



FSV Invest ApS

Stockflethsvej 21
2000 Frederiksberg
CVR No. 29779252

Annual report 2022

The Annual General Meeting adopted the
annual report on 28.06.2023

Frantz Palludan

Chairman of the General Meeting

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Entity details

Entity

FSV Invest ApS

Stockflethsvej 21

2000 Frederiksberg

Business Registration No.: 29779252

Registered office: Frederiksberg

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Frantz Palludan

Marie-Christine Jansby

Jon Sigurd Svenningsen

Marianne Gry Dolberg Anderson

Executive Board

Jon Sigurd Svenningsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of FSV Invest ApS for the financial year 01.01.2022 - 31.12.2022.

The annual report is 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 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Frederiksberg, 09.06.2023

Executive Board

Jon Sigurd Svenningsen

Board of Directors

Frantz Palludan

Marie-Christine Jansby

Jon Sigurd Svenningsen

Marianne Gry Dolberg Anderson

Independent auditor's report

To the shareholders of FSV Invest ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of FSV Invest ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared 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 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's and the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 09.06.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jens Jørgensen Baes

State Authorised Public Accountant
Identification No (MNE) mne14956

Management commentary

Financial highlights

	2022	2021	2020	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	203,648	197,875	205,049	175,082	3,850
Gross profit/loss	(171,601)	875,426	427,002	684,040	905
Operating profit/loss	(339,358)	841,147	400,453	658,097	(930)
Net financials	(8,110)	(1,654)	(54,019)	(16,902)	(27,832)
Profit/loss for the year	(312,754)	709,630	283,269	537,628	(28,866)
Profit for the year excl. minority interests	(176,431)	271,211	82,417	201,112	(30,054)
Balance sheet total	5,657,074	6,001,550	5,208,345	4,943,312	4,262,662
Investments in property, plant and equipment	163,515	77,838	90,695	138,669	1,587,529
Equity	3,475,404	3,779,677	3,059,755	2,823,163	2,297,225
Equity excl. minority interests	1,302,993	1,464,034	1,186,497	1,133,563	923,138
Ratios					
Return on equity (%)	(12.75)	20.46	7.10	19.56	(3.10)
Equity ratio (%)	23.03	24.39	22.78	22.93	21.66

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year excl. minority interests * 100

Average equity excl. minority interests

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

FSV Invest ApS is a holding company which has ownership of several firms operating in different business areas.

Through subsidiaries, the company primarily has activities in the form of property investments in Berlin through Berlin High End A/S and two additional companies. Through AgroSkandia Holding A/S, FSV Invest ApS also has activities in agricultural investments. In addition, there is a minority investment in pig production through Russian Baltic Pork Invest A/S, Norway.

Development in activities and finances

The Group's loss in 2022 was DKK 312,754k after tax compared to a profit of DKK 709,630k in 2021. The parent company's loss for 2022 was DKK 176,431k after tax compared to a profit of DKK 271,211k in 2021.

At the end of 2022, the Group's total balance sheet amounted to DKK 5,657,074k, and the Group's equity including Non-Controlling Interest amounted to DKK 3,475,404k, while the parent company's total balance sheet was DKK 1,441,147k with equity of DKK 1,302,993k.

Berlin High End A/S is the company's most important subsidiary. In the financial year 2022, Berlin High End A/S and its German property subsidiaries had a consolidated net turnover of DKK 142,214k, compared with DKK 140,840k in the financial year 2021.

The Group's properties are primarily residential properties, with smaller business areas (shops) on the ground floors or leases to liberal professions. In the financial year 2022, Berlin High End A/S had a DKK 328,954k negative value adjustment on their investment properties for 2022, compared to a DKK 714,248k positive value adjustment in the financial year 2021.

The total loss for Berlin High End A/S for the financial year ended 31 December 2022 was DKK 209,109k compared to a profit of DKK 665,848k in 2021.

The company's other property investments through the companies Zinnoweg ApS and Svenningsen Real Estate GmbH & Co. KG was satisfactory during the financial year 2022.

The subsidiary AgroSkandia Holding A/S has all its activity in Kaliningrad. Because of the February 2022 invasion of Ukraine and its implications, Management has decided to write down the Russian subsidiaries' assets by DKK 182,762k in total so that, on a net basis, the Russian assets and liabilities have been recognised at DKK 0. This is because of, for example, the foreign currency export ban, Western sanctions against Russia and the voluntary sanctions implemented by Western banks, among others. To this should be added the operational difficulties described below. Management is carefully monitoring developments in the country and regularly considering the Company's future options. Operation in 2022 has been extremely difficult because of the invasion and its implications for running a business in Kaliningrad. This goes for especially the limited sales opportunities, the foreign currency export ban, soaring interest rates and a highly volatile currency (RUB).

Profit/loss for the year in relation to expected developments

Compared to the expected development stated in the Annual report of 2021, the profit for 2022 was significantly worse primarily because of the negative value adjustment on the investment properties and the write-down of the assets in Russia.

Uncertainty relating to recognition and measurement

Property investments can be cyclical, and the calculation of the fair value of the investment properties can fluctuate. For sensitivity calculation, see note 10.

Because of the war and its implications, recognition and measurement of the subsidiary AgroSkandia Holding A/S' assets in Kaliningrad, Russia, are subject to increased uncertainty.

Unusual circumstances affecting recognition and measurement

Der henvises til det ovenfor anførte om the subsidiary AgroSkandia Holding A/S. De usædvanlige forhold er årsag til nedskrivning af de russiske aktiver med i alt 182,762 t.DKK.

Outlook

The company's property investments in Germany are expected to be satisfactory overall in 2023, with a turnover and a profit before fair value adjustments at the level of the realized for 2022.

The most important part of the group's property portfolio in Germany has already been divided into owner-occupied flats, so the new rule introduced by the Berlin Senate in 2021 on limiting the division of property into owner-occupied flats and their sale does not affect the company; however, a phase shift in income from the sale of apartments may occur as a result of the new legislation.

As far as its agricultural activities are concerned, the company cannot prepare expectations for 2023 as a result of the outbreak of the war in Ukraine and the sanctions imposed on Russia.

The company expects a positive operating profit before value adjustments in 2023.

Use of financial instruments

The Group's property activities in Germany are based on EUR, while the Group's agricultural activities carried out through AgroSkandia Holding A/S and its subsidiaries are based on RUB, but many crops are traded in USD and EUR. The rouble is a very fluctuating currency.

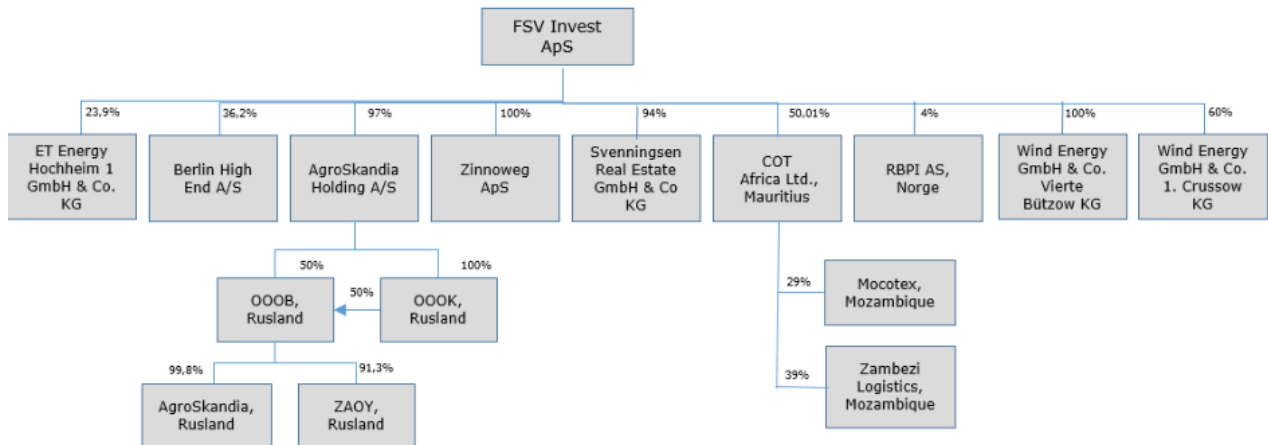
In relation to the company's property assets there is a risk of potential loss on rental income due to that 86,1% of Berling High End A/S' property assets being residential properties. This risk has been assessed as low.

Group relations

In 2018, the company increased its investment in Berlin High End A/S, after which it held 36,2% of the share capital and held 58,2% of the votes in Berlin High end A/S, thereby establishing a group formation.

Similarly, in 2018, the company increased its ownership in AgroSkandia Holding A/S, which established a group formation and owns 97% of AgroSkandia Holding A/S.

The company's group and current ownership shares can be illustrated by the following group chart:



Events after the balance sheet date

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

Consolidated income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Revenue		203,648	197,875
Fair value adjustments of investment property		(316,913)	743,320
Other operating income		3,789	0
Cost of sales		(16,880)	(22,392)
Other external expenses		(45,245)	(43,377)
Gross profit/loss		(171,601)	875,426
Staff costs	3	(15,791)	(18,290)
Depreciation, amortisation and impairment losses	4	(151,966)	(15,989)
Operating profit/loss		(339,358)	841,147
Income from investments in associates		221	1,283
Income from other fixed asset investments		57,144	15,311
Other financial income	5	18,450	14,502
Impairment losses on financial assets		(49,457)	(74)
Other financial expenses	6	(34,247)	(31,393)
Profit/loss before tax		(347,247)	840,776
Tax on profit/loss for the year	7	34,493	(131,146)
Profit/loss for the year	8	(312,754)	709,630

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Acquired intangible assets		923	1,052
Intangible assets	9	923	1,052
Land and buildings		17,720	70,234
Investment property		5,257,263	5,535,874
Other fixtures and fittings, tools and equipment		11,510	49,856
Biological assets		2,490	11,796
Property, plant and equipment	10	5,288,983	5,667,760
Investments in associates		2,200	2,200
Other investments		136,645	79,525
Deferred tax	12	441	388
Financial assets	11	139,286	82,113
Fixed assets		5,429,192	5,750,925
Manufactured goods and goods for resale		9,089	42,034
Inventories		9,089	42,034
Trade receivables		2,722	3,538
Other receivables		105,519	19,186
Prepayments	13	7,072	10,493
Receivables		115,313	33,217
Other investments		44,135	35,957
Investments		44,135	35,957
Cash		59,345	139,417
Current assets		227,882	250,625
Assets		5,657,074	6,001,550

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		250	250
Translation reserve		(12,883)	(16,609)
Reserve for fair value adjustments of hedging instruments		13,825	2,161
Retained earnings		1,295,801	1,478,232
Proposed dividend for the financial year		6,000	0
Equity belonging to Parent's shareholders		1,302,993	1,464,034
Equity belonging to minority interests		2,172,411	2,315,643
Equity		3,475,404	3,779,677
Deferred tax	12	669,473	715,492
Provisions		669,473	715,492
Mortgage debt		1,321,502	1,267,010
Lease liabilities		16,674	9,998
Other payables	14	33,933	29,507
Non-current liabilities other than provisions	15	1,372,109	1,306,515
Current portion of non-current liabilities other than provisions	15	32,480	32,836
Bank loans		33,945	83,292
Lease liabilities		6,904	5,900
Trade payables		7,449	6,009
Payables to owners and management		19,855	25,189
Tax payable		7,632	3,129
Other payables		28,128	39,876
Deferred income	16	3,695	3,635
Current liabilities other than provisions		140,088	199,866
Liabilities other than provisions		1,512,197	1,506,381
Equity and liabilities		5,657,074	6,001,550
Unusual circumstances	1		
Uncertainty relating to recognition and measurement	2		
Financial instruments	18		
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Consolidated statement of changes in equity for 2022

	Contributed capital DKK'000	Translation reserve DKK'000	Reserve for fair value adjustments of hedging instruments DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000
Equity beginning of year	250	(16,609)	2,161	1,478,232	0
Extraordinary dividend paid	0	0	0	0	0
Exchange rate adjustments	0	3,726	0	0	0
Fair value adjustments of hedging instruments	0	0	13,756	0	0
Tax of entries on equity	0	0	(2,092)	0	0
Transfer to reserves	0	0	0	0	0
Profit/loss for the year	0	0	0	(182,431)	6,000
Equity end of year	250	(12,883)	13,825	1,295,801	6,000

	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000	Total DKK'000
Equity beginning of year	1,464,034	2,315,643	3,779,677
Extraordinary dividend paid	0	(28,598)	(28,598)
Exchange rate adjustments	3,726	56	3,782
Fair value adjustments of hedging instruments	13,756	25,410	39,166
Tax of entries on equity	(2,092)	(4,020)	(6,112)
Transfer to reserves	0	243	243
Profit/loss for the year	(176,431)	(136,323)	(312,754)
Equity end of year	1,302,993	2,172,411	3,475,404

Consolidated cash flow statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Operating profit/loss		(339,358)	841,147
Amortisation, depreciation and impairment losses		151,966	15,989
Working capital changes	17	(98,912)	(42,254)
Value adjustments of investment activities		316,913	(743,320)
Cash flow from ordinary operating activities		30,609	71,562
Financial income received		2,091	15,785
Financial expenses paid		(31,444)	(31,393)
Taxes refunded/(paid)		(11,481)	(28,261)
Cash flows from operating activities		(10,225)	27,693
Acquisition etc. of property, plant and equipment		(163,515)	(77,838)
Sale of property, plant and equipment		90,285	64,236
Cash flows from investing activities		(73,230)	(13,602)
Free cash flows generated from operations and investments before financing		(83,455)	14,091
Repayments of loans etc.		9,215	(10,530)
Dividend paid		0	(342)
Leasing commitment		7,680	(495)
Reimbursement to business owners and management		(5,334)	(1,700)
Regulering af sikringsinstrumenter		0	10,368
Cash flows from financing activities		11,561	(2,699)
Increase/decrease in cash and cash equivalents		(71,894)	11,392

Cash and cash equivalents beginning of year	175,374	163,982
Cash and cash equivalents end of year	103,480	175,374

Cash and cash equivalents at year-end are composed of:

Cash	59,345	139,417
Securities	44,135	35,957
Cash and cash equivalents end of year	103,480	175,374

Notes to consolidated financial statements

1 Unusual circumstances

The subsidiary AgroSkandia Holding A/S has all its activity in Kaliningrad. Because of the February 2022 invasion of Ukraine and its implications, Management has decided to write down the Russian subsidiaries' assets by DKK 182,762k in total so that, on a net basis, the Russian assets and liabilities have been recognised at DKK 0. This is because of, for example, the foreign currency export ban, Western sanctions against Russia and the voluntary sanctions implemented by Western banks, among others. To this should be added the operational difficulties described below. Management is carefully monitoring developments in the country and regularly considering the Company's future options. Operation in 2022 has been extremely difficult because of the invasion and its implications for running a business in Kaliningrad. This goes for especially the limited sales opportunities, the foreign currency export ban, soaring interest rates and a highly volatile currency (RUB).

2 Uncertainty relating to recognition and measurement

Because of the war and its implications, recognition and measurement of the subsidiary AgroSkandia Holding A/S' assets in Kaliningrad, Russia, are subject to increased uncertainty. As described in note 1, these have all been written down to DKK 0.

3 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	12,925	15,492
Other social security costs	4	4
Other staff costs	2,862	2,794
	15,791	18,290
Average number of full-time employees	136	144

	Remuneration of management 2022 DKK'000	Remuneration of management 2021 DKK'000
Executive Board	3,014	2,537
Board of Directors	2,445	2,611
	5,459	5,148

No employees receive variable remuneration. Part (DKK 2,336k) of the remuneration covers wages for employees who have a significant contribution to the risk profile of the Group's property investments in Berlin.

4 Depreciation, amortisation and impairment losses

	2022	2021
	DKK'000	DKK'000
Amortisation of intangible assets	129	0
Depreciation on property, plant and equipment	17,173	13,605
Impairment losses on property, plant and equipment	133,104	0
Profit/loss from sale of intangible assets and property, plant and equipment	1,560	2,384
	151,966	15,989

5 Other financial income

	2022	2021
	DKK'000	DKK'000
Other interest income	1,087	0
Exchange rate adjustments	16,580	8,409
Fair value adjustments	0	5,525
Other financial income	783	568
	18,450	14,502

6 Other financial expenses

	2022	2021
	DKK'000	DKK'000
Other interest expenses	30,904	29,860
Exchange rate adjustments	3	943
Fair value adjustments	2,802	0
Other financial expenses	538	590
	34,247	31,393

7 Tax on profit/loss for the year

	2022	2021
	DKK'000	DKK'000
Current tax	17,408	10,670
Change in deferred tax	(52,133)	121,219
Adjustment concerning previous years	232	(752)
Refund in joint taxation arrangement	0	9
	(34,493)	131,146

8 Proposed distribution of profit/loss

	2022	2021
	DKK'000	DKK'000
Ordinary dividend for the financial year	6,000	0
Retained earnings	(182,431)	271,211
Minority interests' share of profit/loss	(136,323)	438,419
	(312,754)	709,630

9 Intangible assets

	Acquired intangible assets DKK'000
Cost beginning of year	2,459
Cost end of year	2,459
Amortisation and impairment losses beginning of year	(1,407)
Amortisation for the year	(129)
Amortisation and impairment losses end of year	(1,536)
Carrying amount end of year	923

10 Property, plant and equipment

	Land and buildings DKK'000	Investment property DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Biological assets DKK'000
Cost beginning of year	79,338	1,555,567	99,170	15,103
Exchange rate adjustments	9,686	0	9,679	1,844
Additions	25,540	123,878	7,504	6,593
Disposals	(217)	(12,123)	(5,281)	(5,095)
Cost end of year	114,347	1,667,322	111,072	18,445
Revaluations beginning of year	0	3,980,307	0	0
Revaluations for the year	0	(327,080)	0	0
Reversal regarding disposals	0	(63,286)	0	0
Revaluations end of year	0	3,589,941	0	0
Depreciation and impairment losses beginning of year	(9,104)	0	(49,314)	(3,307)
Exchange rate adjustments	(1,373)	0	(4,577)	(519)
Impairment losses for the year	(81,615)	0	(40,013)	(11,476)
Depreciation for the year	(4,539)	0	(10,628)	(2,006)
Reversal regarding disposals	4	0	4,970	1,353
Depreciation and impairment losses end of year	(96,627)	0	(99,562)	(15,955)
Carrying amount end of year	17,720	5,257,263	11,510	2,490

The market value assessment per 31 December 2022 has used an individually determined lease stock. The average rental multiple can be calculated to 36.7 (2021: 41.0).

Changes in rental closing estimates for investment properties will affect the recognized value of investment properties in the balance sheet and the value adjustment in the profit and loss account.

The management has, in support of the valuation made per 31 December 2022, obtained an external assessment of the company properties. Assessment by independent professional RICS certified assessor.

Idle changes	-1.0	Base	1.0
	TDKK	TDKK	TDKK
Rental Multitable	35.7	36.7	37.7
Fair value	5,114,014	5,257,263	5,400,512
Change in fair value	(143.249)	0	143.249

11 Financial assets

	Investments in associates DKK'000	Other investments DKK'000	Deferred tax DKK'000
Cost beginning of year	2,200	42,066	388
Additions	0	0	297
Cost end of year	2,200	42,066	685
Revaluations beginning of year	0	37,459	0
Fair value adjustments	0	57,120	0
Revaluations end of year	0	94,579	0
Impairment losses for the year	0	0	(244)
Impairment losses end of year	0	0	(244)
Carrying amount end of year	2,200	136,645	441

Associates	Registered in	Ownership %
ET Energy Hochheim 1 GmbH & Co. KG	Germany	23.90

12 Deferred tax

	2022 DKK'000	2021 DKK'000
Property, plant and equipment	(663,382)	(715,047)
Equity	(4,597)	1,547
Tax losses carried forward	0	388
Other taxable temporary differences	(1,053)	(1,992)
Deferred tax	(669,032)	(715,104)

	2022 DKK'000	2021 DKK'000
Changes during the year		
Beginning of year	(715,104)	(594,501)
Recognised in the income statement	52,184	(119,056)
Recognised directly in equity	(6,112)	(1,547)
End of year	(669,032)	(715,104)

	2022 DKK'000	2021 DKK'000
Deferred tax has been recognised in the balance sheet as follows		
Deferred tax assets	441	388
Deferred tax liabilities	(669,473)	(715,492)
	(669,032)	(715,104)

Deferred tax assets

The deferred tax asset relates to tax losses in Russia.

13 Prepayments

Prepayments includes payment of insurance premiums, subscriptions, etc.

14 Other payables

	2022 DKK'000	2021 DKK'000
Other costs payable	33,933	29,507
	33,933	29,507

Other long-term liabilities consist of long-term loans. The debt was recorded in the financial years 2016 and 2021 respectively. The settlement is closed in 2029.

15 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due within 12 months 2021 DKK'000	Due after more than 12 months 2022 DKK'000	Outstanding after 5 years 2022 DKK'000
Mortgage debt	32,480	32,836	1,321,502	1,187,680
Lease liabilities	0	0	16,674	0
Other payables	0	0	33,933	0
	32,480	32,836	1,372,109	1,187,680

16 Deferred income

Prepayments received in respect of revenue in subsequent years are prepayments.

17 Changes in working capital

	2022 DKK'000	2021 DKK'000
Increase/decrease in inventories	(8,835)	(10,855)
Increase/decrease in receivables	(81,405)	(18,240)
Increase/decrease in trade payables etc.	(10,242)	(18,885)
Other changes	1,570	5,726
	(98,912)	(42,254)

18 Derivative financial instruments

Derivative financial instruments contracts in the form of interest rate swaps have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to DKK 29,048k (2021: DKK -9,585k)

Interest rate swap contracts have partially been concluded to hedge future interest payments on floating rate loans. The contracts have a term of 36 months. Under the contracts, an interest rate of CIBOR is exchanged for a fixed rate of interest between 0.39% - 0.61% on loans with a principal amount of DKK 396,735k. The interest rate swap contract has been concluded with a maturity period of the loan of 3 years. At the balance sheet date, the fair value of the interest rate swap amounts to DKK 29,048k.

19 Fair value information

	Investment properties DKK'000	Other investments DKK'000	Other investments DKK'000
Fair value end of year	5,257,263	136,645	44,135
Unrealised fair value adjustments recognised in the income statement	(316,913)	57,144	(2,802)

20 Assets charged and collateral

Assets charged and collateral - Mortgage debt is secured by way of mortgage on properties.

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 5,257 mio. nominal.

In addition, the Group has lodged a security in Property, plant, and equipment against the bank connection with a carrying amount of DKK 25 mio.

Certain items of plant and machinery, and other fixtures etc. have been financed by means of finance leases. The carrying amount of assets held under finance leases is DKK 26.2 mio.

21 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

22 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
FSV Invest ApS, Frederiksberg, Denmark

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
FSV Invest ApS, Frederiksberg, Denmark

23 Subsidiaries

	Registered in	Corporate form	Ownership %
AgroSkandia Holding A/S	Lyngby-Taarbaek, Denmark	A/S	97.00
Berlin High End A/S	Frederiksberg, Denmark	A/S	36.40
COT Africa Ltd (under likvidation)	Mauritius	Ltd	50.00
Svenningsen Real Estate GmbH & Co. KG	Germany	GmbH	94.00
Zinnoweg ApS	Frederiksberg, Denmark	ApS	100.00
Wind Energy GmbH & Co. Vierte Bützow KG	Germany	GmbH	100.00
Wind Energy GmbH & Co. 1. Crussow KG	Tyskland	GmbH	60.00

The basis of the group relationship with Berlin High End A/S is that FSV Invest ApS holds the majority of the voting rights.

The subsidiary COT Africa Ltd (in liquidation) has been excluded from consolidation as it has been assessed as clearly insignificant for the consolidation.

The Group's agricultural activities carried out through AgroSkandia Holding A/S and its subsidiaries are based on RUB, which is a very fluctuating currency. However, many crops are traded in USD and EUR.

Parent income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Other external expenses		(821)	(1,110)
Gross profit/loss		(821)	(1,110)
Staff costs	3	(1,006)	(1,006)
Operating profit/loss		(1,827)	(2,116)
Income from investments in group enterprises		(228,458)	250,403
Income from investments in associates		221	1,284
Income from other fixed asset investments		57,144	15,311
Other financial income	4	4,137	8,792
Impairment losses on financial assets	5	(44)	(74)
Other financial expenses	6	(6,231)	(2,380)
Profit/loss before tax		(175,058)	271,220
Tax on profit/loss for the year	7	(1,373)	(9)
Profit/loss for the year	8	(176,431)	271,211

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Investments in group enterprises		1,263,574	1,340,226
Receivables from group enterprises		0	111,718
Investments in associates		2,200	2,200
Other investments		136,645	79,501
Financial assets	9	1,402,419	1,533,645
Fixed assets		1,402,419	1,533,645
Receivables from associates		73	0
Other receivables		55	57
Tax receivable		98	140
Joint taxation contribution receivable		430	0
Receivables		656	197
Other investments		33,153	35,957
Investments		33,153	35,957
Cash		4,919	1,374
Current assets		38,728	37,528
Assets		1,441,147	1,571,173

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		250	250
Reserve for fair value adjustments and hedging instruments		1,255	718
Reserve for net revaluation according to equity method		950,976	1,027,603
Retained earnings		344,512	435,463
Proposed dividend for the financial year		6,000	0
Equity		1,302,993	1,464,034
Deferred tax	10	41	41
Provisions for investments in group enterprises	11	36,713	0
Provisions		36,754	41
Bank loans		24,096	51,143
Trade payables		397	642
Payables to group enterprises		56,087	28,775
Payables to owners and management		19,855	25,189
Other payables		965	1,349
Current liabilities other than provisions		101,400	107,098
Liabilities other than provisions		101,400	107,098
Equity and liabilities		1,441,147	1,571,173
Unusual circumstances	1		
Uncertainty relating to recognition and measurement	2		
Fair value information	12		
Contingent liabilities	13		
Assets charged and collateral	14		
Transactions with related parties	15		

Parent statement of changes in equity for 2022

	Contributed capital DKK'000	Reserve for fair value adjustments of hedging instruments DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000
Equity beginning of year	250	718	1,027,603	435,463	0
Exchange rate adjustments	0	0	3,726	0	0
Fair value adjustments of hedging instruments	0	537	0	0	0
Other entries on equity	0	0	11,127	0	0
Dividends from group enterprises	0	0	(18,079)	18,079	0
Transfer to reserves	0	0	(223)	223	0
Profit/loss for the year	0	0	(73,178)	(109,253)	6,000
Equity end of year	250	1,255	950,976	344,512	6,000

	Total DKK'000
Equity beginning of year	1,464,034
Exchange rate adjustments	3,726
Fair value adjustments of hedging instruments	537
Other entries on equity	11,127
Dividends from group enterprises	0
Transfer to reserves	0
Profit/loss for the year	(176,431)
Equity end of year	1,302,993

Other entries on equity regards fair value adjustments of hedging instruments in subsidiaries.

Notes to parent financial statements

1 Unusual circumstances

The subsidiary AgroSkandia Holding A/S has all its activity in Kaliningrad. Because of the February 2022 invasion of Ukraine and its implications, Management has decided to write down the Russian subsidiaries' assets by DKK 182,762k in total so that, on a net basis, the Russian assets and liabilities have been recognised at DKK 0. This is because of, for example, the foreign currency export ban, Western sanctions against Russia and the voluntary sanctions implemented by Western banks, among others. To this should be added the operational difficulties described below. Management is carefully monitoring developments in the country and regularly considering the Company's future options. Operation in 2022 has been extremely difficult because of the invasion and its implications for running a business in Kaliningrad. This goes for especially the limited sales opportunities, the foreign currency export ban, soaring interest rates and a highly volatile currency (RUB).

2 Uncertainty relating to recognition and measurement

Because of the war and its implications, recognition and measurement of the subsidiary AgroSkandia Holding A/S' assets in Kaliningrad, Russia, are subject to increased uncertainty. As described in note 1, these have all been written down to DKK 0.

3 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	1,001	1,000
Other social security costs	1	1
Other staff costs	4	5
	1,006	1,006
Average number of full-time employees	1	1

	Remuneration of Management 2022 DKK'000	Remuneration of Management 2021 DKK'000
Total amount for management categories	1,170	1,210
	1,170	1,210

With reference to § 98 B, paragraph 3 of the Danish Financial Statements Act, the remuneration shall be given in total for two categories of management.

4 Other financial income

	2022	2021
	DKK'000	DKK'000
Financial income from group enterprises	3,432	2,812
Fair value adjustments	0	5,525
Other financial income	705	455
	4,137	8,792

5 Impairment losses on financial assets

Impairment loss of financial assets consists of Impairment loss of receivables from associated companies.

6 Other financial expenses

	2022	2021
	DKK'000	DKK'000
Financial expenses from group enterprises	1,356	311
Other interest expenses	1,790	1,705
Exchange rate adjustments	4	2
Fair value adjustments	2,802	0
Other financial expenses	279	362
	6,231	2,380

7 Tax on profit/loss for the year

	2022	2021
	DKK'000	DKK'000
Current tax	1,803	0
Refund in joint taxation arrangement	(430)	9
	1,373	9

8 Proposed distribution of profit and loss

	2022	2021
	DKK'000	DKK'000
Ordinary dividend for the financial year	6,000	0
Retained earnings	(182,431)	271,211
	(176,431)	271,211

9 Financial assets

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000	Investments in associates DKK'000	Other investments DKK'000
Cost beginning of year	312,623	111,718	2,200	42,042
Additions	0	6,779	0	0
Disposals	(19)	0	0	0
Cost end of year	312,604	118,497	2,200	42,042
Revaluations beginning of year	1,175,033	0	0	37,459
Exchange rate adjustments	27	0	0	0
Amortisation of goodwill	(354)	0	0	0
Share of profit/loss for the year	(69,055)	0	0	0
Dividend	(18,079)	0	0	0
Investments with negative equity value depreciated over receivables	0	(118,497)	0	0
Fair value adjustments	0	0	0	57,144
Other adjustments	11,127	0	0	0
Reversal regarding disposals	(223)	0	0	0
Revaluations end of year	1,098,476	(118,497)	0	94,603
Impairment losses beginning of year	(147,430)	0	0	0
Exchange rate adjustments	3,699	0	0	0
Share of profit/loss for the year	(3,769)	0	0	0
Impairment losses end of year	(147,500)	0	0	0
Carrying amount end of year	1,263,580	0	2,200	136,645
Goodwill or negative goodwill recognised during the financial year	2,474		0	

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

10 Deferred tax

	2022 DKK'000	2021 DKK'000
Receivables	41	41
Deferred tax	41	41

	2022 DKK'000	2021 DKK'000
Changes during the year		
Beginning of year	41	41
End of year	41	41

11 Provisions for investments in group enterprises

Provisions for investments in group enterprises relate to the subsidiary AgroSkandia Holding A/S

12 Fair value information

	Other securities and investments (fixed assets) DKK'000	Other securities and equity interests (current assets) DKK'000
Fair value end of year	136,645	44,135
Unrealised fair value adjustments recognised in the income statement	57,144	(2,802)

13 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

The Entity has pledged financial support to the subsidiary AgroSkandia Holding A/S.

14 Assets charged and collateral

The company has provided a guarantee on its subsidiary AgroSkandia Holding A/S' debt to Nordic Environment Finance Corporation. Per 31.12.2022, the balance amounts to a total debt of DKK 33,933k. The Company has provided the collateral for the subsidiary AgroSkandia Holding A/S's account with the financial institution.

Other investments with an accounting value of DKK 33,153k have been pledged as collateral for intermediaries with a financial institution per 31.12.2022.

15 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

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

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

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

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

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. 100% Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

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

Business combinations

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

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised in intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

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 rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation reserve in equity.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in the reserve for fair value adjustments of hedging instruments in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

Changes in the fair value of derivative financial instruments applied for hedging net investments in independent foreign subsidiaries or associates are recognised directly in the translation reserve in equity.

Income statement

Revenue

Net turnover on the sale of goods and finished goods is recognized in the income statement when delivery and risk transfer to the buyer have taken place.

Rental income is recognized on a straight-line basis during the rental period.

Services are recognized in step with the performance of the service to which the contract relates using the manufacturing method, whereby the net turnover corresponds to the sales value of the service performed for the year.

The method is used when the total income and costs of the service and the completion rate

at the balance sheet date can be reliably calculated and it is likely that the financial benefits, including payments, will go to the Group. As a completion rate, sunk costs are used in relation to the estimated total cost of the service.

Net turnover is recognized, excluding VAT, taxes and rebates, in connection with the sale and is measured at the sales value of the fixed remuneration.

Fair value adjustments of investment property

Fair value adjustments of investment property comprise adjustments for the financial year of the Entity's investment properties measured at fair value at the balance sheet date.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

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

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Income from investments in associates

Income from investments in associates comprises dividends etc. received from the individual associates in the financial year.

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc. on fixed asset investments which are not investments in group enterprises or associates.

Other financial income

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

Impairment losses on financial assets

Impairment losses on financial assets comprises impairment losses on financial assets which are not measured at fair value on a current basis.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

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

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

The Parent is jointly taxed with all of its Danish group enterprises and other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise of acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

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

Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

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:

	Useful life
Buildings	50 years
Other fixtures and fittings, tools and equipment	5-15 years

Estimated useful lives and residual values are reassessed annually.

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

Investment property

On initial recognition, investment properties are measured at cost consisting of the acquisition price of the properties plus directly related acquisition costs.

Subsequent to initial recognition, investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date.

Fair value is determined by applying the yield-based model as the calculated value in use of expected cash flows from each property. The calculation is based on budgeted net earnings for the next year that has been adjusted to normal earnings, and using a required yield rate that reflects current market yield rates for similar properties. The value is adjusted for factors not reflected in normal earnings, for example, actual vacancy rate, major refurbishments etc.

The financial year's adjustments of the properties' fair value are recognised in the income statement.

Biological assets

On initial recognition, biological assets comprising live animals and plants are measured at cost which, for acquired assets, comprises the acquisition price plus any directly related acquisition costs.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Investments in associates

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

Investments in associates fall within the definitions of both participating interests and associates, yet in these consolidated financial statements they have been presented as investments in associates because this designation reflects more accurately the Group's involvement in the relevant entities.

Receivables

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

Other investments

Other securities and investments are measured at cost at the first cost. After initial recognition, the other securities and equity interests are measured at fair value representing the amount for which the assets can be sold to an independent buyer.

Deferred tax

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

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

Inventories

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

Cost consists of purchase price plus delivery costs.

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

Tax payable or receivable

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

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

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

Other investments (current assets)

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

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

Minority interests

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, decided and published restructuring, etc.

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

Mortgage debt

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

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases

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

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

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

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

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

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.