



DSV Frø Danmark A/S

Energivej 3
7500 Holstebro
CVR No. 35411399

Annual report 01.07.2023 - 30.06.2024

The Annual General Meeting adopted the annual
report on 23.09.2024

Malte Otto
Chairman of the General Meeting

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Entity details

Entity

DSV Frø Danmark A/S

Energivej 3

7500 Holstebro

Business Registration No.: 35411399

Registered office: Holstebro

Financial year: 01.07.2023 - 30.06.2024

Board of Directors

Clive Krückemeyer

Edwin Dennes van Sligter

Dr. Eike Hupe

Executive Board

Malte Otto

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of DSV Frø Danmark A/S for the financial year 01.07.2023 - 30.06.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2024 and of the results of its operations and cash flows for the financial year 01.07.2023 - 30.06.2024.

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.

Holstebro, 23.09.2024

Executive Board

Malte Otto

Board of Directors

Clive Krückemeyer

Edwin Dennes van Sligter

Dr. Eike Hupe

Independent auditor's report

To the shareholder of DSV Frø Danmark A/S

Opinion

We have audited the financial statements of DSV Frø Danmark A/S for the financial year 01.07.2023 - 30.06.2024, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2024 and of the results of its operations and cash flows for the financial year 01.07.2023 - 30.06.2024 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 financial statements" section of this auditor's report. We are independent of the Entity 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 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 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 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 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

Aarhus, 23.09.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Henrik Vedel

State Authorised Public Accountant

Identification No (MNE) mne10052

Mikael Møller

State Authorised Public Accountant

Identification No (MNE) mne47835

Management commentary

Financial highlights

	2023/24	2022/23	2021/22	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	307,620	348,065	431,676	383,565	351,022
Gross profit/loss	61,339	72,518	73,654	79,081	83,264
Operating profit/loss	14,914	27,120	30,228	42,367	49,098
Net financials	(13,769)	(8,049)	(1,200)	(812)	(551)
Profit/loss for the year	870	15,236	22,424	32,437	37,875
Total assets	391,241	384,753	280,823	191,288	172,080
Investments in property, plant and equipment	3,050	7,547	4,521	8,592	13,427
Equity	125,027	124,157	112,641	112,567	113,655
Ratios					
Gross margin (%)	19.94	20.83	17.06	20.62	23.72
Net margin (%)	0.28	4.38	5.19	8.46	10.79
Return on equity (%)	0.70	12.87	19.91	28.68	37.48
Equity ratio (%)	31.96	32.27	40.11	58.85	66.05

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

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Revenue

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Revenue

Return on equity (%):

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

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets

Primary activities

The Company's primary activity is wholesaling and retailing of seed, primarily processed from Danish-grown seed as well as minor imports. The company is exporting seeds for the international market.

Development in activities and finances

The profit for the year is lower than expected, amounting to DKK 870k. The decrease in profits is caused by a drop in demand, especially in the international markets, which led to an 11.6% decrease in revenues compared to last year. The reduced sales volume resulted in higher stocks, leading to increased warehouse costs and tying up more capital than expected. A poor harvest with lower costs for new seeds and initiated cost-saving actions could only partially offset these effects.

Compared to last year's outlook for 2023/24 the expected decrease of EBT was stronger than thought due to the drop in revenues.

Profit/loss for the year in relation to expected developments

Profit is below expectations set prior to the business year. Home market sales were at the expected level; however, the international market, on which the company's intercompany business is dependent, experienced a negative development in demand.

Uncertainty relating to recognition and measurement

There are no material uncertainties related to recognition and measurement of assets and liabilities.

Unusual circumstances affecting recognition and measurement

There are no unusual circumstances affecting recognition and measurement.

Outlook

The company does not expect any significant changes in the economic environment during the running business year. Currently we expect neither a bad nor an extremely good harvest which will help to balance out demand and supply this year.

The decrease of existing stocks at the company's customers should result in growing sales. Accordingly, costs for inventory and interest rates should slightly decrease, too.

According to this, we expect turnover 2024/2025 to achieve a level of 310 to 340 MDKK and EBT between 8 to 12 MDKK.

Knowledge resources

Intellectual capital resources are within the parent company.

Environmental performance

During the last years, the company had implemented projects regarding its environmental impact, as the examples show below:

- Installation of energy measurement equipment at the production sites
- Use of environmentally friendly sources of heating on both premises (district heating and heat pumps)
- Ongoing project of insulating the new factory hall in Sørby

Research and development activities

Only minor activities are carried out locally in Danish subsidiary. Main part of research and development is done

at parent company in Germany.

Foreign branches

DSV Frø has a Swedish branch.

Events after the balance sheet date

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

Income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Revenue		307,620,365	348,064,997
Other operating income		3,177,022	1,894,073
Cost of sales		(209,876,938)	(231,728,279)
Other external expenses		(39,581,000)	(45,713,024)
Gross profit/loss		61,339,449	72,517,767
Staff costs	2	(41,376,812)	(40,718,853)
Depreciation, amortisation and impairment losses		(5,048,158)	(4,679,163)
Operating profit/loss		14,914,479	27,119,751
Other financial income		88,580	100,398
Other financial expenses		(13,858,024)	(8,149,445)
Profit/loss before tax		1,145,035	19,070,704
Tax on profit/loss for the year	3	(275,156)	(3,834,438)
Profit/loss for the year	4	869,879	15,236,266

Balance sheet at 30.06.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Land and buildings		53,304,339	54,943,091
Plant and machinery		25,216,253	21,498,624
Property, plant and equipment in progress		603,203	4,681,475
Property, plant and equipment	5	79,123,795	81,123,190
Other investments		7,682	7,682
Financial assets	6	7,682	7,682
Fixed assets		79,131,477	81,130,872
Manufactured goods and goods for resale		294,941,301	291,648,479
Inventories		294,941,301	291,648,479
Trade receivables		11,133,275	9,800,515
Receivables from group enterprises		2,457,002	762,947
Other receivables		97,492	14,514
Tax receivable		1,453,516	0
Prepayments	7	1,620,398	901,737
Receivables		16,761,683	11,479,713
Cash		406,611	494,294
Current assets		312,109,595	303,622,486
Assets		391,241,072	384,753,358

Equity and liabilities

		2023/24	2022/23
	Notes	DKK	DKK
Contributed capital		500,000	500,000
Retained earnings		124,527,004	123,657,125
Equity		125,027,004	124,157,125
Deferred tax	8	10,754,000	10,496,000
Other provisions	9	89,372	0
Provisions		10,843,372	10,496,000
Mortgage debt		13,056,106	14,506,558
Non-current liabilities other than provisions	10	13,056,106	14,506,558
Current portion of non-current liabilities other than provisions	10	1,450,449	1,667,688
Bank loans		202,374,881	169,565,296
Trade payables		6,529,786	7,333,736
Payables to group enterprises		8,872,571	31,772,992
Tax payable		42,156	1,447,445
Other payables		21,319,747	23,806,518
Deferred income	11	1,725,000	0
Current liabilities other than provisions		242,314,590	235,593,675
Liabilities other than provisions		255,370,696	250,100,233
Equity and liabilities		391,241,072	384,753,358
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	13		
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Statement of changes in equity for 2023/24

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	123,657,125	124,157,125
Profit/loss for the year	0	869,879	869,879
Equity end of year	500,000	124,527,004	125,027,004

Cash flow statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Operating profit/loss		14,914,479	27,119,751
Amortisation, depreciation and impairment losses		5,049,758	4,638,735
Working capital changes	12	(31,587,416)	(53,416,668)
Cash flow from ordinary operating activities		(11,623,179)	(21,658,182)
Financial income received		88,580	100,398
Financial expenses paid		(13,858,024)	(8,149,445)
Taxes refunded/(paid)		(2,858,805)	(4,850,216)
Cash flows from operating activities		(28,251,428)	(34,557,445)
Acquisition etc of property, plant and equipment		(3,050,361)	(7,547,209)
Sale of property, plant and equipment		(1,600)	50,428
Cash flows from investing activities		(3,051,961)	(7,496,781)
Free cash flows generated from operations and investments before financing		(31,303,389)	(42,054,226)
Repayments of loans etc		(1,667,691)	(1,667,689)
Dividend paid		0	(3,720,000)
Short-term bank debt obtained		32,809,585	47,588,121
Other cash flows from financing activities		73,812	(7,677)
Cash flows from financing activities		31,215,706	42,192,755
Increase/decrease in cash and cash equivalents		(87,683)	138,529
Cash and cash equivalents beginning of year		494,294	355,765
Cash and cash equivalents end of year		406,611	494,294
Cash and cash equivalents at year-end are composed of:			
Cash		406,611	494,294
Cash and cash equivalents end of year		406,611	494,294

Notes

1 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.

2 Staff costs

	2023/24	2022/23
	DKK	DKK
Wages and salaries	36,937,105	36,598,436
Pension costs	3,648,809	3,313,458
Other social security costs	790,898	806,959
	41,376,812	40,718,853
Average number of full-time employees	71	71

According to § 98 b of the Danish Financial Statements Act, management's remuneration is not disclosed.

3 Tax on profit/loss for the year

	2023/24	2022/23
	DKK	DKK
Current tax	11,076	3,062,728
Change in deferred tax	258,000	1,146,000
Adjustment concerning previous years	6,080	(374,290)
	275,156	3,834,438

4 Proposed distribution of profit and loss

	2023/24	2022/23
	DKK	DKK
Retained earnings	869,879	15,236,266
	869,879	15,236,266

5 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Property, plant and equipment in progress DKK
Cost beginning of year	94,023,264	82,989,544	4,681,475
Transfers	0	4,681,475	(4,681,475)
Additions	0	2,447,158	603,203
Cost end of year	94,023,264	90,118,177	603,203
Depreciation and impairment losses beginning of year	(39,080,171)	(61,490,920)	0
Depreciation for the year	(1,638,754)	(3,411,004)	0
Depreciation and impairment losses end of year	(40,718,925)	(64,901,924)	0
Carrying amount end of year	53,304,339	25,216,253	603,203

6 Financial assets

	Other investments DKK
Cost beginning of year	7,682
Cost end of year	7,682
Carrying amount end of year	7,682

7 Prepayments

Prepayments comprise prepaid costs relating to subsequent financial year such as insurance.

8 Deferred tax

	2023/24 DKK	2022/23 DKK
Property, plant and equipment	9,520,000	9,077,000
Inventories	1,428,000	1,430,000
Provisions	(20,000)	0
Liabilities other than provisions	(10,000)	(11,000)
Tax losses carried forward	(164,000)	0
Deferred tax	10,754,000	10,496,000

Changes during the year	2023/24 DKK	2022/23 DKK
Beginning of year	10,496,000	9,350,000
Recognised in the income statement	258,000	1,146,000
End of year	10,754,000	10,496,000

9 Other provisions

Other provisions consists of provisions for non-recourse commitments etc.

10 Non-current liabilities other than provisions

	Due within 12 months 2023/24 DKK	Due within 12 months 2022/23 DKK	Due after more than 12 months 2023/24 DKK	Outstanding after 5 years 2023/24 DKK
Mortgage debt	1,450,449	1,667,688	13,056,106	7,670,143
	1,450,449	1,667,688	13,056,106	7,670,143

11 Deferred income

Deferred income consists of prepaid expenses relating to subsequent financial year.

12 Changes in working capital

	2023/24 DKK	2022/23 DKK
Increase/decrease in inventories	(3,292,822)	(145,099,728)
Increase/decrease in receivables	(3,828,454)	44,173,444
Increase/decrease in trade payables etc	(24,466,140)	47,509,616
	(31,587,416)	(53,416,668)

13 Unrecognised rental and lease commitments

	2023/24 DKK	2022/23 DKK
Liabilities under rental or lease agreements until maturity in total	723,025	631,105

14 Assets charged and collateral

Priority debt is secured by mortgages on land and buildings amounting to DKK 23,765,000.

The carrying amount of mortgaged land and buildings is DKK 53,304,339 as of 30.06.2024.

As a guarantee for bank debt, indemnity letters of DKK 30,000,000 have been deposited in the above land and buildings. The total mortgages in land and buildings are DKK 53,765,000.

Bank debt is also guaranteed by a company mortgage with a nominal value of DKK 60,000,000. The company mortgage covers the company's unsecured claims and inventories.

15 Related parties with controlling interest

Deutsche Saatveredelung AG, Lippstadt, owns all shares in the Entity, thus exercising control.

16 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

17 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Deutsche Saatveredelung AG, Germany

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Deutsche Saatveredelung AG, Germany

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 financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

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.

Income statement

Revenue

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

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 salaries and wages, 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 financial income

Other financial income comprises dividends etc received on other investments, interest income, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, 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.

Balance sheet**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
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	5 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.

Other investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date, and unlisted equity investments measured at the lower of cost and net realisable value.

Inventories

Inventories are measured at the lower of cost using the weighted average price method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

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 or the planned settlement of each liability.

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.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, 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.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

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.

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 taxes paid.

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

Cash flows from financing activities comprise repayments of interest-bearing debt.

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