

**THE INVESTMENT FUND FOR CENTRAL AND EASTERN EUROPE  
(IØ)**

**ANNUAL REPORT 2023**

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## STATEMENT BY THE MANAGEMENT ON THE ANNUAL REPORT

The executive management and the board of directors have today considered and approved the annual report of the Investment Fund for Central and Eastern Europe (IØ) for the financial year 1 January – 31 December 2023.

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

In our opinion, the annual report gives a true and fair view of IØ's financial position as per 31 December 2023 and of the results of IØ's operations and cash flows for 2023.

Further, it is our opinion that business procedures and internal controls have been set up to ensure that the transactions covered by the financial statements comply with the appropriations granted, legislation and other regulations and with agreements entered into and usual practice; and that due financial consideration has been taken of the management of funds and operations covered by the financial statements.

It is further our opinion that the Management's Review includes a true and fair account of the development in the operations and financial circumstances of the fund of the results for the year and the financial position of IØ.

We believe that the management commentary is prepared in accordance with relevant laws and regulations and contains a fair review of the affairs and conditions referred to therein.

Copenhagen, 12 April 2024

### **Executive management:**

Søren Peter Andreasen, Acting CEO  
Lars Krogsgaard, CIO

### **Board of directors:**

Michael Rasmussen, Chairman  
Anette Eberhard, Deputy Chairman  
Thomas Bustrup  
Emilie Agner Damm  
Nanna Hvidt  
Hanna Line Jakobsen  
Jarl Krausing  
Irene Quist Mortensen

## INDEPENDENT AUDITOR'S REPORT

### To the Board of directors of the Investment Fund for Central and Eastern Europe (IØ)

#### Report on the financial statements

##### Opinion

We have audited the financial statements of IØ for the financial year 1 January to 31 December 2023, 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 IØ's financial position at 31 December 2023 and of the results of its operations and cash flows for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark as well as the public auditing standards as the audit is performed based on the Articles of Association of IØ. 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 IØ in accordance with the International Ethics Standards Board for Accountants' 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 IØ'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 IØ 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 as well as the public auditing standards, as the audit is performed based on the Articles of Association of IØ, 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 in accordance with ISAs and the additional requirements applicable in Denmark as well as the public auditing standards, as the audit is performed based on the Articles of Association of IØ, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk 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 IØ'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 IØ'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 IØ 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's review**

Management is responsible for the Management's review.

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

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

## **Report on other legal and regulatory requirements**

### **Statement on compliance audit and performance audit**

Management is responsible for ensuring that the transactions covered by the financial statements are in accordance with appropriations granted, laws and other regulations, and with agreements entered into and usual practice, and for ensuring that sound financial management is exercised in the administration of the funds and the operation of the activities covered by the financial statements. Management is also responsible for setting up systems and processes supporting financial prudence, productivity and efficiency.

As part of our audit of the financial statements, it is our responsibility to perform compliance audit procedures and performance audit procedures on selected subject matters in accordance with the public auditing standards. In our compliance audit, we test the selected subject matters to obtain reasonable assurance about whether the examined transactions covered by the financial statements comply with the relevant provisions of appropriations, laws and other regulations, and with agreements entered into and usual practice. In our performance audit, we make an assessment to obtain reasonable assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and the operation of the activities covered by the financial statements.

If, based on the procedures performed, we conclude that material critical comments should be made, we are required to report this in this statement.

We have no material critical comments to report in this connection.

Copenhagen, 12 April 2024

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Business Registration No. 33 96 35 56

Jens Ringbæk  
State-Authorised Public Accountant  
Identification number (MNE): mne27735

Lars Hillebrand  
State-Authorised Public Accountant  
Identification number (MNE): mne26712

## Management's review

### MAIN ACTIVITIES

IØ recorded a net loss of DKK(0.1)m in 2023.

In 2010, the Danish government decided that the phasing out of IØ should be accelerated by increasing the capital extraction from IØ. As a result, the last new direct project investment was contracted by IØ in 2011.

At the end of 2023, IØ had co-financed a total of 408 projects in 18 countries. Of these, IØ was still participating in one investment, while 407 had been fully exited. The remaining investment is in Ukraine, and it is currently not possible to predict when this investment will be exited.

### OPERATIONAL FRAMEWORK

IØ's legal mandate was to promote Danish investments in Central and Eastern Europe. Consequently, the aim was to support the reformist forces in these countries in their efforts to achieve increased economic, commercial and industrial development. Additionally, the aim was also to enhance the possibilities for closer economic cooperation between Denmark and Central and Eastern Europe resulting in generally improved East/West relations to the benefit of Danish trade, industry and employment in Denmark.

IØ was established in 1989 as a legally independent, self-governing entity, limited in its liability to the extent of its net worth only. IØ's board of directors and the managing director are appointed by the Danish Minister for Foreign Affairs.

IØ provided share capital participation, loans and guarantees on commercial terms for investments in production or service companies in Central and Eastern Europe. The Fund's revenues consist of interest, dividends and profits from the sale of shares.

IØ operates on commercial terms and is self-financing.

### SUSTAINABILITY REPORTING

IØ is applying IFU's sustainability policy that was in force at the time when the investments were contracted. IFU's current sustainability policy can be found on IFU's [website](#).

IFU's sustainability policy provides the framework for the environmental, social and governance (ESG) requirements for the companies in which IFU invests. IFU is committed to ensuring that the project companies reduce sustainability risks, contribute to sustainable development and achieve high sustainability standards, which IFU believes adds value to the project companies and enhances business opportunities.

More information about IFU's sustainability policy and reporting on results for 2023, including for IØ's projects, can be found in IFU's Annual Report 2023.

### **Sustainability throughout the investment process**

Before the investment is approved, IFU ensures commitment to a written sustainability action plan describing the measures to be implemented within an agreed time frame to meet the requirements of IFU's sustainability policy and the relevant sustainability standards. Both the sustainability action plan and the impact creation plan act as tools for IFU's ongoing management and monitoring of the sustainability performance of the project.

Throughout the investment period, IFU exercises active ownership and uses its leverage to initiate improvement of the sustainability performance of the project. IFU's investment professionals have the overall responsibility for ensuring that the sustainability requirements are met, and typically they participate in the board of directors of the direct investments.

Projects are required to prepare an annual sustainability report to be discussed and approved by its board of directors. The report serves as an important tool for the annual stocktaking of the project's sustainability performance and development impacts. The annual reports must be submitted to IFU and are essential for IFU's ability to perform active ownership and provide transparent sustainability information about its investments.

### **ORGANISATION**

The Investment Fund for Developing Countries (IFU) is the fund manager of IØ, and all activities undertaken in relation to the organisation that apply to IØ are described in IFU's annual report for 2023.



# FINANCIAL HIGHLIGHTS

## Financial highlights

	2023	2022	2021	2020	2019
	DKKm	DKKm	DKKm	DKKm	DKKm
<b>Financial highlights 2019 - 2023</b>					
<u>INCOME STATEMENT</u>					
Contribution from projects <sup>1</sup>	0	(31)	4	(9)	32
Operating income <sup>2</sup>	(0)	(31)	3	(9)	32
Net income for the year	(0)	(31)	3	(9)	32
<u>BALANCE SHEET AT 31 DECEMBER</u>					
Share capital investment in projects at cost	14	14	65	65	65
Project loans at cost	0	2	22	102	114
Total investment in projects at cost	14	16	86	166	180
Accumulated value adjustments	(14)	(16)	(56)	(76)	(62)
Investments in projects, net	0	0	31	90	117
Cash and bonds, net	3	2	(20)	(1)	13
Repaid capital during the year	0	0	(60)	(30)	0
Total equity capital	3	3	35	92	131
Total balance	3	3	56	94	133
<u>ADDITIONAL DATA</u>					
New projects contracted (no.)	0	0	0	0	0
Portfolio of projects (no.)	1	2	4	6	7
Investments contracted	0	0	0	0	0
Investments disbursed	0	0	0	0	0
Undisbursed contracted investments incl. guarantees end of year	0	0	0	0	0
Binding commitments not yet contracted end of year	0	0	0	0	0
<u>KEY RATIOS</u>					
Yield from share capital investments <sup>3</sup>	N/A	-200,0%	6,1%	6,5%	11,9%
Yield from project loans and guarantees <sup>3</sup>	N/A	N/A	6,1%	-13,9%	33,4%
Yield from projects (total) <sup>3</sup>	N/A	-201,1%	6,1%	-8,4%	26,9%
Net income for the year/Average total equity capital	-1,8%	-164,2%	4,9%	-8,2%	27,4%
Solidity ratio <sup>4</sup>	100,0%	100,0%	62,2%	98,0%	98,4%

Totals may not add up due to rounded figures.

<sup>1</sup> Information about composition of the contribution from projects including value adjustments and allowance for impairment can be found in "Financial review" on page 10.

<sup>2</sup> Operating income comprises contribution from projects, management fees, other income and less operating expenses.

<sup>3</sup> Contribution from projects/Average investment in projects - value adjusted

Contribution from share capital investments/Average share capital in projects - value adjusted

Contribution from project loans and guarantees/Average project loans - net of allowance for impairment.

<sup>4</sup> Total equity capital/Total balance

## FINANCIAL REVIEW

IØ recorded a net result just below zero of DKK (0.1)m in 2023 compared to a net loss of DKK (31.5)m in 2022. The result was as expected and reflects that IØ's last outstanding investment, which is in Ukraine, remains fully provisioned following the Russian invasion of Ukraine in 2022.

IØ's part of the operating expenses covering the Investment Fund for Developing Countries (IFU) and IØ was DKK (0.1)m compared to DKK (0.5)m in 2022.

IØ ended the year with a net cash balance of DKK 2.6m. No capital was repaid to the Danish Government in 2023, and the total accumulated capital repayment made by IØ to the State since 2004 is therefore unchanged at DKK 3,800m<sup>1</sup>. At year-end, IØ's equity amounted to DKK 3.4m, unchanged compared to 2022.

IØ received in total DKK 1,898m<sup>1</sup> from the Danish government during the period 1990-2001.

In 2024, it is not expected that a further repayment will be made.

### Risk management

At year-end 2023, IØs' portfolio was composed as follows (at cost):

Country	2023 (DKKm)
Ukraine	14.0
Total	14.0

As a consequence of this exposure, and in particular because IØ measures its investments at estimated fair value or recoverable amount in accordance with the applied accounting principles of the Danish Financial Statements Act, the Fund's net results may fluctuate considerably from year to year due to value adjustments on the investments.

In preparing the financial statements, IØ's management makes a number of estimates and assumptions of future events that will affect the carrying amount of assets and liabilities. The areas where estimates and assumptions are most critical to the financial statements are 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.

Details on equity, credit, currency, interest rate risk and liquidity risk are provided in notes 17 to 22 to the financial statement.

Liquidity is managed with the aim of always having a positive cash position. A DKK 300m credit facility shared with IFU is in place to cover unexpected negative short-term fluctuations in cash flows.

At year-end, the total liquidity resources available to IØ and IFU in relation to the credit facility amounted to DKK 300m.

### Events after the balance sheet date

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

<sup>1</sup> Figures are in nominal prices.

**Outlook for 2024**

A small negative result is budgeted reflecting administrative costs only.

## INCOME STATEMENT

NOTE	2023 <u>DKK 1,000</u>	2022 <u>DKK 1,000</u>
2/ Contribution from share capital investments	-	(30.790)
3/ Contribution from project loans and guarantees	-	(37)
4/ Other contributions from projects	-	(140)
<b>CONTRIBUTION FROM PROJECTS</b>	<b>-</b>	<b>(30.967)</b>
5/ Operating expenses	(114)	(469)
<b>OPERATING INCOME</b>	<b>(114)</b>	<b>(31.436)</b>
6/ Financial income	54	3
6/ Financial expenses	(2)	(25)
<b>NET INCOME FOR THE YEAR</b>	<b>(62)</b>	<b>(31.458)</b>

The net income for the year has been transferred to the equity.

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## BALANCE SHEET AT 31 DECEMBER

### ASSETS

NOTE	2023 <u>DKK 1,000</u>	2022 <u>DKK 1,000</u>
<b>FIXED ASSETS</b>		
Share capital investment in projects at cost	13.996	13.996
Value adjustments	<u>(13.996)</u>	<u>(13.996)</u>
7/ Share capital investment in projects	<u>-</u>	<u>-</u>
Project loans at cost	-	1.623
Allowance for impairment	<u>-</u>	<u>(1.623)</u>
8/ Project loans, net	<u>-</u>	<u>-</u>
<b>Total fixed assets</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>CURRENT ASSETS</b>		
9/ Interest receivable related to projects	-	-
10/ Other receivables	794	1.207
Cash	<u>2.576</u>	<u>2.225</u>
<b>Total current assets</b>	<b><u>3.370</u></b>	<b><u>3.432</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>3.370</u></u></b>	<b><u><u>3.432</u></u></b>

**BALANCE SHEET AT 31 DECEMBER**

LIABILITIES AND EQUITY CAPITAL

		2023 <u>DKK 1,000</u>	2022 <u>DKK 1,000</u>
<b>NOTE</b>			
	<b>EQUITY</b>		
	Paid-in capital	1.897.800	1.897.800
	Repaid capital	(3.800.000)	(3.800.000)
	Retained earnings	<u>1.905.570</u>	<u>1.905.632</u>
<b>11/</b>	<b>Total equity</b>	<u><b>3.370</b></u>	<u><b>3.432</b></u>
	<b>CURRENT LIABILITIES</b>		
	Drawn on bank credit facility	-	-
	Other current liabilities	<u>-</u>	<u>-</u>
	<b>Total liabilities</b>	<u><b>-</b></u>	<u><b>-</b></u>
	<b>TOTAL EQUITY, PROVISION FOR LOSSES AND LIABILITIES</b>	<u><u><b>3.370</b></u></u>	<u><u><b>3.432</b></u></u>

- 1/ ACCOUNTING POLICIES
- 12/ UNDISBURSED COMMITMENTS TO PROJECTS
- 13/ RELATED PARTY DISCLOSURES
- 14/ FINANCIAL HIGHLIGHTS
- 15/ FINANCIAL RISK MANAGEMENT
- 16/ EQUITY AND CREDIT RISK
- 17/ CURRENCY RISK
- 18/ INTEREST RATE RISK
- 19/ LIQUIDITY RISK
- 20/ CLASSIFICATION OF FINANCIAL INSTRUMENTS
- 21/ FAIR VALUE MEASUREMENT BASIS

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### **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, IØ identifies transfers to and from the three levels of the fair value hierarchy by reassessing 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 projects or financial income and expenses, depending on their nature.

### **Non-monetary items**

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

## **INCOME STATEMENT**

### **Contribution from share capital investments**

Contribution from share capital investments includes declared dividends (net of non-refundable taxes), gains and losses from divested share capital investments and value adjustments in relation to the outstanding portfolio at year-end. Dividends are included in the income statement at the declaration date.

### **Contribution from project loans and guarantees**

Contribution from project loans and guarantees includes interest income, guarantee commissions and value adjustments, including impairment provisions, reversals of impairment provisions and exchange rate adjustments.

### **Other contributions from projects**

Other contributions from projects include value adjustments, including exchange rate adjustments in relation to receivables, the effect of derivatives hedges and interest from receivables.

### **Operating expenses**

The Investment Fund for Developing Countries (IFU) manages the administration of IØ.

Operating expenses, net are total operating expenses incurred by IFU less income received for management services rendered by IFU, other than from the Investment Fund for Central and Eastern Europe (IØ), and income related to operating activities. Operating expenses, net are divided at year-end between IFU and IØ proportionate to average total project commitments during the year (the sum of outstanding investments at acquisition cost, remaining commitments and binding commitments).

Operating expenses comprise expenses for management, administrative staff, office expenses, depreciation of fixed assets and leasehold improvements, etc.

### **Income from investments in associates and subsidiaries**

Dividends from associates and subsidiaries are included in the income statement at the declaration date.

### **Financial income, net**

Financial income, net comprises interest income on cash and bonds, realised and unrealised capital gains and losses on bonds, interest expenses, exchange rate adjustments on cash and bank charges.

## **BALANCE SHEET**

### **Share capital investment in projects**

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

Share capital investments in projects where IØ has significant influence (typically 20-50 per cent of the voting rights) 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 an 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 IØ'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 IØ. If a previous write-off is later recovered, the recovery is credited to "Contribution from project loans and guarantees".

### **Interest receivable related to projects and other receivables**

Interest receivables related to projects and other receivables are designated as receivables and are recognised over the period when they are earned.

Interest receivables related to projects and other receivables are recognised at nominal value less any allowance for impairment.

Interest receivable related to projects includes accrued interest on project loans. Other receivables include receivables from sale of shares and loans, dividends receivables, administrative and other project-related receivables.

### **Cash and cash equivalents**

Bonds are stated at the official prices quoted on the balance sheet date, except for drawn bonds, which are stated at par value. Realised and unrealised gains or losses on bonds are recognised in the income statement under financial income, net.

**Current liabilities**

Current liabilities are initially recognised at cost, which is fair value, and are subsequently measured at amortised cost.

**Commitments**

Undisbursed commitments to projects are comprised of 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 IØ's control.

**CASH FLOW STATEMENT**

The cash flow statement has been prepared in accordance with the direct method and shows IØ's cash flow from operating, investing and financing activities as well as IØ's cash position at the beginning and end of the year. Cash comprises cash at hand less short-term bank debt.

## NOTES

	2023	2022
	<u>DKK 1,000</u>	<u>DKK 1,000</u>
<b>2 <u>Contribution from share capital investments</u></b>		
Value adjustments, portfolio	<u>-</u>	<u>(30.790)</u>
Contribution from share capital investments	<u><b>-</b></u>	<u><b>(30.790)</b></u>
<b>3 <u>Contribution from project loans and guarantees</u></b>		
Interest income and fees related to project loans and guarantees	-	1.246
Allowance for impairment, interest and fees	-	(1.283)
Allowance for impairment, loan portfolio	(1)	(14)
Exchange rate adjustments, project loans	<u>1</u>	<u>14</u>
Contribution from project loans and guarantees	<u><b>-</b></u>	<u><b>(37)</b></u>
<b>4 <u>Other contributions from projects</u></b>		
Value adjustments, receivables, excl. exchange rate adjustments	-	(121)
Other income and expenses	<u>-</u>	<u>(19)</u>
Other contributions from projects	<u><b>-</b></u>	<u><b>(140)</b></u>
<b>5 <u>Operating expenses</u></b>		
IØ's part of operating expenses *	<u>114</u>	<u>469</u>
	<u><b>114</b></u>	<u><b>469</b></u>

- \*) Specification of Personnel expenses - see Annual report 2023 for IFU - note 5.  
IØ's part of all expenses was 0,20% in 2023.

	2023 <u>DKK 1,000</u>	2022 <u>DKK 1,000</u>
6 <u>Financial income and expenses</u>		
<u>Financial income</u>		
Interest income, cash and bonds	<u>54</u>	<u>3</u>
Financial income	<u><b>54</b></u>	<u><b>3</b></u>
<u>Financial expenses</u>		
Interest expenses, bank charges and exchange rate adjustments	<u>(2)</u>	<u>(25)</u>
Financial expenses	<u><b>(2)</b></u>	<u><b>(25)</b></u>
Financial income, net	<u><b>52</b></u>	<u><b>(22)</b></u>

	2023 DKK 1,000	2022 DKK 1,000
<b>7 <u>Share capital investment in projects</u></b>		
Share capital investment in projects beginning of year at cost	13.996	64.535
Realised gain from divestment of shares relative to cost, net	<u>-</u>	<u>(50.539)</u>
Share capital investment in projects end of year at cost	<b><u>13.996</u></b>	<b><u>13.996</u></b>
Accumulated value adjustment beginning of year	(13.996)	(33.745)
Reversed value adjustments, divested share capital investments	-	50.539
Value adjustments, portfolio during the year	<u>-</u>	<u>(30.790)</u>
Accumulated value adjustment end of year	<b><u>(13.996)</u></b>	<b><u>(13.996)</u></b>
Share capital investment in projects end of year	<u>-</u>	<u>-</u>
Accumulated value adjustments end of year are comprised of:		
Positive value adjustments	-	-
Negative value adjustments	<u>(13.996)</u>	<u>(13.996)</u>
	<b><u>(13.996)</u></b>	<b><u>(13.996)</u></b>

	<u>2023</u> DKK 1,000	<u>2022</u> DKK 1,000		
8 <u>Project loans, net</u>				
Project loans beginning of year at cost	1.623	21.813		
Exchange rate adjustments, project loans	1	14		
Write-offs during the year	<u>(1.624)</u>	<u>(20.204)</u>		
Project loans end of year at cost *	<u><u>-</u></u>	<u><u>1.623</u></u>		
Accumulated allowance for impairment beginning of year	(1.623)	(21.813)		
Reversed allowance for impairment, loans written off	(1.624)	20.226		
Allowance for impairment for the year	<u>3.247</u>	<u>(36)</u>		
Accumulated allowance for impairment end of year	<u><u>-</u></u>	<u><u>(1.623)</u></u>		
Project loans, net end of year	<u><u>-</u></u>	<u><u>-</u></u>		
* ) Project loans end of year at cost are comprised of:				
Senior project loans	<u>-</u>	<u>1.623</u>		
	<u><u>-</u></u>	<u><u>1.623</u></u>		
* ) Project loans end of year at cost in DKK distributed according to currency denomination:				
	<u>2023</u>	<u>2022</u>		
	Currency	Currency		
DKK			-	-
EUR	-	218	<u>-</u>	<u>1.623</u>
			<u><u>-</u></u>	<u><u>1.623</u></u>



	2023 <u>DKK 1,000</u>	2022 <u>DKK 1,000</u>
9 <u>Interest receivable related to projects</u>		
Interest receivable related to projects before allowance for impairment	-	4.552
Allowance for impairment	-	<u>(4.552)</u>
Interest receivable related to projects	<u>-</u>	<u>-</u>
10 <u>Other receivables</u>		
Receivable front-end fees	<u>242</u>	<u>380</u>
	242	380
Value adjustments	<u>(121)</u>	<u>(259)</u>
	121	121
Current accounts	<u>673</u>	<u>1.086</u>
	<b><u>794</u></b>	<b><u>1.207</u></b>

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	2023 DKK 1,000	2022 DKK 1,000
<b>11 <u>Total equity</u></b>		
Paid-in capital beginning of year	1.897.800	1.897.800
Paid-in capital during the year	-	-
Paid-in capital end of year	<u><b>1.897.800</b></u>	<u><b>1.897.800</b></u>
Repaid capital beginning of year	(3.800.000)	(3.800.000)
Repaid capital during the year	-	-
Repaid capital end of year	<u><b>(3.800.000)</b></u>	<u><b>(3.800.000)</b></u>
Retained earnings beginning of year	1.905.632	1.937.090
Transferred from net income for the year	(62)	(31.458)
Retained earnings end of year	<u><b>1.905.570</b></u>	<u><b>1.905.632</b></u>
Total equity end of year	<u><u><b>3.370</b></u></u>	<u><u><b>3.432</b></u></u>

**12 Undisbursed commitments to projects**

Undisbursed commitments to projects are comprised of undisbursed contractual commitments and binding commitments not yet contracted. There are no undisbursed commitments to projects.

### 13 Related party disclosures

#### **IØ project investments - shares and loans**

Transactions conducted during the year with the project companies include dividends, interest income and fees and directors' fees from the companies in which IØ representatives are board members.

In accordance with section 98 c (7) of the Danish Financial Statements Act, the amount of the related party transactions have not been disclosed in the financial statements, as they were conducted on an arm's length basis.

#### **Board of directors and executive board**

IØ's other related parties are the members of the board of directors and the executive board.

The rules of procedure for the board contain detailed rules regarding conflict of interest – as well as a reference to the conflict of interest rules in the Danish Public Administrations Act, which the board is subject to.

Furthermore remuneration was paid to the members of the board of directors and the executive board as part of the management agreement with IFU.

### 14 Financial highlights

Financial highlights (table) - see page 9

15 Financial risk management

**Introduction**

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

The board of directors has established limits to avoid excessive concentrations of risk and through its investment policy and due diligence procedures, IØ further seeks to identify and mitigate the equity and credit risk.

16 Equity and credit risk

**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 IØ will incur a financial loss due to a counterparty not fulfilling their obligation. These credit exposures occur from project loans, derivatives and other transactions.

**Managing equity and credit risk**

At the portfolio level, IØ mitigates equity risk and credit risk by investing in a variety of countries and by limiting the concentration of risks per partner. IØ assesses concentrations of risk on the basis of total commitments, which include acquisition cost of both share capital investments and project loans, binding commitments and amounts payable on share capital and loan agreements. Furthermore through the due diligence process, IØ assesses the specific risks for each share capital investment and project loan and seeks to mitigate associated equity and credit risks.

For some of IØ's share capital investments, IØ has the opportunity to sell the shares through pre-agreed exit agreements. In this way, IØ mitigates the risk of not being able to exit the investments. See note 21 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 project companies
- Expected value of pledges, indemnities and counter-guarantees
- Historical records of debt service

The table below shows the distribution of the cost of IØ's investments by the OECD country risk classification. This classification takes into account the political and economic environment of each country, including risk of force majeure such as war, etc. The classification of each country is updated twice a year.

2023	Share capital investments		Project loans		Total		Commitments (off balance)	
	DKK 1,000	%	DKK 1,000	%	DKK 1,000	%	DKK 1,000	%
-	-	0%	-	0%	-	0%	-	0%
1	-	0%	-	0%	-	0%	-	0%
2	-	0%	-	0%	-	0%	-	0%
3	-	0%	-	0%	-	0%	-	0%
4	-	0%	-	0%	-	0%	-	0%
5	-	0%	-	0%	-	0%	-	0%
6	-	0%	-	0%	-	0%	-	0%
7	13.996	100%	-	0%	13.996	100%	-	0%
<b>Total</b>	<b>13.996</b>	<b>100%</b>	<b>-</b>	<b>0%</b>	<b>13.996</b>	<b>100%</b>	<b>-</b>	<b>0%</b>

2022	Share capital investments		Project loans		Total		Commitments (off balance)	
	DKK 1,000	%	DKK 1,000	%	DKK 1,000	%	DKK 1,000	%
-	-	0%	-	0%	-	0%	-	0%
1	-	0%	-	0%	-	0%	-	0%
2	-	0%	-	0%	-	0%	-	0%
3	-	0%	-	0%	-	0%	-	0%
4	-	0%	-	0%	-	0%	-	0%
5	-	0%	-	0%	-	0%	-	0%
6	13.996	100%	1.623	100%	15.619	100%	-	0%
7	-	0%	-	0%	-	0%	-	0%
<b>Total</b>	<b>13.996</b>	<b>100%</b>	<b>1.623</b>	<b>100%</b>	<b>15.619</b>	<b>100%</b>	<b>-</b>	<b>0%</b>

### 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 are based on IØ's historical annual credit loss.
- Stage 2 includes project loans where payments are delayed with more than 30 days at the end of the year but without specific allowance for impairment.  
The allowance for impairment according to IFRS 9 are based on IØ's historical credit loss.
- Stage 3 includes credit impaired project loans with a specific allowance for impairment.

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

DKK'000	2023	2022
Project loans (stage 1)	-	-
Project loans (stage 2)	-	-
Project loans (stage 3)	-	1.623
<b>Total</b>	<b>-</b>	<b>1.623</b>

The table below shows project loans according to stages.

	Allowance for impairment %	Project loans at cost	Accumulated allowance for impairment	Project loans carrying amount 2023
DKK'000				
Project loans (stage 1)	N/A	-	-	-
Project loans (stage 2)	N/A	-	-	-
Project loans (stage 3)	N/A	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>

	Allowance for impairment %	Project loans at cost	Accumulated allowance for impairment	Project loans carrying amount 2022
DKK'000				
Project loans (stage 1)	N/A	-	-	-
Project loans (stage 2)	N/A	-	-	-
Project loans (stage 3)	-100,0%	1.623	(1.623)	-
<b>Total</b>		<b>1.623</b>	<b>(1.623)</b>	<b>-</b>

	<b>2023</b>			
<b>Project loans at amortised cost before allowance for impairment</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Project loans beginning of year at cost	-	-	1.623	1.623
Exchange rate adjustments, project loans	-	-	1	1
Write-offs during the year	-	-	(1.624)	(1.624)
Project loans end of year at cost before change of stages	-	-	-	-
Project loans end of year at cost	-	-	-	-

<b>Accumulated allowance for impairment</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Accumulated allowance for impairment beginning of year	-	-	(1.623)	(1.623)
Reversed allowance for impairment, loans written off	-	-	(1.624)	(1.624)
Allowance for impairment for the year	-	-	3.247	3.247
Accumulated allowance for impairment end of year before change of stages	-	-	-	-
Accumulated allowance for impairment end of year	-	-	-	-

	<b>2022</b>			
<b>Project loans at amortised cost before allowance for impairment</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Project loans beginning of year at cost	-	-	21.813	21.813
Exchange rate adjustments, project loans	-	-	14	14
Write-offs during the year	-	-	(20.204)	(20.204)
Project loans end of year at cost before change of stages	-	-	1.623	1.623
Project loans end of year at cost	-	-	<b>1.623</b>	<b>1.623</b>

<b>Accumulated allowance for impairment</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Accumulated allowance for impairment beginning of year	-	-	(21.813)	(21.813)
Reversed allowance for impairment, loans written off	-	-	20.226	20.226
Allowance for impairment for the year	-	-	(36)	(36)
Accumulated allowance for impairment end of year before change of stages	-	-	(1.623)	(1.623)
Accumulated allowance for impairment end of year	-	-	<b>(1.623)</b>	<b>(1.623)</b>

**Maximum exposure to credit risk**

The following table shows the maximum exposure to credit risk for IØ. The table only includes derivatives with positive market value.

	2023		2022	
	Carrying amount	Maximum credit exposure (contractual cash flow)	Carrying amount	Maximum credit exposure (contractual cash flow)
DKK 1,000				
Project loans	-	-	-	1.623
Interest receivable related to projects	-	-	-	4.552
Other receivables	121	242	121	380
Cash	2.576	2.576	2.225	2.225
<b>Total</b>	<b>2.697</b>	<b>2.818</b>	<b>2.346</b>	<b>8.780</b>

17 Currency risk

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

**Currency exposure and sensitivity**

The following table indicates the currencies to which IØ had significant exposure as of 31 December on its financial assets and liabilities excluding share capital investments. The analysis calculates the effect of a reasonably likely movement of the currency rate against DKK on profit or loss with all other variables held constant. There is no sensitivity effect on equity as IØ has no assets classified as available-for-sale.

DKK 1,000	Project loans	Interest receivables	Other project related receivables	Net exposure	Increase in foreign exchange rates	Effect on profit or loss
EUR	-	-	-	-	1%	-
DKK	-	-	121	121	N/A	-
<b>Total</b>	-	-	<b>121</b>	<b>121</b>		

DKK 1,000	Project loans	Interest receivables	Other project related receivables	Net exposure	Increase in foreign exchange rates	Effect on profit or loss
EUR	-	-	-	-	1%	-
DKK	-	-	121	121	N/A	-
<b>Total</b>	-	-	<b>121</b>	<b>121</b>		

18 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.

Most of IØ's investments in project loans carry variable interbank interest rates, thus changes in interest rates will mainly 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. For variable rate loans, the effect on profit and loss will be a change in the interest payments for the coming year.

The annual effect of an increase in the interest rate of 100 basis points is shown in the table below for fixed and variable interest rate loans.

DKK 1,000	Project loans	Net exposure	Increase in interest rates	Effect on profit or loss
Fixed	-	-	100 bp	-
Variable	-	-	100 bp	-
<b>Total</b>	-	-		

DKK 1,000	Project loans	Net exposure	Increase in interest rates	Effect on profit or loss
Fixed	-	-	100 bp	-
Variable	-	-	100 bp	-
<b>Total</b>	-	-		



19 Liquidity risk

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

IØ has no external funding and is equity financed except for current liabilities comprised of administrative debt and negative fair value of derivative financial instruments.

IØ's primary exposure to liquidity risk arises from commitments to disburse share capital investments and project loans.

To meet these and other obligations, IØ, apart from capital contributions net of dividends, relies on a continuous positive cash flow from interest and repayments on project loans as well as dividends and sales of share capital investments to meet its obligations. It is IØ's policy to maintain a positive cash position. A DKK 300 million credit facility shared with IFU is in place to cover unexpected negative short-term fluctuations in cash flows. At year-end, DKK 300 million was available for drawing.

**Contractual maturities**

The contractual maturities based on undiscounted contractual cash flows are shown below for financial assets, liabilities, guarantees and commitments.

**2023**

DKK 1,000	Carrying amount	Contractual cash flows	On demand	0-1 year	1-5 years	Over 5 years	No fixed maturity
<b>Assets</b>							
Project loans	-	-	-	-	-	-	-
Interest receivable related to projects	-	-	-	-	-	-	-
Other receivables	794	915	242	673	-	-	-
Cash and cash equivalents	2.576	2.576	2.576	-	-	-	-
<b>Total assets</b>	<b>3.370</b>	<b>3.491</b>	<b>2.818</b>	<b>673</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>							
Drawn on credit facilities	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Off-balance</b>							
Amounts payable on share capital and loan agreements	-	-	-	-	-	-	-
<b>Total off-balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**2022**

DKK 1,000	Carrying amount	Contractual cash flows	On demand	0-1 year	1-5 years	Over 5 years	No fixed maturity
<b>Assets</b>							
Project loans	-	1.623	1.623	-	-	-	-
Interest receivable related to projects	-	4.552	4.552	-	-	-	-
Other receivables	1.207	1.466	380	1.086	-	-	-
Cash and cash equivalents	2.225	2.225	2.225	-	-	-	-
<b>Total assets</b>	<b>3.432</b>	<b>9.866</b>	<b>8.780</b>	<b>1.086</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>							
Drawn on credit facilities	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Off-balance</b>							
Amounts payable on share capital and loan agreements	-	-	-	-	-	-	-
<b>Total off-balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

20 Classification of financial instruments

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

<b>2023</b>	Designated at fair value through profit and loss	Loans and receivables at amortised cost	Other liabilities at amortised cost	Total
DKK 1,000				
<b>Financial assets</b>				
Share capital investment in projects	-	-		-
Project loans	-	-		-
Interest receivable related to projects	-	-		-
Other receivables	121	673		794
Cash and cash equivalents	-	2.576		2.576
<b>Total financial assets</b>	<b>121</b>	<b>3.249</b>	-	<b>3.370</b>
				-
<b>Financial liabilities</b>				-
Current liabilities:				-
Drawn on credit facilities		-	-	-
<b>Total financial liabilities</b>	-	-	-	-
<b>2022</b>	Designated at fair value through profit and loss	Loans and receivables at amortised cost	Other liabilities at amortised cost	Total
DKK 1,000				
<b>Financial assets</b>				
Share capital investment in projects	-	-		-
Project loans	-	-		-
Interest receivable related to projects	-	-		-
Other receivables	121	1.086		1.207
Cash and cash equivalents	-	2.225		2.225
<b>Total financial assets</b>	<b>121</b>	<b>3.311</b>	-	<b>3.432</b>
				-
<b>Financial liabilities</b>				-
Current liabilities:				-
Drawn on credit facilities	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-

The carrying amount of project loans with fixed interest terms amount to DKK 0m (2022: 0m). The fair value of project loans amount to DKK 0m (2022: DKK 0m) 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 22. For other loans and receivables and other liabilities the carrying amount is measured at amortised cost a reasonable approximation of fair value.

## 21 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; and
- 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 IØ'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 operational 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**

IØ's fair value estimates are based on unobservable market data (level 3).

Indirect investments through financial intermediaries (funds) where the underlying investments are valued according to a fair value principle will be valued at net assets value according to the most recent financial statement received by IØ. Financial intermediaries include externally managed funds.

Direct 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 an earnings multiple if appropriate and reliable transaction/earnings multiples are available, or by the net assets methodology, if appropriate. For smaller investments, see below.
- If IØ during the 12-month period prior to the reporting date 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 value involves a large inherent uncertainty. Due to this uncertainty, a degree of caution is applied when exercising judgements and making the necessary estimates. For smaller investments (cost price or intrinsic value below DKK 25m) uncertainties are deemed to be even higher and therefore these will be valued at intrinsic value to reflect IØ's share of earnings in the companies. These investments constitute a minor part of IØ's portfolio.

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 in the table below disclosed together with investments valued based on a recent binding offer or transaction.

### 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.

#### 2023

DKK 1,000	Level 1	Level 2	Level 3	Total
<b>Share capital investments</b>				
Opening balance	-	-	-	-
<b>Closing balance</b>	-	-	-	-
<b>Other receivables</b>				
Opening balance	-	1.086	-	1.086
Closing balance	-	673	-	673
<b>Total recurring fair value measurements</b>	-	<b>673</b>	-	<b>673</b>

#### 2022

DKK 1,000	Level 1	Level 2	Level 3	Total
<b>Share capital investments</b>				
Opening balance	-	-	30.790	30.790
Total gains/ losses for the period included in profit or loss <sup>1</sup>	-	-	(30.790)	(30.790)
<b>Closing balance</b>	-	-	-	-
<b>Other receivables</b>				
Opening balance	-	24.173	-	24.173
Closing balance	-	1.086	-	1.086
<b>Total recurring fair value measurements</b>	-	<b>1.086</b>	-	<b>1.086</b>

1) Recognised in Contribution from share capital investments.

Hereof DKK 0m (2022: DKK (31)m) is attributable to assets held at 31 December for level 3.

Valuation techniques and unobservable inputs used measuring fair value of Level 3 fair value measurements.

**2023**

DKK 1,000

Type of investment	Fair value at 31/12/2023	Valuation technique	Unobservable inputs	Reasonable possible shift in %	Change in fair value
<b>Indirect investments through financial intermediaries</b>					
Externally managed funds	0	Net assets value			
<b>Direct investments</b>					
	0	Binding offers/transaction/exit terms			
	0	Book value of equity (small investments)			
<b>Share capital investments</b>					
	<b>0</b>				

**2022**

DKK 1,000

Type of investment	Fair value at 31/12/2022	Valuation technique	Unobservable inputs	Reasonable possible shift in %	Change in fair value
<b>Indirect investments through financial intermediaries</b>					
Externally managed funds	0	Net assets value			
<b>Direct investments</b>					
	0	Binding offers/transaction/exit terms			
	0	Book value of equity (small investments)			
<b>Share capital investments</b>					
	<b>0</b>				

## **Management**

### **BOARD OF DIRECTORS**

The Danish minister for foreign affairs appoints the chairman, the deputy chairman and the other members of the board of directors for three-year terms, according to Section 9 of the Danish Act on International Development Cooperation. Each appointment is personal. The current three-year term ends on 31 August 2024.

The board of directors and executive management of IFU and IØ are identical.

Since 1 January 2013, an observer from the Ministry of Foreign Affairs has been appointed to IØ's board of directors.

The board of directors usually convenes six to eight times a year. On the recommendation of the executive management, it makes decisions about investments and key issues.

It is noted that the chairman has been member of the board for more than 12 years and as such cannot be considered independent in accordance with the recommendations by the Danish Committee on Corporate Governance.

#### **Michael Rasmussen, chairman, board member since 2000.**

CEO, Nykredit.

Other board memberships: Nykredit Bank A/S (chairman), Totalkredit A/S (chairman), Sparinvest Holding SE (chairman), Finance Denmark (chairman), Sund og Bælt Holding A/S (chairman).

#### **Anette Eberhard, deputy chairman, board member since 2021.**

Managing Partner, IIP Denmark.

Other board memberships: Alm. Brand Group (chairman Audit Committee and member of Risk Committee).

#### **Thomas Bustrup, board member since 2021.**

Deputy CEO, Danish Industry.

Other board memberships: Baltic Development Forum (chairman), Business Europe US Network (chairman), Verdens Bedste Nyheder (deputy chairman), International Chamber of Commerce, Denmark, State of Green, Byggeriets Kvalitetskontrol, DIBD A/S and subsidiaries, DI-Asia Base A/S and subsidiaries.

#### **Emilie Damm Klarskov, board member since 2021.**

Head of Analysis, The Economic council of the Labour Movement.

#### **Nanna Hvidt, board member since 2021.**

Formerly director, Danish Institute for International Studies, and director of Evaluation, Learning and Quality, Ministry of Foreign Affairs.

Other board memberships: CARE Danmark.

#### **Hanna Line Jakobsen, board member since 2021.**

Director, Social & Humanitarian, Novo Nordisk Fonden.

Other board memberships: The Social Capital Fund.

**Jarl Krausing, board member since 2021.**

Deputy CEO and International Director, CONCITO.

Other board memberships: Udviklingspolitisk Råd (deputy chairman), Merkur Banks Klimafond, Forum for Samfundsansvar og bæredygtighedsregulering

**Irene Quist Mortensen, board member since 2021.**

Head of Sustainability, International Zone, Arla Foods.

**Karin Poulsen, board observer since 2022.**

Ambassador, director, Department for Green Diplomacy and Climate, Ministry of Foreign Affairs.

**EXECUTIVE MANAGEMENT**

The Danish minister for development cooperation appoints the CEO.

**Søren Peter Andreasen, acting CEO**

Board memberships: EDFI Management Company (chairman).

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## Søren Peter Andreasen

Acting CEO

Serial number: 915f5062-0a23-4bac-9d88-0475f1e65ee9

IP: 188.120.xxx.xxx

2024-04-29 10:55:24 UTC



## Anette Eberhard

Deputy chairman

Serial number: 011ac88c-dda5-4fb3-9aa6-69c161818880

IP: 152.115.xxx.xxx

2024-04-29 11:27:18 UTC



## Jens Ringbæk

DELOITTE STATS-AUTORISERET REVISIONSPARTNERSELSKAB CVR:  
33963556

State-Authorised Public Accountant

Serial number: 79895d34-583b-4a7b-ba55-3f5626bd11b9

IP: 83.151.xxx.xxx

2024-04-29 12:08:05 UTC



## Nanna Hvidt

Member

Serial number: 05bfa8da-06bc-4fdd-a361-13867287afc5

IP: 188.120.xxx.xxx

2024-04-29 12:20:17 UTC



## Michael Rasmussen

Chairman

Serial number: 380f3040-dd7f-4c1b-9f78-d28b93c17bc1

IP: 195.249.xxx.xxx

2024-04-29 18:23:21 UTC



## Lars Hillebrand

State-Authorised Public Accountant

Serial number: 45bc0e3b-19f6-4ad7-9303-4eb98b390379

IP: 2.104.xxx.xxx

2024-04-30 13:50:12 UTC



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## Thomas Bustrup

Member

Serial number: f8913646-c4c8-4c09-a6e3-7a00ba4847a5

IP: 185.218.xxx.xxx

2024-04-30 15:58:20 UTC



## Emilie Damm Klarskov

Member

Serial number: 826e3006-003c-45dd-b243-8ac52aa77601

IP: 83.137.xxx.xxx

2024-05-02 09:45:48 UTC



## Irene Quist Mortensen

Member

Serial number: 9281cd16-b75c-4a77-a5f0-0e3321e65c04

IP: 87.104.xxx.xxx

2024-05-02 09:58:11 UTC



## Jarl Eskil Sture Krausing

Member

Serial number: 7181a837-ff89-4048-a365-a60d9bdc3072

IP: 212.237.xxx.xxx

2024-05-02 10:12:44 UTC



## Hanna Line Jakobsen

Member

Serial number: ba3dc59b-a24e-4fde-919c-5e98dc176cc7

IP: 147.161.xxx.xxx

2024-05-02 11:07:14 UTC



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