



FSV Invest ApS

Stockflethsvej 21
2000 Frederiksberg
CVR No. 29779252

Annual report 2023

The Annual General Meeting adopted the annual report on 14.06.2024

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: 01.01.2023 - 31.12.2023

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 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

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, 07.06.2024

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 01.01.2023 - 31.12.2023, 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 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 07.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Christina Nilsson

State Authorised Public Accountant
Identification No (MNE) mne44182

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	214,013	203,648	197,875	205,049	175,082
Gross profit/loss	(345,281)	(171,601)	875,426	427,002	684,040
Operating profit/loss	(354,451)	(339,358)	841,147	400,453	658,097
Net financials	(68,099)	(8,110)	(1,654)	(54,019)	(16,902)
Profit/loss for the year	(356,964)	(312,754)	709,630	283,269	537,628
Profit for the year excl. minority interests	(132,156)	(176,431)	271,211	82,417	201,112
Balance sheet total	5,148,098	5,657,074	6,001,550	5,208,345	4,943,312
Investments in property, plant and equipment	62,691	163,515	77,838	90,695	138,669
Equity	3,086,246	3,475,404	3,779,677	3,059,755	2,823,163
Equity excl. minority interests	1,163,580	1,302,993	1,464,034	1,186,497	1,133,563
Ratios					
Return on equity (%)	(10.72)	(12.75)	20.46	7.10	19.56
Equity ratio (%)	59.95	61.43	62.98	58.75	57.11

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

Return on equity (%):

$\frac{\text{Profit/loss for the year excl. minority interests} * 100}{\text{Average equity excl. minority interests}}$

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

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. 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 2023 was DKK 356,964k after tax compared to a loss of DKK 312,754k in 2022. The parent company's loss for 2023 was DKK 122,738k after tax compared to a loss of DKK 176,431k in 2022.

At the end of 2023, the Group's total balance sheet amounted to DKK 5,148,098k, and the Group's equity including Non-Controlling Interest amounted to DKK 3,086,246k, while the parent company's total balance sheet was DKK 1,303,744k with equity of DKK 1,172,998k.

Berlin High End A/S is the company's most important subsidiary. In the financial year 2023, Berlin High End A/S and its German property subsidiaries had a consolidated net turnover of DKK 150,219k, compared with DKK 142,213k in the financial year 2022.

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 2023, Berlin High End A/S had a DKK 486,619k negative value adjustment on their investment properties for 2023, compared to a DKK 328,954k negative value adjustment in the financial year 2022.

The total loss for Berlin High End A/S for the financial year ended 31 December 2023 was DKK 342,526k compared to a loss of DKK 209,109k in 2022.

The company's other property investments through the companies Zinnoweg ApS and Svenningsen Real Estate GmbH & Co. KG was satisfactory during the financial year 2023.

The subsidiary AgroSkandia Holding A/S has all its activity in Kaliningrad. Because of the February 2022 invasion of Ukraine and its implications, Management in 2022 decided to write down the Russian subsidiaries' assets whereby, on a net basis, the Russian assets and liabilities were and continue in 2023 to be recognized at DKK 0. Management is carefully monitoring developments in the country and regularly considering the Company's future options.

Profit/loss for the year in relation to expected developments

Compared to the expected development stated in the Annual report of 2022, the profit for 2023 was significantly worse primarily because of the negative value adjustment on the investment properties.

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.

Fair value of other investments in Russia Baltic Pork Invest AS, Norway (RBPI AS), has increased in 2023 compared to 2022. However, because of the continued significant uncertainty due to the war in Ukraine and its implications, management has decided not to increase the fair value.

Unusual circumstances affecting recognition and measurement

Reference is made to note 1 regarding the subsidiary AgroSkandia Holding A/S.

Outlook

The company's property investments in Germany are expected to be satisfactory overall in 2024, with a turnover and a profit before fair value adjustments at the level of the realized for 2023.

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.

The company expects a positive operating profit before value adjustments in 2024.

Use of financial instruments

The Group's property activities in Germany are based on EUR.

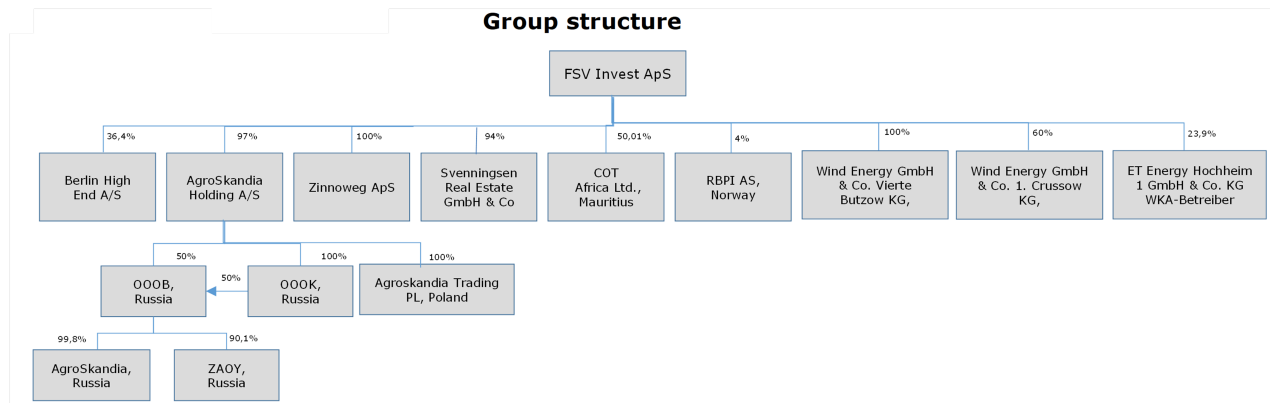
In relation to the company's property assets there is a risk of potential loss on rental income due to that 86,1% of Berlin High End A/S' property assets being residential properties. This risk has been assessed as low.

Group relations

In 2018, the company increased its investment in Berlin High End A/S, after which it held 36,4% of the share capital and held 58,8% 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 2023

	Notes	2023 DKK'000	2022 DKK'000
Revenue		214,013	203,648
Fair value adjustments of investment property		(492,491)	(316,913)
Other operating income		1,191	3,789
Cost of sales		(16,779)	(16,880)
Other external expenses		(51,215)	(45,245)
Gross profit/loss		(345,281)	(171,601)
Staff costs	3	(21,262)	(15,791)
Depreciation, amortisation and impairment losses	4	13,543	(150,406)
Other operating expenses		(1,451)	(1,560)
Operating profit/loss		(354,451)	(339,358)
Income from investments in associates		623	221
Income from other fixed asset investments		0	57,144
Other financial income	5	12,911	18,450
Impairment losses on financial assets		501	(49,457)
Other financial expenses	6	(81,511)	(34,247)
Profit/loss before tax		(421,927)	(347,247)
Tax on profit/loss for the year	7	64,963	34,493
Profit/loss for the year	8	(356,964)	(312,754)

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Acquired intangible assets		795	923
Intangible assets	9	795	923
Land and buildings		16,136	17,720
Investment property		4,746,808	5,257,263
Other fixtures and fittings, tools and equipment		10,763	11,510
Biological assets		1,950	2,490
Property, plant and equipment	10	4,775,657	5,288,983
Investments in associates		2,200	2,200
Other investments		136,645	136,645
Deferred tax	12	50	441
Financial assets	11	138,895	139,286
Fixed assets		4,915,347	5,429,192
Manufactured goods and goods for resale		9,957	9,089
Inventories		9,957	9,089
Trade receivables		3,548	2,722
Other receivables		66,992	105,519
Prepayments	13	4,805	7,072
Receivables		75,345	115,313
Other investments		58,948	44,135
Investments		58,948	44,135
Cash		88,501	59,345
Current assets		232,751	227,882
Assets		5,148,098	5,657,074

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		250	250
Translation reserve		(10,678)	(12,883)
Reserve for fair value adjustments of hedging instruments		10,363	13,825
Retained earnings		1,157,645	1,295,801
Proposed dividend for the financial year		6,000	6,000
Equity belonging to Parent's shareholders		1,163,580	1,302,993
Equity belonging to minority interests		1,922,666	2,172,411
Equity		3,086,246	3,475,404
Deferred tax	12	589,597	669,473
Provisions		589,597	669,473
Mortgage debt		1,274,568	1,321,502
Lease liabilities		17,662	16,674
Other payables	14	35,480	33,933
Non-current liabilities other than provisions	15	1,327,710	1,372,109
Current portion of non-current liabilities other than provisions	15	32,552	32,480
Bank loans		28,031	33,945
Lease liabilities		20,268	6,904
Trade payables		10,166	7,449
Payables to owners and management		20,468	19,855
Tax payable		1,792	7,632
Other payables		27,676	28,128
Deferred income	16	3,592	3,695
Current liabilities other than provisions		144,545	140,088
Liabilities other than provisions		1,472,255	1,512,197
Equity and liabilities		5,148,098	5,657,074
Unusual circumstances	1		
Uncertainty relating to recognition and measurement	2		
Financial instruments	18		
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Consolidated statement of changes in equity for 2023

	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	(12,883)	13,825	1,295,801	6,000
Ordinary dividend paid	0	0	0	0	(6,000)
Exchange rate adjustments	0	2,205	0	0	0
Fair value adjustments of hedging instruments	0	0	(4,091)	0	0
Tax of entries on equity	0	0	629	0	0
Profit/loss for the year	0	0	0	(138,156)	6,000
Equity end of year	250	(10,678)	10,363	1,157,645	6,000

	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000	Total DKK'000
Equity beginning of year	1,302,993	2,172,411	3,475,404
Ordinary dividend paid	(6,000)	(21,779)	(27,779)
Exchange rate adjustments	2,205	4,098	6,303
Fair value adjustments of hedging instruments	(4,091)	(8,619)	(12,710)
Tax of entries on equity	629	1,363	1,992
Profit/loss for the year	(132,156)	(224,808)	(356,964)
Equity end of year	1,163,580	1,922,666	3,086,246

Consolidated cash flow statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Operating profit/loss		(354,451)	(339,358)
Amortisation, depreciation and impairment losses		(13,543)	151,966
Working capital changes	17	43,582	(98,912)
Value adjustments of investment activities		492,491	316,913
Cash flow from ordinary operating activities		168,079	30,609
Financial income received		4,540	2,091
Financial expenses paid		(81,511)	(31,444)
Taxes refunded/(paid)		(18,531)	(11,481)
Cash flows from operating activities		72,577	(10,225)
Acquisition etc. of property, plant and equipment		(62,691)	(163,515)
Sale of property, plant and equipment		70,347	90,285
Cash flows from investing activities		7,656	(73,230)
Free cash flows generated from operations and investments before financing		80,233	(83,455)
Loans raised		0	9,215
Repayments of loans etc.		(51,229)	0
Leasing commitment		14,352	7,680
Reimbursement to business owners and management		613	(5,334)
Cash flows from financing activities		(36,264)	11,561
Increase/decrease in cash and cash equivalents		43,969	(71,894)

Cash and cash equivalents beginning of year	103,480	175,374
Cash and cash equivalents end of year	147,449	103,480

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

Cash	88,501	59,345
Securities	58,948	44,135
Cash and cash equivalents end of year	147,449	103,480

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 in 2022 decided to write down the Russian subsidiaries' assets whereby, on a net basis, the Russian assets and liabilities were and continue in 2023 to be recognized at DKK 0. Management is carefully monitoring developments in the country and regularly considering the Company's future options.

2 Uncertainty relating to recognition and measurement

As described in note 1, the net assets of AgroSkandia Holding A/S continue to be written down to DKK 0 in 2023.

Fair value of other investments in Russia Baltic Pork Invest AS, Norway (RBPI AS), has increased in 2023 compared to 2022. However, because of the continued significant uncertainty due to the war in Ukraine and its implications, management has decided not to increase the fair value.

3 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	18,198	12,925
Other social security costs	4	4
Other staff costs	3,060	2,862
	21,262	15,791

Average number of full-time employees	131	136
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	Remuneration of management 2023	Remuneration of management 2022
	DKK'000	DKK'000
Executive Board	3,161	3,014
Board of Directors	2,125	2,445
	5,286	5,459

No employees receive variable remuneration. Part (DKK 2,559k) 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

	2023	2022
	DKK'000	DKK'000
Amortisation of intangible assets	128	129
Depreciation on property, plant and equipment	14,399	17,173
Impairment losses on property, plant and equipment	(28,070)	133,104
	(13,543)	150,406

5 Other financial income

	2023	2022
	DKK'000	DKK'000
Other interest income	3,223	1,087
Exchange rate adjustments	3	16,580
Fair value adjustments	8,368	0
Other financial income	1,317	783
	12,911	18,450

6 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Financial expenses from group enterprises	2	0
Other interest expenses	43,207	30,904
Exchange rate adjustments	38,218	3
Fair value adjustments	0	2,802
Other financial expenses	84	538
	81,511	34,247

7 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	15,778	17,408
Change in deferred tax	(81,304)	(52,133)
Adjustment concerning previous years	60	232
Refund in joint taxation arrangement	503	0
	(64,963)	(34,493)

8 Proposed distribution of profit/loss

	2023	2022
	DKK'000	DKK'000
Ordinary dividend for the financial year	6,000	6,000
Retained earnings	(138,156)	(182,431)
Minority interests' share of profit/loss	(224,808)	(136,323)
	(356,964)	(312,754)

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	(1,536)
Amortisation for the year	(128)
Amortisation and impairment losses end of year	(1,664)
Carrying amount end of year	795

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	114,347	1,667,322	111,072	18,445
Exchange rate adjustments	(26,982)	3,599	(21,516)	(4,352)
Additions	1,640	45,352	11,348	4,351
Disposals	(273)	(27,781)	(2,218)	(5,627)
Cost end of year	88,732	1,688,492	98,686	12,817
Revaluations beginning of year	0	3,589,941	0	0
Exchange rate adjustments	0	7,664	0	0
Revaluations for the year	0	(499,676)	0	0
Reversal regarding disposals	0	(39,613)	0	0
Revaluations end of year	0	3,058,316	0	0
Depreciation and impairment losses beginning of year	(96,627)	0	(99,562)	(15,955)
Exchange rate adjustments	8,823	0	13,555	1,986
Reversal of impairment losses	17,924	0	6,572	3,574
Depreciation for the year	(2,734)	0	(9,643)	(2,022)
Reversal regarding disposals	18	0	1,155	1,550
Depreciation and impairment losses end of year	(72,596)	0	(87,923)	(10,867)
Carrying amount end of year	16,136	4,746,808	10,763	1,950

The market value assessment per 31 December 2023 has used an individually determined lease stock. The average rental multiple can be calculated to 31.6 (2022: 36.7).

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 2023, 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	30.6	31.6	32.6
Fair value	4,596,472	4,746,683	4,896,894
Change in fair value	(150.211)	0	150.211

11 Financial assets

	Investments in associates DKK'000	Other investments DKK'000	Deferred tax DKK'000
Cost beginning of year	2,200	42,066	685
Additions	0	0	(450)
Cost end of year	2,200	42,066	235
Revaluations beginning of year	0	94,579	0
Revaluations end of year	0	94,579	0
Impairment losses beginning of year	0	0	(244)
Reversal of impairment losses	0	0	59
Impairment losses end of year	0	0	(185)
Carrying amount end of year	2,200	136,645	50

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

12 Deferred tax

	2023	2022
Changes during the year	DKK'000	DKK'000
Beginning of year	(669,032)	(715,104)
Recognised in the income statement	65,032	52,184
Recognised directly in equity	1,992	(6,112)
Exchange adjustment	12,461	0
End of year	(589,547)	(669,032)

	2023	2022
Deferred tax has been recognised in the balance sheet as follows	DKK'000	DKK'000
Deferred tax assets	50	441
Deferred tax liabilities	(589,597)	(669,473)
	(589,547)	(669,032)

Deferred tax assets

Deferred tax relates to intangible assets, property, plant and equipment, inventories and other provisions.

13 Prepayments

Prepayments includes payment of insurance premiums, subscriptions, etc.

14 Other payables

	2023	2022
	DKK'000	DKK'000
Other costs payable	35,480	33,933
	35,480	33,933

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 2030.

15 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK'000	Due within 12 months 2022 DKK'000	Due after more than 12 months 2023 DKK'000	Outstanding after 5 years 2023 DKK'000
Mortgage debt	32,552	32,480	1,274,568	1,101,714
Lease liabilities	0	0	17,662	0
Other payables	0	0	35,480	0
	32,552	32,480	1,327,710	1,101,714

16 Deferred income

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

17 Changes in working capital

	2023	2022
	DKK'000	DKK'000
Increase/decrease in inventories	(868)	(8,835)
Increase/decrease in receivables	39,626	(81,405)
Increase/decrease in trade payables etc.	2,692	(10,242)
Other changes	2,132	1,570
	43,582	(98,912)

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 16,009k (2022: DKK 29,048k)

Interest rate swap contracts have partially been concluded to hedge future interest payments on floating rate loans. The contracts have a term of 24 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 387,312k. The interest rate swap contract has been concluded with a maturity period of the loan of 2 years. At the balance sheet date, the fair value of the interest rate swap amounts to DKK 16,009k.

19 Fair value information

	Investment properties	Other investments	Other investments
	DKK'000	DKK'000	DKK'000
Fair value end of year	4,746,683	136,645	58,948
Unrealised fair value adjustments recognised in the income statement	(510,680)	0	8,368

Fair value of other investments in Russia Baltic Pork Invest AS, Norway (RBPI AS), has increased in 2023 compared to 2022. However, because of the continued significant uncertainty due to the war in Ukraine and its implications, management has decided not to increase the fair value.

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 4,747 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 23.9 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 (in liquidation)	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	Germany	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 2023

	Notes	2023 DKK'000	2022 DKK'000
Other external expenses		(869)	(821)
Gross profit/loss		(869)	(821)
Staff costs	3	(999)	(1,006)
Operating profit/loss		(1,868)	(1,827)
Income from investments in group enterprises		(128,385)	(228,458)
Income from investments in associates		623	221
Income from other fixed asset investments		0	57,144
Other financial income	4	13,242	4,137
Impairment losses on financial assets	5	(13)	(44)
Other financial expenses	6	(3,463)	(6,231)
Profit/loss before tax		(119,864)	(175,058)
Tax on profit/loss for the year	7	(2,874)	(1,373)
Profit/loss for the year	8	(122,738)	(176,431)

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in group enterprises		1,115,869	1,263,580
Receivables from group enterprises		0	0
Investments in associates		2,200	2,200
Other investments		136,645	136,645
Financial assets	9	1,254,714	1,402,425
Fixed assets		1,254,714	1,402,425
Receivables from associates		0	73
Other receivables		332	49
Tax receivable		191	98
Joint taxation contribution receivable		268	430
Receivables		791	650
Other investments		47,449	33,153
Investments		47,449	33,153
Cash		790	4,919
Current assets		49,030	38,722
Assets		1,303,744	1,441,147

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		250	250
Reserve for fair value adjustments and hedging instruments		1,285	1,255
Reserve for net revaluation according to equity method		803,266	950,976
Retained earnings		362,197	344,512
Proposed dividend for the financial year		6,000	6,000
Equity		1,172,998	1,302,993
Deferred tax	10	41	41
Provisions for investments in group enterprises	11	39,107	36,713
Provisions		39,148	36,754
Bank loans		24,281	24,096
Trade payables		353	397
Payables to group enterprises		45,579	56,087
Payables to owners and management		20,468	19,855
Tax payable		268	0
Other payables		649	965
Current liabilities other than provisions		91,598	101,400
Liabilities other than provisions		91,598	101,400
Equity and liabilities		1,303,744	1,441,147
Unusual circumstances	1		
Uncertainty relating to recognition and measurement	2		
Fair value information	12		
Contingent liabilities	13		
Assets charged and collateral	14		
Non-arm's length related party transactions	15		

Parent statement of changes in equity for 2023

	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	1,255	950,976	344,512	6,000
Ordinary dividend paid	0	0	0	0	(6,000)
Exchange rate adjustments	0	0	2,488	0	0
Fair value adjustments of hedging instruments	0	30	0	0	0
Other entries on equity	0	0	(3,775)	0	0
Dividends from group enterprises	0	0	(26,247)	26,247	0
Profit/loss for the year	0	0	(120,176)	(8,562)	6,000
Equity end of year	250	1,285	803,266	362,197	6,000

	Total DKK'000
Equity beginning of year	1,302,993
Ordinary dividend paid	(6,000)
Exchange rate adjustments	2,488
Fair value adjustments of hedging instruments	30
Other entries on equity	(3,775)
Dividends from group enterprises	0
Profit/loss for the year	(122,738)
Equity end of year	1,172,998

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 in 2022 decided to write down the Russian subsidiaries' assets whereby, on a net basis, the Russian assets and liabilities were and continue in 2023 to be recognized at DKK 0. Management is carefully monitoring developments in the country and regularly considering the Company's future options.

2 Uncertainty relating to recognition and measurement

As described in note 1, the net assets of AgroSkandia Holding A/S continue to be written down to DKK 0 in 2023.

Fair value of other investments in Russia Baltic Pork Invest AS, Norway (RBPI AS), has increased in 2023 compared to 2022. However, because of the continued significant uncertainty due to the war in Ukraine and its implications, management has decided not to increase the fair value.

3 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	994	1,001
Other social security costs	1	1
Other staff costs	4	4
	999	1,006
Average number of full-time employees	1	1

	Remuneration of Manage- ment 2023	Remuneration of Manage- ment 2022
	DKK'000	DKK'000
Total amount for management categories	999	1,170
	999	1,170

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

	2023	2022
	DKK'000	DKK'000
Financial income from group enterprises	3,574	3,432
Other interest income	99	0
Fair value adjustments	8,368	0
Other financial income	1,201	705
	13,242	4,137

5 Impairment losses on financial assets

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

6 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Financial expenses from group enterprises	1,473	1,356
Other interest expenses	1,906	1,790
Exchange rate adjustments	0	4
Fair value adjustments	0	2,802
Other financial expenses	84	279
	3,463	6,231

7 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	2,766	1,803
Adjustment concerning previous years	35	0
Refund in joint taxation arrangement	73	(430)
	2,874	1,373

8 Proposed distribution of profit and loss

	2023	2022
	DKK'000	DKK'000
Ordinary dividend for the financial year	6,000	6,000
Retained earnings	(128,738)	(182,431)
	(122,738)	(176,431)

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	312,604	118,500	2,200	42,042
Additions	0	5,384	0	0
Cost end of year	312,604	123,884	2,200	42,042
Revaluations beginning of year	1,098,476	0	0	94,603
Exchange rate adjustments	2,399	0	0	0
Amortisation of goodwill	(354)	0	0	0
Share of profit/loss for the year	(118,387)	0	0	0
Dividend	(26,247)	0	0	0
Other adjustments	(3,775)	0	0	0
Revaluations end of year	952,112	0	0	94,603
Impairment losses beginning of year	(147,500)	(118,500)	0	0
Exchange rate adjustments	89	0	0	0
Share of profit/loss for the year	(9,644)	0	0	0
Investments with negative equity value depreciated over receivables	5,815	(5,384)	0	0
Investments with negative equity value transferred to provisions	2,394	0	0	0
Impairment losses end of year	(148,846)	(123,884)	0	0
Carrying amount end of year	1,115,870	0	2,200	136,645
Goodwill or negative goodwill recognised during the financial year	2,120		0	

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

10 Deferred tax

	2023 DKK'000	2022 DKK'000
Receivables	41	41
Deferred tax	41	41

	2023 DKK'000	2022 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	47,449
Unrealised fair value adjustments recognised in the income statement	0	8,368

Fair value of other investments in Russia Baltic Pork Invest AS, Norway (RBPI AS), has increased in 2023 compared to 2022. However, because of the continued significant uncertainty due to the war in Ukraine and its implications, management has decided not to increase the fair value.

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 limited 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 31.12.2023, the balance amounts to a total debt of DKK 35,480k. 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 47,449k have been pledged as collateral for intermediaries with a financial institution per 31.12.2023.

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.

Some adjustments have been made in the presentation of comparative figures for depreciation and other operating expenses. These adjustments have not affected the company's result, balance sheet, or equity.

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 normal 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.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss 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.

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.

Receivables

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

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.