

# 2024

Annual report for 2024

**Nature Energy Green Gas Sales A/S**  
Ørbækvej 260, 5220 Odense SØ  
CVR no. 38 76 56 04

Adopted at the annual  
general meeting on  
22 April 2025

Thomas de Boer  
chairman

**nature**  
**energy**

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## **Statement by management on the annual report**

The supervisory board and executive board have today discussed and approved the annual report of Nature Energy Green Gas Sales A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Odense, 22 April 2025

### **Executive board**

Jonas Clement Gonge Svendsen  
Director

### **Supervisory board**

Thomas De Boer  
chairman

Thomas Rathkjen  
deputy chairman

Jonas Clement Gonge Svendsen

# Independent auditor's report

*To the shareholder of Nature Energy Green Gas Sales A/S*

## **Opinion**

We have audited the financial statements of Nature Energy Green Gas Sales A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Independence**

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code.

## **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 the 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.

## **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.

## Independent auditor's report

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.

### **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.

## Independent auditor's report

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, we conclude that 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 of management's review.

Odense, 22 April 2025

EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Brian Skovhus Jakobsen  
State Authorised Accountant  
mne27701

Emil Overlund  
State Authorised Accountant  
mne47833

## Company details

### The company

Nature Energy Green Gas Sales A/S  
Ørbækvej 260  
5220 Odense SØ

CVR no.: 38 76 56 04

Reporting period: 1 January - 31 December 2024

Domicile: Odense

### Supervisory board

Thomas De Boer, chairman  
Thomas Rathkjen, deputy chairman  
Jonas Clement Gonge Svendsen

### Executive board

Jonas Clement Gonge Svendsen, director

### Auditors

EY Godkendt Revisionspartnerselskab  
Cortex Park Vest 3  
5230 Odense M

### Bankers

Danske Bank

### Consolidated financial statements

The company is reflected in the group report as the parent company Shell plc.

The group report of Shell plc. can be obtained at the following address:

<https://www.shell.com/news-and-insights/annual-reports-and-publications/annual-reports-download-centre.html>

## Financial highlights

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

	2024	2023	2022	2021	2020
	MDKK	MDKK	MDKK	MDKK	MDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	1,257	1,751	1,880	1,002	331
Gross profit	-1	49	52	61	59
Profit/loss before amortisation/depreciation and impairment losses	-1	49	52	61	59
Profit/loss before net financials	-4	47	49	58	57
Net financials	-19	-25	-13	-2	1
Profit/loss for the year	-19	16	29	44	45
<b>Balance sheet</b>					
Balance sheet total	354	381	332	525	202
Equity	61	80	63	84	81
<b>Financial ratios</b>					
Return on assets	-1.1%	13.2%	11.4%	16.0%	38.1%
Solvency ratio	17.2%	21.0%	19.0%	16.0%	40.1%

For definitions, see the summary of significant accounting policies.

# Management's review

## Business review

The company's purpose is trade with green gas and green certificates, as well as activities connected to this.

In 2024, the Green Gas Sales A/S employed an average of 0 employees as sales, management, administration etc. are outsourced to Nature Energy Biogas A/S.

## Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

## Unusual matters

The company's financial position at 31 December 2024 and the results of its operations for the financial year ended 31 December 2024 are not affected by any unusual matters.

## Financial review

The company's income statement for the year ended 31 December 2024 shows a loss of TDKK 18,621, and the balance sheet at 31 December 2024 shows equity of TDKK 60,891.

With green gas to grid a continuously stabile heat is secured to thousands of customers, directly from the natural gas grid and indirectly from the gas heated district heating plants to an efficient production of process energy, e.g. to Danish companies depending on the highly efficient heat that can almost only be supplied through gas.

## Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## Objectives and expectations for the coming year

The company expects a profit for 2025 in the range of TDKK 60,000 to TDKK 130,000.

## The past year and follow up on last year's expected development

Last year's expectation for the result for 2024 was in the range of TDKK 80,000 - TDKK 120,000, which has been realized at an unsatisfactory level with a loss after tax of TDKK 18,621, among other things due to low gas price and less favorable market conditions.

# Management's review

## Statutory report on corporate social responsibility

### *Risk analysis*

Risk is defined as the negative impact that the environment and climate, human rights, anti-corruption, and bribery, as well as the social and employee conditions can have on the stakeholders of the Nature Energy Green Gas Sales A/S, or the negative impact that the Green Gas Sales A/S itself may have on these subjects. Risk is estimated based on "The principle of essence" and is the sum of probability and impact. The risk analysis itself connected to the subject in question will follow the phrasing of the concerned policies of the area.

Nature Energy Green Gas Sales A/S's primary activities take place in Denmark and Europe, which is considered one of the least corrupt countries according to Transparency International.

Nature Energy Green Gas Sales A/S has a close relationship with suppliers, and so the risk of disrespect of human rights are considered low.

Nature Energy Green Gas Sales A/S do have a policy for human rights, anti-corruption, and bribery. Respect of human rights is to Nature Energy about the condition of all employees in Nature Energy. Nature Energy's reputation for integrity is our most valuable asset and is directly related to the code of conduct of our employees. The code of conduct includes a thorough description of how we implement policies for human rights, anti-corruption, and bribery and keep us compliant. In Nature Energy we have high standards for business ethics and integrity in all our business operations and there is a zero-tolerance approach for bribery. The code of conduct is available for all employees and all new employees gets together and receive training to learn about Nature Energy and our policies in the code of conduct.

In 2023 all employees in Nature Energy Group have received training of our code of conduct and we have included the training in our onboarding program of new employees. In 2024 there have been no incidents.

We plan to continue the work and focus on human rights, anti-corruption, and bribery in 2025.

### *Policy for environment and climate*

The Nature Energy Group wants to reduce the emission of greenhouse gasses from the Danish agriculture and to reduce the usage of fossil fuels by making them redundant. It is the Green Gas Sales A/S's ambition to contribute to Denmark's transition towards a green economy based on renewable energy sources.

The company's risk to affect the environment and climate negatively is assessed to be limited. The primary risk of the group consists of methane leak from the biogas plants. In the production of biogas, there is a risk that methane leaches from the plant.

To prevent future methane leak going forward, the company will continue with this work.

## Management's review

### *Efforts and results for the environmental and climate impact*

During 2024, The Nature Energy Group continuously holds both external and internal control of the production plants to minimize emission of methane. Tests are performed to measure the extent of possible methane leak on the sides. Moreover, emission is prevented through frequent checks and maintenance.

Nature Energy Group is market leader in turning many thousands of tons of biomass into green, CO<sub>2</sub>-neutral gas as effectively as possible. We collect and deliver biomass from businesses, agriculture and households and return the degassed biomass to the agriculture that recycles nutrients.

This is circular economy at its best. At the same time, we always make sure that the surrounding community remains as undisturbed as possible by transport and odors.

### *Description of the company's corporate social responsibility policies*

#### *Policies on social conditions and stakeholders*

The Nature Energy Group largely is dependent on being able to attract and retain skilled and satisfied employees and to secure the conditions within which they perform. Against this background, Nature Energy Group has a number of established objectives and guidelines to approach health, safety and other employee matters.

It is the Nature Energy Group's ambition to conduct the production with the least negative impact of the surrounding areas, including neighbors etc. Nature Energy Group continuously endeavors to ensure a production that to a lesser extent is of any inconvenience to the local area and its citizens.

## Management's review

### *Efforts and results regarding social conditions and stakeholders*

The Group continued to focus on the development of employees. Our Development Dialogues has been launched to promote People Development and clarity on roles and responsibility. We have developed and rolled out various additional trainings fostering development of various employment groups. In 2025, Nature Energy will start a leadership course for newly appointed leaders, which enable them to develop their team leadership skills.

Nature Energy will continue with the two graduate programs (Technocal and Commercial). Bringing in young talent and cooperate with educational institutions reamins key for us and our talent development appraoch.

The Group continues to introduce all new employees to the company's employee policies to ensure compliance of applicable rules and guidelines. As part of the expected integration with Shell, the policies and how they are made available to staff is currently reviewed. There is also an increase emphasize on ethics and compliance through mandatory training for all staff.

The People Survey in 2024 shows a decrease in the level of satisfaction and motivation among employees, which was expected due to the high level of change in the organization. Overall, we still see a strong foundation in various dimensions. Follow-up dialogues are conducted in all teams to discuss and understand the findings and define appropriate actions for improvement.

In 2024, we have done extensive work in preparing for the integration to Shell. Focus has been on aligning processes, policies, system, and employment setup. Staff are informed on a regular basis about the progress of integration.

In order to remain cost competitive, we have reviewed our organization, resulting in a 12% staff reduction in the first half of 2024. This has been a combination of voluntary and involuntary severance and includes consultants. Our voluntary employee turnover has been at a satisfying level (14,5%) for the full year.

## Management's review

### Statutory report on data ethics

Description of the entity's work with and policy for data ethical questions.

Section 99d of the Danish Financial Act requires larger companies, which have a policy for data ethics, to supplement the management commentary of the annual report with a report on data ethics.

Based on dialogue with stakeholders across the company, it was decided in 2022 to put in place a policy for data ethics to provide a framework for the company's activities within this area.

During 2023 the policy was implemented in the Nature Energy Group, we continued this work during 2024. Moreover, during 2024 Nature Energy Group transferred to Shell IT environment entailing even higher security.

The data ethics policy outlines that Nature Energy Group is committed to uphold transparency and openness concerning our use of personal and non-personal data. We acknowledge the importance of safeguarding people's personal data and we are committed to complying with all applicable personal data protection laws, including the Danish Financial Statements Act § 99d.

Nature Energy Group also sets high standards in relation to where we collect and store data in addition to how we use data.

Nature Energy Group will in 2025 initiate further development, analysis, and implementation of further mechanisms and compliance controls to facilitate our work with data ethics, herunder, use of new technologies e.g. as artificial intelligence (AI).

## Income statement

### 1 January 2024 - 31 December 2024

	<u>Note</u>	<u>2024</u> TDKK	<u>2023</u> TDKK
<b>Revenue</b>	1	<b>1,256,903</b>	<b>1,750,525</b>
Raw materials and consumables		-1,251,650	-1,692,522
Other external expenses		<u>-6,421</u>	<u>-8,927</u>
<b>Gross profit</b>		<b>-1,168</b>	<b>49,076</b>
Depreciation, amortisation and impairment of intangible assets	2	<u>-2,504</u>	<u>-2,504</u>
<b>Profit/loss before net financials</b>		<b>-3,672</b>	<b>46,572</b>
Financial income	3	1,056	613
Financial costs	4	<u>-19,924</u>	<u>-26,086</u>
<b>Profit/loss before tax</b>		<b>-22,540</b>	<b>21,099</b>
Tax on profit/loss for the year	5	<u>3,919</u>	<u>-4,642</u>
<b>Profit/loss for the year</b>		<b><u><u>-18,621</u></u></b>	<b><u><u>16,457</u></u></b>
Distribution of profit	6		

## Balance sheet at 31 December 2024

	Note	2024 TDKK	2023 TDKK
<b>Assets</b>			
Goodwill		1,044	3,548
<b>Intangible assets</b>	7	<b>1,044</b>	<b>3,548</b>
<b>Total non-current assets</b>		<b>1,044</b>	<b>3,548</b>
Trade receivables		218,264	304,172
Receivables from group enterprises		128,327	71,960
Other receivables		51	346
Deferred tax asset	8	6,305	872
<b>Receivables</b>		<b>352,947</b>	<b>377,350</b>
<b>Total current assets</b>		<b>352,947</b>	<b>377,350</b>
<b>Total assets</b>		<b>353,991</b>	<b>380,898</b>

## Balance sheet at 31 December 2024

	Note	2024 TDKK	2023 TDKK
<b>Equity and liabilities</b>			
Share capital		500	500
Retained earnings		60,391	79,012
<b>Equity</b>		<b>60,891</b>	<b>79,512</b>
Trade payables		29,393	51,744
Payables to group enterprises		208,160	244,916
Corporation tax		0	4,642
Other payables		907	84
Deferred income		54,640	0
<b>Total current liabilities</b>		<b>293,100</b>	<b>301,386</b>
<b>Total liabilities</b>		<b>293,100</b>	<b>301,386</b>
<b>Total equity and liabilities</b>		<b>353,991</b>	<b>380,898</b>
Contingent liabilities	9		
Fee to auditors appointed at the general meeting	10		
Significant events occurring after the end of the financial year	11		

## Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2024	500	79,012	79,512
Net profit/loss for the year	0	-18,621	-18,621
<b>Equity at 31 December 2024</b>	<b><u>500</u></b>	<b><u>60,391</u></b>	<b><u>60,891</u></b>

## Notes

	2024 <small>TDKK</small>	2023 <small>TDKK</small>
<b>1 Revenue</b>		
Geographical segments		
Sales, DK	623,648	919,438
Sales, Europe	633,255	831,087
<b>Total revenue</b>	<b>1,256,903</b>	<b>1,750,525</b>
The company only has one business segment.		
<b>2 Depreciation, amortisation and impairment of intangible assets</b>		
Depreciation intangible assets	2,504	2,504
	<b>2,504</b>	<b>2,504</b>
<b>3 Financial income</b>		
Other financial income	1,056	613
	<b>1,056</b>	<b>613</b>
<b>4 Financial costs</b>		
Financial expenses, group entities	18,801	22,426
Other financial costs	1,123	3,660
	<b>19,924</b>	<b>26,086</b>
<b>5 Tax on profit/loss for the year</b>		
Current tax for the year	0	4,642
Deferred tax for the year	-4,959	0
Adjustment of tax concerning previous years	1,514	551
Adjustment of deferred tax concerning previous years	-474	-551
	<b>-3,919</b>	<b>4,642</b>

## Notes

	<u>2024</u> TDKK	<u>2023</u> TDKK
<b>6 Distribution of profit</b>		
Retained earnings	-18,621	16,457
	<u><b>-18,621</b></u>	<u><b>16,457</b></u>
<b>7 Intangible assets</b>		<u>Goodwill</u>
Cost at 1 January 2024		17,531
Cost at 31 December 2024		17,531
Impairment losses and amortisation at 1 January 2024		13,983
Amortisation for the year		2,504
Impairment losses and amortisation at 31 December 2024		16,487
<b>Carrying amount at 31 December 2024</b>		<u><b>1,044</b></u>
Depreciated over		<u>7 years</u>

## Notes

	2024 TDKK	2023 TDKK
<b>8 Provision for deferred tax</b>		
Provision for deferred tax at 1 January 2024	-872	-321
Deferred tax recognised in income statement	-5,433	-551
<b>Provision for deferred tax at 31 December 2024</b>	<b>-6,305</b>	<b>-872</b>
<b>Deferred tax asset</b>		
Calculated tax asset	6,305	872
<b>Carrying amount</b>	<b>6,305</b>	<b>872</b>

The recognized tax asset consists primarily of different depreciation on intangible assets.

### 9 Contingent liabilities

The Group's Danish companies are jointly and severally liable for tax on the Group's jointly taxed income, etc. The administration company is NGF Denmark Holding ApS. Furthermore, the Group's Danish companies are jointly and severally liable for Danish taxes in the form of dividend tax and interest tax. Any subsequent corrections to corporate taxes may increase the the Company's commitment.

The Company has provided a guarantee of TEUR 100 to third-parties.

The Nature Energy Group has a cash pool agreement, under which Nature Energy Biogas A/S, is the holder of the agreement, while other group companies are sub-account holders. For Nature Energy Green Gas Sales A/S' intercompany balances, TDKK -114,183 are included in the joint cash pool agreement.

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

With reference to ÅRL § 96 para. 3 provides information on audit fees in the consolidated financial statement of Shell plc.

### 11 Significant events occurring after the end of the financial year

No significant events have occurred after the balance sheet date that have a significant impact on the assessment of the annual report.

## Accounting policies

The annual report of Nature Energy Green Gas Sales A/S for 2024 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 are consistent with those of last year.

The annual report for 2024 is presented in TDKK

### Basis of 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.

### Income statement

#### Segment information

Information is provided on geographical markets. The segment information is provided in consideration of the company's accounting policies, risks and management control.

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

## **Accounting policies**

### **Other external expenses**

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

### **Depreciation, amortisation and impairment of intangible assets and property, plant and equipment**

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets.

### **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 Danish group enterprises. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## **Balance sheet**

### **Intangible assets**

#### ***Goodwill***

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised over the expected economic life of the asset, measured by reference to management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 7 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

### **Impairment of fixed assets**

The carrying amount of intangible assets and other investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

## Accounting policies

### Receivables

Receivables are measured in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### Cash and cash equivalents

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

### Equity

#### Dividends

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### Income tax and deferred tax

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.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the assets are 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.

### Liabilities

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

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

## Accounting policies

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

### Cash flow statement

Pursuant to sections §86, of the Danish Financial Statements Act, no cash flow statement has been prepared for the company, as the company's cash flows are included in the consolidated cash flow statement.

### Financial Highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$