

In thousands of DKK	2015	2014
Non-current provisions		
Provisions for restoration and monitoring of landfills	454.027	408.526
Thereof: Due within one year	-32.263	-15.827
Total non-current provisions	**421.764**	**392.699**
Current provisions		
Current portion of the restoration and monitoring provisions	32.263	15.827
Total current provisions	**32.263**	**15.827**
	454.027	**408.526**

In thousands of DKK	2015	2014
Carrying amount at the beginning of the year	408.526	392.735
Exchange rate adjustments	9.604	0
Adjustment due to changes in estimate	5.685	0
Additional provisions made in the period, including increase	10.561	1.769
Additional provisions made in the period, including increase in the existing provisions	15.730	6.114
Amounts used during the period	-5.796	-3.214
Increase during the period in the discounted amount arising from the passage of time and effect of any change in the discount rate	9.717	11.122
	454.027	**408.526**

The expected maturities and expected cash flows from provisions as at 31 December 2015 are as follows:

In thousands of DKK	Expected cash flow (including inflation)	Less: discounting of future interest	Reported amount
Within 1 year	33.014	0	33.014
Between 1 and 2 years	38.901	-6.748	32.153
Between 2 and 3 years	28.411	52	28.463
Between 3 and 4 years	39.659	30	39.689
Between 4 and 5 years	25.106	-15	25.091
Between 5 and 10 years	172.227	-1.030	171.198
Over 10 years	136.285	-11.865	124.420
	473.603	**-19.576**	**454.027**

The expected maturities and expected cash flows from provisions as at 31 December 2014 are as follows:

In thousands of DKK	Expected cash flow (including inflation)	Less: discounting of future interest	Reported amount
Within 1 year	16.852	0	16.852
Between 1 and 2 years	45.762	-82	45.680
Between 2 and 3 years	27.898	0	27.898
Between 3 and 4 years	27.161	-275	26.886
Between 4 and 5 years	24.851	-201	24.650
Between 5 and 10 years	163.808	-1.273	162.535
Over 10 years	126.053	-22.027	104.026
	432.384	**-23.858**	**408.526**

26. Trade and other payables

In thousands of DKK	2015	2014
Trade payables	198.780	209.242
Labour related payables	84.223	83.503
VAT and other tax liabilities	20.047	16.068
Other payables	16.893	12.350
	319.943	**321.163**

The breakdown of trade and other payables is as follows:

In thousands of DKK	2015	2014
Payables within due date	284.730	295.387
Payables after due date	35.213	25.776
	319.943	**321.163**

27. Financial instruments

Exposure to credit, liquidity, interest rate and currency risks arise in the normal course of the Group's business.

Financial instrument categories

In thousands of DKK	2015 Carrying amount	2014 Carrying amount
Financial assets used as hedging instruments	**0**	**0**
Securities	222	12.446
Trade and other receivables	410.775	414.456
Cash and cash equivalents	124.151	92.156
Loans and other receivables	**535.148**	**519.058**
Financial liabilities used as hedging instruments	**0**	**0**
Credit institutions	1.258.012	1.413.741
Trade and other payables	319.943	321.163
Financial liabilities measured at amortised cost	**1.577.955**	**1.734.904**

The fair value is in all cases equal to the carrying amount

Notes to the Consolidated Financial Statements

Impairment losses
Impairment losses are described in note 19.

Liquidity risk
The Group expects to prolong the credit facilities of the interest-bearing loans and borrowings into future periods.

The contractual maturities of substantially all current financial assets and liabilities are within 4 months.

Financial assets and liabilities

In thousands of DKK	2015	2014
Within 1 year	0	2
Between 1 and 2 years	1.454	1.445
Between 2 and 3 years	805	822
Between 3 and 4 years	733	705
Between 4 and 5 years	611	646
Between 5 and 10 years	548	1.334
Over 10 years	0	307
Less: discounting of interest	-75	-208
	4.076	**5.053**
Thereof presented under:		
Current receivables	**0**	**0**
Non-current receivables	**4.076**	**5.053**

The contractual cash flows from financial assets and financial liabilities do not significantly differ from their carrying values. It is not expected that the cash flows from these financial assets and liabilities could occur significantly earlier, or for significantly different amounts.

28. Capital commitments and contingencies

Mortgage and securities
Shares in Marius Pedersen Holding A/S, thousands DKK 27.977 have been pledged as security for bank debt amounting to thousands DKK 1.245.000.

To provide security for the Group's drawing facilities in banks etc., including performance guarantees and other guarantees given by the bank, are placed on deposit on the following items.

In thousands of DKK	2015	2014
Mortgage deed, not pledged as security	16.250	16.250
Carrying amount of mortgage properties	40.790	41.542

Contingent Liabilities

In thousands of DKK	2015	2014
Obligations according to rent and operating lease contracts	41.999	16.026
Recourse obligations concerning contract guarantees etc.	62.790	59.215

The expected maturities of obligations according to rent and operating lease contracts

In thousands of DKK	2015	2014
Within 1 year	13.092	8.710
Between 1 and 5 years	24.103	5.407
Over 5 years	4.804	1.909
	41.999	**16.026**

Notes to the Consolidated Financial Statements

Joint taxation

MPWM 2014 A/S and its Danish subsidiaries are jointly taxed. The Company thus has secondary liability with respect to income taxes etc. and any obligation to withhold taxes on interest, royalties and dividends applying to the jointly taxed companies. Such secondary liability is, however, capped at an amount equal to the portion of the share capital in the Company held directly or indirectly by the ultimate parent.

29. Related parties

Company with a controlling interest in MPWM 2014 A/S consist of Entreprenør Marius Pedersens Fond as immediate and ultimate owner.

Sales of goods to related parties were made at standard prices. Purchases of goods were also made at market prices less discount offered on the basis of volumes purchased.

No security or guarantee has been provided in respect of any balances at the balance sheet date. Receivables are settled in cash. No losses have been incurred, and no provisions for probable losses have been made in respect of receivables from related parties.

The following transactions have been recognised in the statement of comprehensive income and the balance sheet.

In thousands of DKK	**2015**	**2014**
Associates		
Revenue	0	75

Associates consist of A/S MP – 4S, Jordrens.

Subsidiaries consist of companies in which MPWM 2014 A/S has a controlling interest; see section "Consolidated subsidiaries, associates and joint ventures". Transactions with subsidiaries have been eliminated in the consolidated financial statements in accordance with the accounting policies.

The remuneration paid to members of the Executive Board and the Board of Directors is disclosed in note 8 and is not included in the amounts stated above.

30. Fee to shareholder, appointed auditor

In thousands of DKK	**2015**	**2014**
Fee to Deloitte		
Statutory audit	432	378
Tax and VAT-related services	48	24
Other services	0	373
	480	**775**

In thousands of DKK	**2015**	**2014**
Fee to KPMG		
Statutory audit	1.792	1.838
	1.792	**1.838**

31. Acquisition of subsidiary

2015

On 15 October 2015 the Group acquired 100% of the shares and voting rights in company Waste transport, a.s., Slovakia. Impact of the acquisition of Waste transport a.s. on financial results of the Group during 2015 is not material. In the period from the acquisition date to 31 December 2015 Waste transport, a.s. contributed revenue of T.DKK 8.234 and loss after tax of T.DKK 1.022.

Waste transport, a.s.

In thousands of DKK	**2015**
Property, plant and equipment	22.082
Other intangible assets	67
Cash on escrow accounts	5.791
Inventories	299
Trade and other receivables	8.582
Tax receivables	30
Other assets	567
Cash and cash equivalents	940
Provisions	-6.336
Deferred tax liability	-82
Other non-current liabilities	-127
Trade and other payables	-5.455
Interest-bearing loans and borrowings	-8.022
ST provisions	-1.254
Current tax payable	-918
Net assets acquired	**16.164**
Goodwill	6.463
Valuable rights (net)	2.002
Purchase price	**24.629**
Of which cash and cash equivalents	-940
Purchase price in cash	**23.688**

Purchase price:	
Cash	24.629
	24.629

Notes to the Consolidated Financial Statements

2014

On 27 June 2014, MPWM 2014 A/S completed the acquisition of Marius Pedersen Holding A/S group. The acquisition was executed as two share purchases. 35% was purchased from Entreprenør Marius Pedersens Fond, which is the solely shareholder in MPWM 2014 A/S. 65% was purchased from Veolia Propreté.

The allocation of the purchase price on the acquired assets and liabilities is included in the consolidated financial statements 2014.

PRELIMINARY SPECIFICATION OF RECOGNISED, ACQUIRED ASSETS AND LIABILITIES AT THE TIME OF ACQUISITION

In thousands of DKK	**2014**
Property, plant and equipment	1.310.923
Other intangible assets	19.241
Investments in associates	2.364
Securities	1.082
Cash on escrow accounts	270.552
Deferred tax assets	62.788
Inventories	26.506
Trade and other receivables	397.816
Tax receivables	30.570
Other assets	25.335
Cash and cash equivalents	270.159
Provisions	-392.735
Deferred tax liability	-41.143
Other non-current liabilities	-3.123
Trade and other payables	-344.163
Interest-bearing loans and borrowings	-70.756
Current tax payable	-9.075
Net assets acquired	**1.556.341**
Goodwill	1.364.886
Minority interests	-163.411
Purchase price	**2.757.816**
Of which cash and cash equivalents	-270.159
Purchase price in cash	**2.487.657**
Purchase price:	
Cash	1.791.816
Shares, issued	966.000
	2.757.816

The company and the Group incurred transaction costs relating to the acquisition of approximately DKK 1 million in the consolidated statement of comprehensive income.

Regarding goodwill refers to additional information in note 16 Intangible assets.

The fair value of the minority interests are based on the same calculation as the whole acquisition.

The fair value of the acquired technical plant is estimated on the basis of the depreciated replacement value.

The fair value of other intangible assets is based on the discounted cash flows that are expected to be generated by the continued use or sale of the assets.

The fair value of the acquired raw materials and goods for sale is determined at replacement cost.

Receivables are valued at the present value of the amounts that are expected to be received less expected costs for collection. The Group's loan interest rate before tax is used in the case of discounting. However, discounting is not used when the effect is immaterial.

Liabilities are valued at the present value of the amounts that are required for settling the liabilities. The Group's loan interest rate before tax is used in the case of discounting. However, discounting is not used when the effect is immaterial.

After recognition of identifiable assets, liabilities and contingent liabilities at fair value, goodwill relating to the acquisition has been determined at 1.373 MDKK. Goodwill represents the value of the basis of the business, existing staff, access to new development and markets. The recognised goodwill is not tax deductible.

PETMAS spol. s.r.o

On 12 September 2014 the Group acquired 100% of the shares and voting rights in company PETMAS spol. s.r.o., Slovakia. Impact of the acquisition of PETMAS on financial results of the Group during 2014 is not material. In the three months to 31 December 2014 PETMAS contributed revenue 2.266 TDKK and loss after tax of 201 TDKK.

Goodwill arising from the acquisition has been recognised as follows:

In thousands of DKK	**2014**
Consideration transferred	15.490
Fair value of identifiable net assets	-7.916
Goodwill	**7.574**

The consideration transferred consisted of cash payment of 9.318 TDKK; the residual balance of 6.172 TDKK has been settled against mutual receivables and payables.

Consolidated Subsidiaries and Joint Ventures

Subsidiaries:

Name	Effective ownership % 2015	Voting rights % 2015	Principal activity
Bohemian Waste Management a.s.	60,0	60,0	Landfill
BORINA EKOS s.r.o.	88,0	88,0	Landfill
Bzenex BMP, s.r.o.	70,0	70,0	Landfill
DESTRA Co., spol. s r.o.	70,0	70,0	Hazardous waste
EKO - Chlebičov a.s.	77,2	77,2	Hazardous waste landfill
EKO servis Varnsdorf a.s.	55,0	55,0	Municipal waste collection
EKOLA České Libchavy s.r.o.	74,1	74,1	Municipal waste collection and landfill
ELIO Slezsko a.s.	55,0	55,0	Landfill
HRATES, a.s.	66,0	66,0	Municipal services
Hradecké služby a.s.	60,0	60,0	Municipal waste collection
Ipodec Ciste Mesto a.s.	57,0	57,0	Municipal services and waste collection
Kildehøj ApS	100,0	100,0	Property investment company 1)
Kopaničiarska odpadová spoločnosť, s.r.o.	83,0	83,0	Landfill
Krušnohorské služby a.s.	51,0	51,0	Municipal services and waste collection
Marius Pedersen A/S, Ferritslev Fyn	100,0	100,0	Municipal services, waste collection, sorting
Marius Pedersen a.s.Hradec Kralove	100,0	100,0	Municipal services, waste collection, landfill
Marius Pedersen a.s., Trencin	100,0	100,0	Municipal services, waste collection, landfill
Marius Pedersen Holding A/S	100,0	100,0	Holding company
Moravska skladkova spolecnost a.s.	60,0	60,0	Landfill
MP Ejendomsaktieselskab, Ferritslev	100,0	100,0	Property investment company 1)
Nykos a.s.	85,7	85,7	Municipal waste collection
Odense Affaldssortering A/S	50,2	50,2	Sorting
Odpady-Třídění-Recyklace a.s.	60,0	60,0	Municipal waste collection
Papkov s.r.o.	80,0	80,0	Recycling
PETMAS spol. S.r.o.	100,0	100,0	Waste collection
Podnik sluzeb Jirkov s.r.o	51,0	51,0	Municipal services and waste collection
Růžov a.s.	52,0	52,0	Landfill
RWC s.r.o.	70,0	70,0	Hazardous waste
Severočeské komunální služby s.r.o.	65,0	65,0	Municipal services and waste collection
Skládka Tušimice a.s.	98,0	98,0	Landfill
SOMA Markvartovice a.s.	58,0	58,0	Landfill
SOP a.s.	60,0	60,0	Municipal waste collection
Společnost Horní Labe a.s.	60,0	60,0	Landfill
Spoločnosť Pohronie a.s.	60,0	60,0	Landfill
Spoločnosť Šariš, a.s.	88,0	88,0	Landfill
Spoločnosť Stredné Považie a.s.	70,0	70,0	Landfill
Tatranská odpadová spoločnosť, a.s.	64,0	51,0	Landfill
Technické služby Děčín	96,9	96,9	Municipal services, waste collection ,landfill
Tekovská ekologická, s.r.o.	86,0	86,0	Landfill
TRANSPORT Trutnov s. r. o.	60,0	60,0	Municipal waste collection
TS Valašské Meziříčí s.r.o.	74,9	74,9	Municipal services and waste collection
Waste transport, a.s.	100,0	100,0	Collection and transport of waste
Západočeské komunální služby a.s.	98,0	98,0	Municipal services and waste collection

1) Entreprenør Marius Pedersens Fond is sole owner, except for 1% in company Kildehøj ApS.

Consolidated Subsidiaries and Joint Ventures

Joint ventures:

Name	Effective ownership % 2015	Voting rights % 2015	Principal activity
ICEKO-ONYX, s.r.o.	50,0	50,0	Collection and transport of waste
KOMPLEX-odpadová spoločnosť, s.r.o.	60,0	49,0	Landfill

Annual Report 2015

Central Business Registration No. 35 84 67 35

MPWM 2014 A/S

Management's commentary

Primary activities
The Company is holding company of Marius Pedersen Holding A/S, Denmark.

Development in activities
Net income for the year after tax is 75,3 MDKK.

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

Outlook
The Company expects a continuing positive development in the activities and result.

Accounting Policies

The annual report for MPWM 2014 A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act class B with optional from class C.

The annual report was prepared according to the accounting policies applied the year before.

1. Recognition and measurement

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

Liabilities are recognised in the balance sheet when the Company 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 Group, and the value of the liabilities 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 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. Value adjustments of financial assets and liabilities are recorded in the income statement as financial income or financial expenses.

2. 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. Fixed assets purchased in foreign currencies are translated using historical rates.

3. Statement of income

Revenue

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

Administrative costs

Administrative costs comprise costs incurred for management and administration of the Group, including costs for the administrative staff and the Management, stationary and office supplies as well as depreciation and amortisation.

Financial income and expenses

These items comprise interest income and interest expenses as well as tax surcharge and repayment under the Danish Tax Prepayment Scheme.

Taxation

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/loss for the year, and recognised directly on equity by the portion attributable to entries directly on equity. The portion of the tax taken to the income statement, which relates to extraordinary profit/loss for the year, is allocated to this entry whereas the remaining portion is taken to the year's profit/loss from ordinary activities.

The 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.

Deferred tax is recognised and measured applying the liability method on all temporary differences between the carrying amount and tax-based value of assets and liabilities. The tax-based value of the assets is calculated based on the planned use of each asset.

Deferred tax is measured based on the tax regulations and tax rates that will be in effect, using the laws at the balance sheet date, when the deferred tax is estimated to be triggered as current tax. Changes in deferred tax resulting from changed tax rates are recognised in the income statement.

Deferred tax assets, including the tax base of tax loss carry forward, 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.

The Company is jointly taxed with enterprises within the Group. The current Danish income tax is allocated among the jointly taxed Danish companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

4. Balance sheet

Goodwill on consolidation

Goodwill on consolidation is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by the Management for each business area. The period of amortisation is usually 3 to 10 years, but 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer period of amortisation is considered to give a better reflection of the Group's benefit from the relevant resources.

The carrying amount of goodwill on consolidation is assessed recurrently and written down to recoverable amount, if the carrying amount exceeds the estimated future net income from the enterprise or activity to which the goodwill on consolidation is related.

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

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.

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:

Other tools and equipment: 5 to 8 years.

Depreciation is recognised in the income statement under administrative expenses, respectively.

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

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement under other operating income or expenses, respectively.

Investments in subsidiaries
Investments in subsidiaries are recognised and measured under the equity method. This means that in the balance sheet investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised goodwill or badwill on consolidation and plus or minus unrealised intra-group profits or losses.

The Company's share of the enterprises' profits or losses after tax and elimination of unrealised intra-group profits and losses and minus or plus amortisation of goodwill or badwill on consolidation is recognised in the income statement.

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

Net revaluation of investments in subsidiaries and associates is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost.

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

Dividend
Dividends are recognised as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

Statement of income 2015

In thousands of DKK	Note	2015	2014
Administrative costs		-158	0
Operating profit		**-158**	**0**
Profit on ordinary activities in group enterprises	1	95.123	56.075
Financial income	2	95	3.214
Financial expenses	3	-25.890	-8.037
Profit before taxation		**69.170**	**51.252**
Taxation on profit for the year	4	6.087	1.182
Profit for the year		**75.257**	**52.434**

Proposed distribution of profit / loss		
Dividends for the financial year	0	0
Transfer to reserve for net revaluation under the equity method	95.123	56.075
Retained earnings	-19.866	-3.641
	75.257	**52.434**

Balance Sheet at 31.12.2015

In thousands of DKK	Note	2015	2014
Assets			
Participating interest in group enterprises	5	2.069.395	1.958.100
Non-current assets		**2.069.395**	**1.958.100**
Total non-current assets		**2.069.395**	**1.958.100**
Deferred tax		0	0
Cash		278	168
Tax receivable		7.269	1.182
Recevables from group enterprises		8.010	7.928
Current assets		**15.557**	**9.278**
Total assets		**2.084.952**	**1.967.378**
Equity			
Share capital	6	100.000	100.000
Share premium		965.972	965.972
Reserve for net revaluation according to the equity method		160.611	49.316
Retained earnings		-23.500	-3.634
Total equity		**1.203.083**	**1.111.654**
Liabilities			
Long-term liabilities		643.858	740.728
Short-term liabilities part of long-term liabilities		107.310	105.818
Accounts owed to group enterprises		130.648	9.178
Other payables		53	0
Current liabilities other than provisions		**238.011**	**114.996**
Total liabilities		**2.084.952**	**1.967.378**
Securities and contingent liabilities etc.	7		
Ownership	8		

Statement of change in equity

In thousands of DKK	Share capital	Share premium	Reserve for net revaluation	Retained earnings	Total
Subscribed capital at foundation, cash	**500**	**0**	**0**	**7**	**507**
Capital increase, cash	**98.500**	**1.477**	**0**	**0**	**99.977**
Capital increase, shares	**1.000**	**964.495**	**0**	**0**	**965.495**
Net profit / loss for the year 2014	0	0	56.750	-3.641	53.109
Other capital changes	0	0	-675	0	-675
Exchange rate adjustments	0	0	-6.759	0	-6.759
Balance at 31 December 2014	**100.000**	**965.972**	**49.316**	**-3.634**	**1.111.654**
Balance at 1 January 2015	**100.000**	**965.972**	**49.316**	**-3.634**	**1.111.654**
Dividends paid	0	0	0	0	0
Net profit / loss for the year 2015	0	0	95.123	-19.866	75.257
Exchange rate adjustments	0	0	16.172	0	16.172
Balance at 31 December 2015	**100.000**	**965.972**	**160.611**	**-23.500**	**1.203.083**

Notes

1. Profit on ordinary activities in group enterprises

In thousands of DKK	2015	2014
Group enterprises operating profit	142.458	79.742
Depreciation, consolidated goodwill	-47.335	-23.667
	95.123	**56.075**

2. Financial income

In thousands of DKK	2015	2014
Interest income from group enterprises	82	53
Other interest income	13	3.161
	95	**3.214**

3. Financial expenses

In thousands of DKK	2015	2014
Interest expense from group enterprises	681	19
Other interest expenses	25.209	8.018
	25.890	**8.037**

4. Tax on profit / Loss for the year

In thousands of DKK	2015	2014
Current tax	-6.087	-1.182
	-6.087	**-1.182**

5. Investments in group enterprises

In thousands of DKK	2015	2014
Cost at 1 January	2.758.783	0
Addition	0	2.758.783
Cost price at 31 December	**2.758.783**	**2.758.783**
Net revaluation at 1 January	-800.683	
Exchange adjustments	16.172	-6.758
Amortisation, consolidated goodwill	-47.335	-23.667
Profit / loss for the year	142.458	79.742
Dividends received	0	-850.000
Net revaluation at 31 December	**-689.388**	**-800.683**
Carrying amount at 31 December	**2.069.395**	**1.958.100**

Consolidated goodwill of TDKK 872.827 is included in book value.

Investments in group enterprises comprise:
Marius Pedersen Holding A/S, Faaborg-Midtfyn, 100%

Notes

6. Share capital

The share capital consists of 100.000.000 shares at DKK 1.
The shares have not been divided into classes.

7. Securities and contingent liabilities etc.

Shares in Marius Pedersen Holding A/S, thousands DKK 27.977 have been pledged as security for bank debt amounting to thousands DKK 1.245.000.

Guarantee commitments

The Company guarantees as follows:

In thousands of DKK	2015	2014
Group enterprises' outstanding accounts with banks	0	0

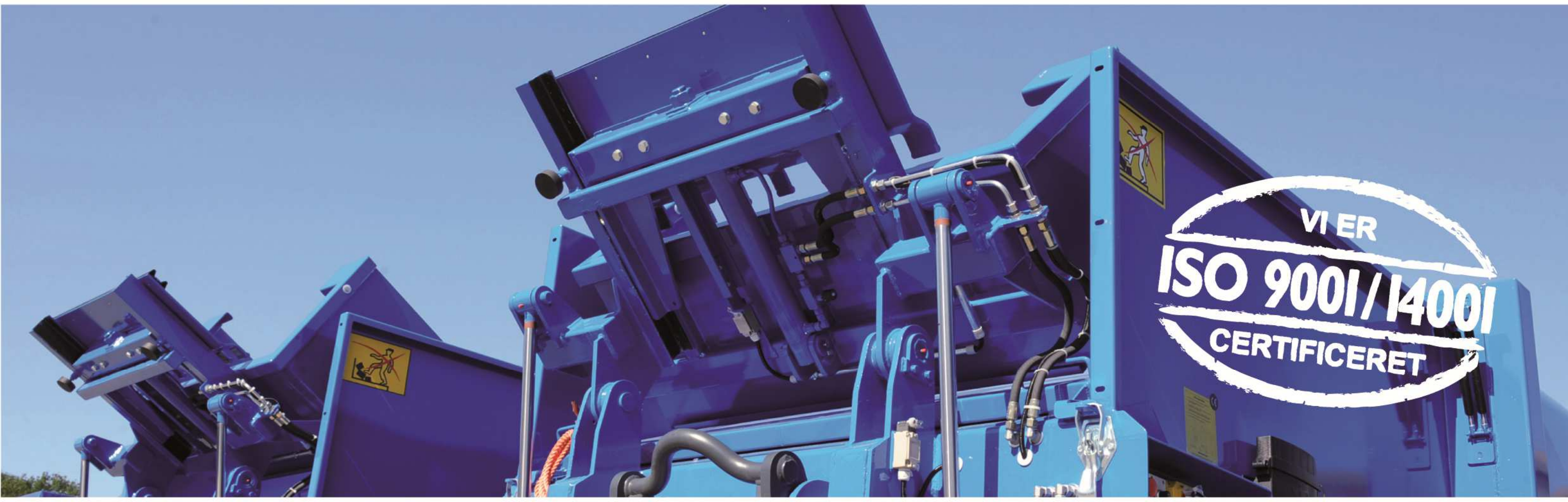
Contingent liabilities

Joint taxation

MPWM 2014 A/S and its Danish subsidiaries are jointly taxed in MP Ejendomsaktieselskab. The Company thus has secondary liability with respect to income taxes etc. and any obligation to withhold taxes on interest, royalties and dividends applying to the jointly taxed companies. Such secondary liability is, however, capped at an amount equal to the portion of the share capital in the Company held directly or indirectly by the ultimate parent.

8. Ownership

The following shareholder hold more than 5% of the Company's share capital:
Entreprenør Marius Pedersens Fond, Faaborg-Midtfyn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