



Danish Sustainable Development Goals Investment Fund K/S

c/o Impact Fund Denmark
Fredericiagade 27
DK-1310 Copenhagen K
CVR No. 39585529

Annual report 2024

The Extra Ordinary General Meeting adopted
the annual report on 4 July 2025

Anne Cathrine Dahlgaard
Chairman of the Extra Ordinary General
Meeting

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Entity details

Entity

Danish Sustainable Development Goals Investment Fund K/S
c/o IFU
Fredericiagade 27
DK-1310 Copenhagen K
Denmark

Business Registration No.: 39585529
Registered office: Copenhagen
Financial year: 01.01.2024 – 31.12.2024

General partner

DSDG GP P/S

Manager of the Partnership

IFU – Investment Fund for Developing Countries

Management of DSDG GP P/S

Frederik Bjørn, Chairman
Lars Bo Bertram
Niels Gravgaard Laursen

Auditor

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-2300 Copenhagen S

Statement by Management on the annual report

The undersigned have today considered and approved the annual report of Danish Sustainable Development Goals Investment Fund K/S for the financial year 01.01.2024- 31.12.2024.

The annual report has been prepared in accordance with information required by relevant law and regulations.

It is our opinion that the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.24 – 31.12.2024.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 19.06.2025

[Management of DSDG GP P/S](#)

Frederik Bjørn
Chairman

Lars Bo Bertram

Søren Peter Andreasen

Management commentary

Operating review

The annual report of Danish Sustainable Development Goals Investment Fund K/S (DSDG) for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Main activity

In June 2018, the DSDG Fund was established as a public private partnership. Including a subsequent second close in December 2018, total capital committed to the DSDG Fund reached DKK 4,858 million. Ten institutional and private investors committed DKK 2,915 million and IFU committed DKK 1,943 million.

The purpose of the DSDG Fund is to undertake private sector investments in developing countries with a positive impact on the 17 UN Sustainable development Goals e.g. within renewable energy, agribusiness, industry and service, the financial sector and infrastructure including water and sanitation. Projects co-financed by the DSDG Fund must be commercially viable and offer an attractive return to its investors.

The DSDG Fund is managed by IFU.

DSDG's investment period ended in 2023. The fund can continue to make follow-up investments in projects in the active portfolio.

Financial review 2024

Due to the establishment of a wholly owned subsidiary to the DSDG Fund, the accounts include both consolidated group accounts and accounts for the parent company. The following comments are given for the group accounts.

The DSDG Fund recorded a net income of DKK 53 million in 2024 compared to a net income of DKK 298 million in 2023. At the gross level, the portfolio contributed with DKK 103m in 2024 compared to DKK 364m in 2023. Operating expenses in the form of management fees and other expenses were (48)m in 2024 against DKK (67)m in 2023.

Uncertainty regarding recognition and measurement

In preparing the financial statements, Management makes a number of estimates and assumptions of future events that will affect the carrying amount of assets and liabilities. The area where estimates and assumptions are most critical to the financial statements is the fair value measurement of share capital investments and the assessment of the need for specific allowances for impairment on project loans. The notes to the financial statements provide more details.

Events after the balance sheet date

No events have occurred after the balance sheet date, which have materially affected the DSDG Fund's financial position.

Independent auditor's report

To the limited partners of Danish Sustainable Development Goals Investment Fund K/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Danish Sustainable Development Goals Investment Fund K/S for the financial year 01.01.2024 – 31.12.2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 01.01.2024 – 31.12.2024 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 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 company 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 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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. 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's commentary](#)

Management is responsible for the Management's commentary.

Our opinion on the financial statements does not cover the Management's 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's review and, in doing so, consider whether the Management's commentary 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 the Management's commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the Management's 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's commentary.

Copenhagen, 19.06.2025

Deloitte
Statsautoriseret revisionspartnerselskab
CVR no. 33 96 35 56

Jens Ringbæk
State Authorised Public Accountant
Identification No (MNE) mne27735

Lars Hillebrand
State Authorised Public Accountant
Identification No (MNE) mne26712

Income statement for 2024

	Notes	Group		Parent company	
		2024 DKK'000	2023 DKK'000	2024 DKK'000	2023 DKK'000
Interest income		29,479	39,081	27,207	25,798
Income from investments in portfolio companies		13,817	26,402	57,992	12,977
Realised gains/(losses) from financial assets at fair value		23,535	(38,923)	1,927	(41,244)
Net increase/(decrease) in unrealised gains/(losses) from financial assets at fair value		33,803	336,969	48	226,352
Realised gains/(losses) from financial assets at fair value		2,261	75	2,068	75
Operating income/(loss)		102,896	363,604	89,242	223,958
Other operating expenses		(48,041)	(66,602)	(44,654)	(63,519)
Operating expenses		(48,041)	(66,602)	(44,654)	(63,519)
Operating income/(loss) (EBIT)		54,855	297,002	44,587	160,440
Financial income		1,246	9,653	654	9,468
Financial expenses		(3,037)	(8,673)	(2,393)	(1,337)
Profit/loss before tax		(1,791)	980	(1,739)	8,131
Increase / (decrease) in net assets attributable to Limited Partners		53,064	297,982	42,848	168,570
Net profit/loss for the year		53,064	297,982	42,848	168,570

The net profit/loss for the year has been transferred to equity.

Balance sheet at 31.12.2024

Assets

	Notes	Group		Parent company	
		2024 DKK'000	2023 DKK'000	2024 DKK'000	2023 DKK'000
Investments	3	3,216,412	2,954,683	2,489,503	2,210,227
Loans	4	440,289	194,517	411,645	167,469
Investments in subsidiaries		0	0	496,040	496,040
Loan to DSDG Holding ApS		0	0	0	33,500
Total non-current assets		3,656,701	3,149,199	3,397,189	2,907,236
Other receivables		25,476	53,568	21,989	53,826
Prepayments		11,725	11,522	11,725	11,522
Cash		8,959	13,073	7,073	138
Total current assets		46,159	78,164	40,787	65,487
Total assets		3,702,860	3,227,363	3,437,975	2,972,723

Equity and liabilities

	Notes	Group		Parent company	
		2024 DKK'000	2023 DKK'000	2024 DKK'000	2023 DKK'000
Limited partnership capital		3,856,833	3,433,624	3,856,833	3,433,624
Distributions		(649,380)	(574,753)	(649,380)	(574,753)
Retained earnings		389,758	336,694	125,119	82,270
Total equity		3,597,211	3,195,565	3,332,572	2,941,141
Provisions for losses					
Guarantees and loan commitments		139	1,934	0	1,762
Drawn on bank credit facility		82,624	13,781	82,624	13,781
Other payables		7,162	359	7,055	314
Total current liabilities		89,785	14,140	89,679	14,095
Other payables		15,725	15,725	15,725	15,725
Total non-current liabilities		15,725	15,725	15,725	15,725
Total liabilities		105,510	29,865	105,404	29,820
Total equity, provisions for losses and liabilities		3,702,860	3,227,363	3,437,975	2,972,723

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Statement of changes in equity for 2024

	Group		Parent company	
	2024	2023	2024	2023
	DKK'000	DKK'000	DKK'000	DKK'000
Limited partnership capital beginning of year	3,433,624	2,499,607	3,433,624	2,499,607
Contributions from Limited Partners	423,210	934,017	423,210	934,017
Limited partnership capital end of year	3,856,833	3,433,624	3,856,833	3,433,624
Limited partnership capital	3,856,833	3,433,624	3,856,833	3,433,624
Distributions beginning of year	(574,753)	(111,719)	(574,753)	(111,719)
Distributions to Limited Partners	(74,628)	(463,034)	(74,628)	(463,034)
Distributions end of year	(649,380)	(574,753)	(649,380)	(574,753)
Total capital end of year, net	3,207,711	2,858,871	3,207,453	2,858,871
Retained earnings beginning of year	336,694	38,712	82,270	(86,300)
Establishment expenses	0	0	0	0
Transferred from net income for the year	53,064	297,982	42,848	168,570
Retained earnings end of year	389,758	336,694	125,119	82,270
Total equity end of year	3,597,211	3,195,565	3,332,572	2,941,141

At 31 December 2024, the investors had paid in DKK 3,857 million corresponding to 79% of the capital commitment of DKK 4,858 million. Thus, the remaining commitment is DKK 1,002 million.

Accounting policies

Accounting Policies

The annual report of Danish Sustainable Development Goals Investment Fund K/S (DSDG) for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The financial statements have been prepared in accordance with the same accounting policies as last year, except that 'Undisbursed commitments' have been removed from the balance sheet, both from assets and liabilities. These commitments are now presented in the notes to provide a more accurate representation of the company's financial obligations.

The financial statements are presented on the basis of going concern.

Presentation and classification

To better reflect DSDG's activities, the presentation of the income statement and balance sheet as well as the order of the line items in the income statement deviate from the standard tables in the Danish Financial Statements Act. By presenting the primary statements on the basis of DSDG's special character as a limited partnership (long-term investments), the financial statements hereby provide the reader with the best possible clarity of DSDG's activities. The deviation is in accordance with section 23(4) of the Danish Financial Statements Act.

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company, DSDG K/S, and the subsidiary controlled by DSDG K/S.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing whether the Parent Company controls an entity, de facto control is also taken into consideration.

The existence of potential voting rights that may currently be exercised or converted into additional voting rights is considered when assessing whether an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Significant influence

Entities over whose financial and operating decisions the Group can exercise significant influence are classified as associates. Significant influence is deemed to exist when the Parent Company holds or controls, directly or indirectly, more than 20% of the voting rights of an entity but does not control it.

The existence of potential voting rights that may currently be exercised or converted into voting rights is considered when assessing whether significant influence exists.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiary's financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The subsidiary's financial statement items are included 100% in the consolidated financial statements. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

Acquisitions and disposals of non-controlling interests that are still controlled are recognised directly in equity as a transaction between shareholders.

Share capital investments where DSDG has significant influence (typically 20-50 per cent of the voting rights) are associates and are accounted for as share capital investments.

Recognition and measurement

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

Liabilities are recognised in the balance sheet when DSDG 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 DSDG, and the value of the liability can be measured reliably.

On initial recognition, financial assets and liabilities are measured at fair value, which is generally equivalent to cost. Adjustment subsequent to initial recognition is affected as described below for each item.

In accordance with Section 37 (5) in the Danish Financial Statements Act, DSDG applies the International Financial Reporting Standards (IFRS) as regards measurement of financial assets and financial liabilities (IFRS 9) and related disclosures (IFRS 7).

Information brought to DSDG's attention before the time of finalising the presentation of the annual report that evidence affairs and conditions existing at the balance sheet date is taken into consideration at recognition and measurement.

Income other than value adjustments is recognised in the income statement when earned, just as costs are recognised by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recognised in the income statement as value adjustments.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price, without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances.

For assets and liabilities that are measured at fair value on a recurring basis, DSDG identifies transfers to and from the three levels of the fair value hierarchy by re-assessing the categorisation and deems transfers to have occurred at the beginning of each reporting period.

Foreign currency adjustment

Foreign currency transactions are initially recognised in DKK using the exchange rate at the transaction date. Loans, receivables, payables and other monetary items denominated in foreign currencies which have not been settled at the balance sheet date are converted into DKK using the exchange rate at the balance sheet date. All exchange rate adjustments, including those that arise at the payment date, are recognised in the income statement as contribution from investments or financial income and financial expenses, depending on their nature.

Non-monetary items

Monetary balance sheet items are translated at the exchange rates prevailing at the balance sheet date, whereas non-monetary items are translated at transaction date rates.

Income statement

Contribution from investments

Contribution from investments consists of contribution from share capital investments, project loans and contribution from binding commitments on loans.

Contribution from share capital investments includes declared dividends (after tax), contributions from divested share capital investments and value adjustments in relation to the outstanding portfolio at year-end.

Contribution from loans includes interest, value adjustments, including provisions for impairment, exchange rate adjustments in relation to the portfolio and other value adjustments, principally of interest receivables.

Other operating expenses

The Investment Fund for Developing Countries (IFU) manages the administration and accounting of the Company. Operating expenses, net, comprise fees to the Manager and external costs.

Financial income, net

Financial income, net, comprises interest income on cash, interest expenses, exchange rate adjustments on cash and bank charges.

Tax for the year

As a limited partnership, DSDG is not an independent entity liable to taxation, which is why no current or deferred tax has been recognised in the financial statements. DSDG's profit/loss is taxed at the partners of this limited partnership in accordance with applicable taxation rules.

Balance sheet

Share capital investments in projects

Share capital investments are recognised when they are disbursed. Share capital investments are measured at fair value both at initial recognition and throughout the investment period with changes recognised through profit or loss as contribution from share capital investments.

Share capital investments where DSDG has significant influence are associates and are accounted for as share capital investments.

Project loans

Project loans are designated as loans and receivables and are recognised when they are disbursed. Project loans are initially recognised at fair value and are subsequently measured at amortised cost less any allowance for impairment.

The allowance for impairment is measured in accordance with IFRS 9 by applying the simplified approach, whereby the expected loss in the remaining life of the loan is recognised irrespective of whether the loan is allocated to stage 3 (credit impaired), stage 2 (significant increase in credit risk) or stage 1 (all other loans).

The expected loss is measured loan by loan by applying an estimated loss percentage based on IFU's past experience, current expectations and internal rating of the individual project loans.

Provisions for losses on guarantees and loan commitments are calculated in the same way as the allowance for impairment of project loans.

Impaired project loans, together with the associated allowance amount, are written off when there is no realistic prospect of future recovery, and all collateral has been realised or has been transferred to DSDG. If a previous write-off is later recovered, the recovery is credited to "Contribution from project loans and guarantees".

Investments in subsidiaries

Investments in subsidiaries are included in the balance sheet at cost less accumulated impairment losses.

Other receivables

Other receivables include interest receivables on loans, other project related receivables and administrative receivables.

Interest receivables related to investments and other receivables are designated as receivables and are recognised over the period when they are earned. Interest receivables related to investments and other receivables are recognised at nominal value less any allowance for impairment.

Current liabilities

Current liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Current liabilities primarily consist of payable management fees.

Contingent liabilities

Undisbursed commitments to investments comprise undisbursed contractual commitments and binding commitments not yet contracted. The existence of such liabilities will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within DSDG's control.

Notes

1 Contingent liabilities and other financial obligations

DSDG has entered into the following commitments to investments:

	Group	
	2024 DKK'000	2023 DKK'000
Undisbursed contracted commitments	249,550	605,242
Guarantees	4,200	3,966
Binding commitments	111,240	111,240
Total undisbursed to investments	364,990	720,448

	Parent company	
	2024 DKK'000	2023 DKK'000
Undisbursed contracted commitments	212,336	570,086
Guarantees	0	0
Binding commitments	0	0
Total undisbursed to investments	212,336	570,086

DSDG has signed a management agreement with IFU, whereby IFU performs administration, monitoring and investment advice for DSDG. The management agreement cannot be cancelled. For 2024, the payment amounts to DKK 41,456 thousand incl. VAT.

2 Related parties and ownership

The following are recorded in DSDG's register of limited partners:

- Pensionskassen for Sygeplejersker og Lægesekretærer
- Pensionskassen for Sundhedsfaglige
- Pensionskassen for Socialrådgivere, Socialpædagoger og Kontorpersonale
- Pensionskassen for Farmakonomer
- PensionDanmark Pensionsforsikringsaktieselskab
- PFA Pension, forsikringsaktieselskab
- Arbejdsmarkedets Tillægspension
- P+, Pensionskassen for Akademikere
- PenSam Pension Forsikringsaktieselskab
- Jabami ApS
- Webco Invest ApS
- Futura Shipping og Invest ApS
- SEB Pension och Forsakring AB (FOP3)
- SEB Pension och Forsakring AB (FOP4)
- Secure SDG Fund K/S
- Chr. Augustinus Fabrikker Akts.
- IFU

Other related parties:

- DSDG GP P/S
- DSDG GP Komplementar ApS
- DSDG Holding ApS

3 Investments

	Group		Parent company	
	2024	2023	2024	2023
	DKK'000	DKK'000	DKK'000	DKK'000
Cost at beginning of year	2,447,512	1,679,199	1,948,899	1,138,897
Additions for the year	336,920	847,159	336,920	847,159
Disposal	(51,392)	(78,846)	0	(37,157)
Cost at 31 December	2,733,040	2,447,512	2,285,820	1,948,899
Accumulated value adjustment at beginning of year	507,171	181,303	261,328	51,752
Value adjustments	(23,799)	325,868	(57,644)	209,576
Accumulated value adjustment end of year	483,372	507,171	203,684	261,328
Carrying amount at 31 December	3,216,412	2,954,683	2,489,503	2,210,227
Hereof associated companies:				
Share capital investment in projects end of year, at cost	200,086	757,697	136,918	63,167
Accumulated value adjustments end of year	173,030	816,261	138,287	43,586
	373,115	1,573,958	275,206	106,753

3 Investments

Associated companies – Group

Name	Domicile	Form of company:	DSDS group ownership interest (%)	Profit/loss	According to the latest approved annual report	
					Equity	
Better Energy Energo P/S	Denmark	P/S	41.30%	(2,448)	48,358	
JMC Power Europe B.V.	Netherlands	B.V.	24.50%	361,037	1,445,441	
Viaduto Soluções Logísticas S.A. and Subsidiaries	Brazil	FIP fund	38.90%	7,453	166,365	
Beauty Noble Limited	Virgin Islands	Ltd.	21,98%	132,541	443,282	
DCDC Health Services Pvt. Ltd.	India	Ltd.	40.88%	1,726	100,193	
Brompton Holdco Limited	United Kingdom	Ltd.	48.60%	(27,075)	393,032	
Bright Exchange Inc	Mexico	Inc.	30.71%	N/A	N/A	
AUGMENT BRAZIL FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTIESTRAS	Brazil	FIP fund	32.78%	(580,531)	226,376	

*) DSDG has joint control through Joint Venture Agreement.

Associated companies – Parent company

Name	Domicile	Form of company:	DSDS's ownership Interest (%)	Profit/loss	According to the latest approved annual report	
					Equity	
Better Energy Energo P/S	Denmark	P/S	41.30%	(2,448)	48,358	
Viaduto Soluções Logísticas S.A. and Subsidiaries	Brazil	FIP fund	38.90%	7,453	166,365	
Beauty Noble Limited	Virgin Islands	Ltd.	21,98%	132,541	443,282	
DCDC Health Services Pvt. Ltd.	India	Ltd.	40.88%	1,726	100,193	
Brompton Holdco Limited	United Kingdom	Ltd.	48.60%	(27,075)	393,032	
Bright Exchange Inc	Mexico	Inc.	30.71%	N/A	N/A	
AUGMENT BRAZIL FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTIESTRAS	Brazil	FIP fund	32.78%	(580,531)	226,376	

4 Loans

	Group		Parent company	
	2024	2023	2024	2023
	DKK'000	DKK'000	DKK'000	DKK'000
Loans				
Cost at beginning of year	175,610	157,759	148,563	67,439
Additions for the year	182,880	148,872	182,880	148,872
Conversions	10,528	537	10,528	537
Repayments	0	(132,175)	0	(69,640)
Exchange rate adjustments	4,762	617	3,165	1,355
Cost at 31 December	373,779	175,610	345,136	148,563
Accumulated value adjustments incl. allowance for impairment				
beginning of year	18,907	5,249	18,906	(364)
Value adjustments including allowance for impairment for the year	47,604	13,658	47,604	19,270
Accumulated value adjustments incl. allowance for impairment end of year	66,510	18,907	66,510	18,906
Carrying amount at 31. December	440,289	194,517	411,645	167,469
Herof project loans at amortised cost:				
Project loans at amortised cost end of year at cost	129,230	94,659	100,587	67,612
Accumulated allowance end of year	(16,636)	(1,331)	(16,637)	(1,332)
	112,594	93,328	83,950	66,280
Herof project loans at fair value:				
Project loans at fair value end of year at cost	244,549	80,951	244,549	80,951
Accumulated allowance end of year	83,147	20,238	83,147	20,238
	327,695	101,189	327,695	101,189

5 Financial risk management

Introduction

Through investments, DSDG is exposed to financial risks such as equity and credit risk on investments, currency risk, interest rate risk and liquidity risk.

cur-

A number of limits have been established to avoid excessive concentration of risks, and through its investment policy and due diligence procedures, DSDG further seeks to identify and mitigate the equity and credit risk.

6 Equity and credit risks

Equity risk

Equity risk arises from changes in the fair values of share capital investments in projects.

Credit risk

Credit risk is the risk that DSDG will incur a financial loss due to a counterparty not fulfilling its obligations. These credit exposures occur from project loans and other transactions.

Managing equity and credit risks

At the portfolio level, DSDG mitigates equity and credit risks by investing in a variety of countries and by limiting investments in a single project.

DSDG assesses the concentration of risk on the basis of total commitments to the Fund. Furthermore, DSDG assesses, through the due diligence process, the specific risks for each share capital investment and seeks to mitigate associated equity risks. All investments are evaluated commercially against a benchmark return reflecting the specific risks associated with each particular investment, e.g. in terms of country, leverage and sector.

DSDG

and seeks to

For some of DSDG's share capital investments, DSDG has the opportunity to sell the shares through pre-agreed exit agreements. In this way, DSDG mitigates the risk of not being able to exit the investments. See note 14 for fair value measurement basis.

On an ongoing basis, the credit quality of the projects is assessed based on among other things:

- Specific terms as agreed
- Current and expected operational results of the Company
- Expected sales value and pledges, if any
- Historical records of debt service

Credit quality/impairment

All outstanding project loans have been classified into three stages:

- Stage 1 includes project loans with no credit deterioration and no specific allowance for impairment. The allowance for impairment according to IFRS 9 is based on IFU's historical annual credit loss.
- Stage 2 includes project loans where payments are delayed with more than 30 days at the end of year, but without specific allowance for impairment.
- Stage 3 includes project loans with only specific allowance for impairment.

Group

The table below shows the project loans at cost according to stages.

	2024 DKK'000	2023 DKK'000
Project loans (stage 1)	129,230	94,659
Project loans (stage 2)	0	0
Total	129,230	94,659

Parent company

The table below shows the project loans at cost according to stages.

	2024 DKK'000	2023 DKK'000
Project loans (stage 1)	100,587	67,413
Project loans (stage 2)	0	0
Total	100,587	67,413

7 Currency risk

Currency risk is the risk that the value of a financial instrument fluctuates due to changes in foreign exchange rates.

DSDG is exposed to currency risk through its investments that are denominated in currencies other than the functional currency (DKK). DSDG does not hedge currency exposure in share capital investments, as the timing of cash flow is uncertain, and investments are typically exposed to local currencies where hedging costs are normally very high. By way of operation, some investments may have a natural built-in hedge, e.g. export-oriented businesses. Normally, DSDG does not hedge commitments to disburse either, as timing and amounts are often difficult to foresee.

8 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

None of DSDG's investments in project loans carry variable interbank interest rates, thus changes in interest rates will not affect future cash flows and income.

Interest rate exposure and sensitivity

The annual effect of changes in the interest rate only affects the fair value of fixed rate loans.

9 Liquidity risk

Liquidity risk is defined as the risk that DSDG will encounter difficulty in meeting financial obligations.

DSDG's primary exposure to liquidity risk arises from commitments to disburse share capital investments.

To meet these and other obligations, DSDG depends on its limited partners being able to honour their commitments to DSDG. A DKK 200 million credit facility is in place to cover unexpected negative short-term fluctuations in cash flows. At year-end, DKK 200 million was available for drawing.

For information on commitments from the limited partners, see note 1.

10 Classification of financial instruments

The following table provides a reconciliation between line items in the balance sheet and categories of financial instruments.

Group
2023

	Designated at fair value through profit and loss DKK'000	Loans and receivables at amortised cost DKK'000	Loans and receivables at fair value DKK'000	Other liabilities at amortised cost DKK'000	Total DKK'000
Financial assets					
Share capital investment in projects	3,216,412	0	0	0	3,216,412
Project loans	0	112,594	327,695	0	440,289
Interest receivable related to projects	0	17,214	0	0	17,214
Other receivables	0	19,986	0	0	19,986
Cash and cash equivalents	0	8,959	0	0	8,959
Total financial assets	3,216,412	158,753	327,695	0	3,702,860
Financial liabilities					
Current liabilities:					
Other current liabilities	0	0	0	14,140	14,140
Total financial liabilities	0	0	0	14,140	14,140

Group
2023

	Designated at fair value through profit and loss DKK'000	Loans and receivables at amortised cost DKK'000	Loans and receivables at fair value DKK'000	Other liabilities at amortised cost DKK'000	Total DKK'000
Financial assets					
Share capital investment in projects	2,954,683	0	0	0	2,954,683
Project loans	0	93,328	101,189	0	194,517
Interest receivable related to projects	0	3,609	0	0	3,609
Other receivables	0	61,482	0	0	61,482
Cash and cash equivalents	0	13,073	0	0	13,073
Total financial assets	2,954,683	171,492	101,189	0	3,227,364
Financial liabilities					
Current liabilities:					
Other current liabilities	0	0	0	2,263	2,263
Total financial liabilities	0	0	0	2,263	2,263

The carrying amount of project loans with fixed interest terms amounts to DKK 440 million (2023: 195 million). The fair value of these project loans amount to DKK 444 million (2023: DKK 195 million) measured as the net present value of the future cash flow. The inputs used to measure the fair value for project loans are all level 2 inputs in the fair value hierarchy, for more information see disclosure on fair value measurement, note 14. For other loans and receivables and other liabilities, the carrying amount is measured at amortised cost.

Parent company 2023	Designated at fair value through profit and loss DKK'000	Loans and receivables at amortised cost DKK'000	Loans and receivables at fair value DKK'000	Other liabilities at amortised cost DKK'000	Total DKK'000
Financial assets					
Share capital investment in projects	2,489,503	0	0	0	2,210,227
Project loans	0	83,950	327,695	0	167,469
Interest receivable related to projects	0	17,214	0	0	436
Other receivables	0	16,499	0	0	64,912
Cash and cash equivalents	0	7,073	0	0	138
Total financial assets	2,489,503	124,736	327,695	0	2,941,935
Financial liabilities					
Current liabilities:					
Other current liabilities	0	0	0	14,095	14,095
Total financial liabilities	0	0	0	14,095	14,095

Parent company 2023	Designated at fair value through profit and loss DKK'000	Loans and receivables at amortised cost DKK'000	Loans and receivables at fair value DKK'000	Other liabilities at amortised cost DKK'000	Total DKK'000
Financial assets					
Share capital investment in projects	2,210,227	0	0	0	2,210,227
Project loans	0	66,280	101,189	0	167,469
Interest receivable related to projects	0	436	0	0	436
Other receivables	0	64,912	0	0	64,912
Cash and cash equivalents	0	138	0	0	138
Total financial assets	2,210,227	131,767	101,189	0	2,443,183
Financial liabilities					
Current liabilities:					
Other current liabilities	0	0	0	2,192	2,192
Total financial liabilities	0	0	0	2,192	2,192

The carrying amount of project loans with fixed interest terms amounts to DKK 412 million (2023: 167 million). The fair value of these project loans amount to DKK 420 million (2023: DKK 171 million) measured as the net present value of the future cash flow. The inputs used to measure the fair value for project loans are all level 2 inputs in the fair value hierarchy, for more information see disclosure on fair value measurement, note 14. For other loans and receivables and other liabilities, the carrying amount is measured at amortised cost.

11 Fair value measurement basis

The calculation of fair value is based on a fair value hierarchy that reflects the level of judgement associated with the inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly or indirectly.
- Level 3 inputs are unobservable inputs that have been applied in valuing the respective assets or liabilities.

In the following sections, a short description of the overall principle for DSDG's calculation of fair value is provided. For all investments, the value determined by using the methods described below will be adjusted, if considered necessary and appropriate, by taking the following factors into account:

1. Current and expected operating results of the project company
2. Risk of remittance, if any
3. Specific circumstances relating to the partners, project, country, region and/or sector
4. Current market conditions
5. Tax issues

Share capital investments

All of DSDG's fair value estimates are based on unobservable market data (level 3). Investments are valued as follows:

- In the initial phase, all investments are valued at cost price less any impairment adjustment, as this is deemed to provide a good indication of fair value. Hereafter, investments will be valued at either the Discounted Cash Flow method (DCF), by earnings multiple if appropriate and reliable transaction/earnings multiples are available, or by the net assets methodology, if appropriate.
- If during the 12-month period prior to the reporting date DSDG has received a binding offer in writing from a third party or a significant transaction has taken place, the shares will normally be valued based on the offer or the recent transaction.

The following general assumptions are applied when performing DCF or earnings multiple calculations:

- For DCF calculations, budgets and forecasts for the investments form the basis for the valuation.
- A weighted average cost of capital based on the cost of equity and the cost of debt weighted by the targeted financial leverage from the industry. Growth in terminal period is based on the estimated long-term inflation rate of the country.
- An illiquidity discount is applied and other specific adjustments may be applied where relevant for both DCF and earnings multiple calculations.

Valuing private investments in developing countries at fair values involves a large inherent uncertainty. Due to these uncertainties, a degree of caution is applied when exercising judgements and making the necessary estimates.

Some share capital investments include a pre-agreed exit agreement. In these cases, the value of the exit agreements is taken into consideration as part of the fair value calculation. Investments valued according to exit agreements are disclosed in the table below together with investments valued based on a recent binding offer or transaction.

Project loans

Project loans, which do not meet the "SPPI" test (solely payments of principal and interest), e.g. loans which include equity features such as profit participation or equity conversion options, are measured at fair value.

In the initial phase all loans valued at cost price less any impairment adjustment, as this is deemed to provide a good indication of fair value. Hereafter loans will be valued by the DCF method based on updated assumptions for future cash flow including equity features.

Valuing project loans in developing countries at fair value involves a large inherent uncertainty. For smaller project loans (cost price of loan below DKK 25 million) uncertainties are deemed to be even higher and therefore these will be valued at amortised cost less an allowance for impairment. These project loans constitute a minor part of IFU's portfolio.

Fair value measurements and reconciliation

The following table shows financial instruments recognised at fair value by level in the fair value hierarchy and a reconciliation of all movements in the fair value of items categorised within level 3.

Group	Level 1	Level 2	Level 3	Total
2024	DKK'000	DKK'000	DKK'000	DKK'000
Share capital investments				
Opening balance	334,247	0	2,620,436	2,954,683
Transfers out of the level	0	0	0	0
Transfers into the level	0	0	0	0
Total gains/losses for the period included in profit or loss	¹ (40,030)	0	16,230	(23,799)
Paid-in share capital in projects	0	0	336,920	336,920
Disposal	0	0	(51,392)	(51,392)
Closing balance	294,218	0	2,922,194	3,216,412
Project loans at fair value				
Opening balance	0	101,189	0	101,189
Transfers into the level	0	0	0	0
Transfers out of the level	0	0	0	0
Exchange rate adjustments	0	3,103	0	3,103
Total gains/losses for the period included in profit or loss	0	0	0	0
Disbursement of project loans	0	62,909	0	62,909
Disposal	0	160,495	0	160,495
Closing balance		327,695	0	327,695
Total recurring fair value measurements	294,218	327,695	2,922,194	3,544,107
Group				
2023	Level 1	Level 2	Level 3	Total
	DKK'000	DKK'000	DKK'000	DKK'000
Share capital investments				
Opening balance	0	14,714	1,845,788	1,860,502
Transfers out of the level	0	(14,714)	0	(14,714)
Transfers into the level	0	0	14,714	14,714
Total gains/losses for the period included in profit or loss	¹ 134,099	0	191,769	325,868
Paid-in share capital in projects	200,148	0	647,011	847,159
Disposal	0	0	(78,846)	(78,846)
Closing balance	334,247	0	2,620,436	2,954,683
Project loans at fair value				
Opening balance	0	0	0	0
Transfers into the level	0	0	0	0
Transfers out of the level	0	0	0	0
Exchange rate adjustments	0	(806)	0	(806)
Total gains/losses for the period included in profit or loss	¹ 0	0	0	0
Disbursement of project loans	0	20,238	0	20,238
Repayment during the year	0	81,757	0	81,757
Closing balance	0	101,189	0	101,189
Total recurring fair value measurements	334,247	101,189	2,620,436	3,055,871

Parent company

2024	Level 1 DKK'000	Level 2 DKK'000	Level 3 DKK'000	Total DKK'000
Share capital investments				
Opening balance	334,247	0	1,875,980	2,210,227
Transfers out of the level	0	0	0	0
Transfers into the level	0	0	0	0
Total gains/losses for the period included in profit or loss	¹ (40,030)	0	(17,615)	(57,644)
Paid-in share capital in projects	0	0	336,920	336,920
Disposal	0	0	0	0
Closing balance	294,218	0	2,195,286	2,489,503
Project loans at fair value				
Opening balance	0	101,189	0	101,189
Transfers into the level	0	0	0	0
Transfers out of the level	0	0	0	0
Exchange rate adjustments	0	3,103	0	3,103
Total gains/losses for the period included in profit or loss	0	0	0	0
Disbursement of project loans	0	62,909	0	62,909
Disposal	0	160,495	0	160,495
Closing balance		327,695	0	327,695
Total recurring fair value measurements	294,218	327,695	2,195,286	2,817,199

Parent company

2023	Level 1 DKK'000	Level 2 DKK'000	Level 3 DKK'000	Total DKK'000
Share capital investments				
Opening balance	0	14,714	1,175,935	1,190,649
Transfers out of the level	0	(14,714)	0	(14,714)
Transfers into the level	0	0	14,714	14,714
Total gains/losses for the period included in profit or loss	¹ 134,099	0	75,477	209,576
Paid-in share capital in projects	200,148	0	647,011	847,159
Disposal	0	0	(37,157)	(37,157)
Closing balance	334,247	0	1,875,980	2,210,227
Project loans at fair value				
Opening balance	0	0	0	0
Transfers into the level	0	0	0	0
Transfers out of the level	0	0	0	0
Exchange rate adjustments	0	(806)	0	(806)
Total gains/losses for the period included in profit or loss	0	20,238	0	20,238
Disbursement of project loans	0	81,757	0	81,757
Disposal	0	0	0	0
Closing balance		101,189	0	101,189
Total recurring fair value measurements	334,247	101,189	1,875,980	2,311,416

Group
2024

Type of investment	Fair value at 31.12.2024 DKK'000	Valuation technique	Unobservable inputs	Reasonable possible DKK'000	Change in fair value
Investments	0	Cost			
	469,758	Binding offers/ transactions/exit terms			
	274,895	Quoted prices			
	1,807,344	Discounted cash flow	WACC	+10	(247,692)
			Growth in termial value	-20	(60,501)
	320,362	Multiple valuation	EV/EBITDA	-10	(70,500)
			Price/Book	-10	0
	49,835	Net asset value			
Share capital					
Investments	2,922,194				
Project loans at fair value	327,695	Discounted cash flow	Discount rate	+10	0
Total investment at fair value	3,249,889				

Parent company
2024

Type of investment	Fair value at 31.12.2023 DKK'000	Valuation technique	Unobservable inputs	Reasonable possible DKK'000	Change in fair value
Investments	0	Cost			
		Binding offers/ transactions/exit terms			
	379,956				
	274,895	Quoted prices			
	1,170,237	Discounted cash flow	WACC	+10	(219,480)
			Growth in termial value	- 20	(60,501)
	320,362	Multiple valuation	EV/EBITDA	-10	(21,732)
			Price/Book	-10	0
	49,835	Net asset value			
Share capital investments	2,195,285				
Project loans at fair value	0	Discounted cash flow	Discount rate	+10	0
Total investment at fair value	2,195,285				