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# *Lind Value II ApS*

Værkmestergade 25, 14., DK-8000 Aarhus C

## Annual Report for 2022

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CVR No. 30 89 60 68

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 31/3 2023

Henrik Lind  
Chairman of the  
general meeting



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# Management's statement

The Executive Board has today considered and adopted the Financial Statements of Lind Value II ApS for the financial year 1 January - 31 December 2022.

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

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Aarhus, 31 March 2023

**Executive Board**

Henrik Lind  
CEO

# Independent Auditor's report

To the shareholder of Lind Value II ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Lind Value II ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 Financial Statements" section of our report. We are independent of the Company 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.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

## Management's responsibilities for the Financial Statements

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

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

# Independent Auditor's report

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company'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 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Aarhus, 31 March 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Henrik Kragh

State Authorised Public Accountant

mne26783

Kenneth Damsgaard Sørensen

State Authorised Public Accountant

mne47923

## Company information

### The Company

Lind Value II ApS  
Værkmestergade 25, 14.  
DK-8000 Aarhus C

CVR No: 30 89 60 68

Financial period: 1 January - 31 December

Incorporated: 20 September 2007

Financial year: 15th financial year

Municipality of reg. office: Aarhus

### Executive board

Henrik Lind

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Jens Chr. Skous Vej 1  
8000 Aarhus C

## Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2022	2021	2020	2019	2018
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Profit/loss of ordinary primary operations	-10,286	-10,553	-9,092	-16,247	-7,860
Profit/loss before financial income and expenses	-10,286	-10,553	-9,092	-16,247	-7,860
Profit/loss of financial income and expenses	-1,175,952	1,693,679	403,952	220,502	-108,430
Net profit/loss	-936,595	1,312,838	307,990	181,648	-84,093
<b>Balance sheet</b>					
Balance sheet total	5,184,480	6,254,623	4,019,703	3,441,370	1,155,947
Equity	4,105,586	5,042,181	3,729,343	3,421,352	-6,072
<b>Ratios</b>					
Solvency ratio	79.2%	80.6%	92.8%	99.4%	-0.5%
Return on equity	-20.5%	29.9%	8.6%	10.6%	-233.8%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

# Management's review

## Key activities

The company's key activity is trading in the financial markets at its own expense.

## Development in the year

The income statement of the Company for 2022 shows a loss of TDKK 936,595, and at 31 December 2022 the balance sheet of the Company shows positive equity of TDKK 4,105,586.

2022 was a challenging year for Lind Value II. It was a year with volatile and declining financial markets, which also impacted our investment results. The result corresponds to our expectations as stated in the outlook 2022 from last year's annual report.

Operationally and organisationally, we continued to make our operational setup stronger and leaner – both in our decision-making, in our trading and risk management as well as in our control systems. This work will continue intensively in 2023 and beyond.

## Targets and expectations for the year ahead

In 2023, our goal is to continue to outperform the global equity markets, and we expect in absolute terms to deliver a significantly better result than in 2022.

## Risk Management

Risk management is an important aspect of the business we run at Lind Value II. We take a proactive approach to risk management by focusing on mitigating downside risk and avoiding permanent loss of capital.

In an investment context, our best risk management tool is having in-depth knowledge about the companies we own and how they operate in different market environments.

Therefore, we need to have a detailed understanding of the very nature of the business model and to evaluate the management, capital structure, market environment and governance of each of our investments. This in order to make the correct risk assessment and to proactively execute on our risk mitigation plan if needed. This applies to all our investments.

Alignment of interests is also a crucial part of our risk assessment. To us, alignment of interests is about sharing both the upside and the downside when entering into a partnership with other stakeholders – whether for business or social purposes.

In a corporate setting, the alignment is all about linking the owners' overall objective of the company to the stakeholders' objective of it, including the employees, in both the short and long-term.

In a social context, the alignment must ensure that all members of a community or partnership share the same consequences when they succeed or fail.

What is good for the group is good for the individual member and vice versa.

The combination of having a detailed understanding of our investments and a strong focus on alignment of interests are keys drivers of risk management at Lind Value II.

## Statement of corporate social responsibility

The statement required under section 99(a) of the Danish Financial Statements Act are contained in the Consolidated Financial Statement of Lind Invest ApS, Aarhus.

## Statement on gender composition

The statement required under section 99(b) of the Danish Financial Statements Act are contained in the Consolidated Financial Statement of Lind Invest ApS, Aarhus.



# Management's review

## Statement on data ethics

The statement required under section 99(d) of the Danish Financial Statements Act are contained in the Consolidated Financial Statement of Lind Invest ApS, Aarhus.

## Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

## Unusual events

The financial position at 31 December 2022 of the Company and the results of the activities and cash flows of the Company for the financial year for 2022 have not been affected by any unusual events.

## Income statement 1 January - 31 December

	Note	2022	2021
		TDKK	TDKK
<b>Gross loss</b>		<b>-4,958</b>	<b>-3,561</b>
Staff expenses	1	-5,328	-6,992
<b>Profit/loss before financial income and expenses</b>		<b>-10,286</b>	<b>-10,553</b>
Financial income		135,601	1,703,365
Financial expenses	2	-1,311,553	-9,686
<b>Profit/loss before tax</b>		<b>-1,186,238</b>	<b>1,683,126</b>
Tax on profit/loss for the year	3	249,643	-370,288
<b>Net profit/loss for the year</b>	4	<b>-936,595</b>	<b>1,312,838</b>

## Balance sheet 31 December

### Assets

	Note	2022 TDKK	2021 TDKK
Other receivables		0	2,553
Deferred tax asset	7	249,643	0
<b>Receivables</b>		<u>249,643</u>	<u>2,553</u>
Current asset investment	5	<u>4,876,212</u>	<u>5,743,209</u>
Cash at bank and in hand		<u>58,625</u>	<u>508,861</u>
Current assets		<u>5,184,480</u>	<u>6,254,623</u>
Assets		<u>5,184,480</u>	<u>6,254,623</u>

## Balance sheet 31 December

### Liabilities and equity

	Note	2022	2021
		TDKK	TDKK
Share capital		3,400,000	3,400,000
Retained earnings		705,586	1,642,181
<b>Equity</b>		<b>4,105,586</b>	<b>5,042,181</b>
Credit institutions		194,765	8,080
Trade payables		53	53
Payables to group enterprises		528,348	759,281
Corporation tax		342,761	441,139
Other payables	6	12,967	3,889
<b>Short-term debt</b>		<b>1,078,894</b>	<b>1,212,442</b>
<b>Debt</b>		<b>1,078,894</b>	<b>1,212,442</b>
<b>Liabilities and equity</b>		<b>5,184,480</b>	<b>6,254,623</b>
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## Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	3,400,000	1,642,181	5,042,181
Net profit/loss for the year	0	-936,595	-936,595
<b>Equity at 31 December</b>	<b>3,400,000</b>	<b>705,586</b>	<b>4,105,586</b>

# Notes to the Financial Statements

	2022	2021
	TDKK	TDKK
<b>1. Staff Expenses</b>		
Wages and salaries	5,051	6,777
Pensions	220	184
Other social security expenses	53	44
Other staff expenses	4	-13
	<u>5,328</u>	<u>6,992</u>

Including remuneration to the Executive Board and Board of Directors:

Average number of employees	<u>8</u>	<u>8</u>
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	2022	2021
	TDKK	TDKK
<b>2. Financial expenses</b>		
Interest paid to group enterprises	14,942	5,117
Other financial expenses	1,296,611	4,569
	<u>1,311,553</u>	<u>9,686</u>

	2022	2021
	TDKK	TDKK
<b>3. Income tax expense</b>		
Current tax for the year	0	370,288
Deferred tax for the year	-249,643	0
	<u>-249,643</u>	<u>370,288</u>

	2022	2021
	TDKK	TDKK
<b>4. Profit allocation</b>		
Retained earnings	-936,595	1,312,838
	<u>-936,595</u>	<u>1,312,838</u>

# Notes to the Financial Statements

## 5. Other investments at fair value

	Value adjustment, income statement	Fair value at 31. December
	TDKK	TDKK
Listed securities and investments	-888,302	4,876,212

## 6. Derivative financial instruments

### Market risk

A part of the company's market risk arises in foreign exchange rate fluctuations. The risk is mitigated and hedged on a daily basis in accordance with the mandates, policies and hedging strategy approved by the Executive Board. The risk relates to a wide range of currencies to which the daily business is exposed. At the end of 2022, the fair value of foreign exchange forward contracts amounted to DKK 4.1 million.

The foreign exchange forward contracts have been entered into for the purpose of hedging future cash flows in a range of currencies, primarily USD, NOK and GBP. The hedging activity can be specified as follows:

- Hedging of future net cash outflows in USD was USD 226.2 million. The USD forward contracts primarily have a duration of three months.
- Hedging of future net cash outflows in NOK was NOK 220.0 million. The NOK forward contracts primarily have a duration of three months.
- Hedging of future net cash inflows in GBP was GBP 2.6 million. The GBP forward contracts primarily have a duration of three months.

The company has recognised equity derivatives (CFD) at fair value with value adjustments in profit-loss. At the end of 2022, the long exposure amounted to DKK 107.0 million and the fair value of equity derivatives amounted to DKK -6.1 million.

### Credit risk

The credit risk affecting the derivative financial instruments measured at fair value is considered minimal.

## Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
<b>7. Deferred tax asset</b>		
Amounts recognised in the income statement for the year	249,643	0
<b>Deferred tax asset at 31 December</b>	<u>249,643</u>	<u>0</u>

The deferred tax asset relates to tax loss carry-forward. The deferred tax asset is expected to be realisable within the foreseeable future based on the budgeted future earning.

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
<b>8. Contingent assets, liabilities and other financial obligations</b>		

### Charges and security

The following assets have been placed as security with bankers:

Securities and investments at a carrying amount of:	3,182,093	1,968,324
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### Other contingent liabilities

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

## 9. Related parties and disclosure of consolidated financial statements

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Lind Invest ApS, CVR No 26 55 92 43	Aarhus



# Notes to the Financial Statements

## 10. Fee to auditors appointed at the general meeting

With reference to section 96(3) of the Danish Financial Statements Act and to the note to the Consolidated Financial Statements of Lind Invest A/S on the fee to the auditors appointed at the annual general meeting, the Company has omitted to prepare disclosure in the notes of fee to the auditor appointed by the general meeting.

# Notes to the Financial Statements

## 11. Accounting policies

The Annual Report of Lind Value II ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in TDKK.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Lind Invest ApS, CVR No 26 55 92 43, the Company has not prepared a cash flow statement.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

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

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

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

### Derivative financial instruments

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

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

### Income statement

#### Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

# Notes to the Financial Statements

## Staff expenses

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

## Financial income and expenses

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

## Tax on profit/loss for the year

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

The Company is jointly taxed with the Parent Company and the Group's subsidiaries. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

## Balance sheet

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Current Asset Investments

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

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

### Deferred tax assets and liabilities

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

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

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

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

# Notes to the Financial Statements

## Financial debts

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

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

## Financial Highlights

### Explanation of financial ratios

Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$