
Altor Equity Partners A/S

Rosenborggade 15, 2., DK-1130 København K

Annual Report for 2021

CVR No. 29 51 63 08

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 30/3 2022

Søren Johansen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of Altor Equity Partners A/S for the financial year 1 January - 31 December 2021.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

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

Copenhagen, 30 March 2022

Executive Board

Søren Johansen
CEO

Board of Directors

Harald Mix
Chairman

Hans Ragnesjö

Søren Johansen

Independent Auditor's report

To the shareholder of Altor Equity Partners A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Altor Equity Partners A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 5 of the Financial Statements that describe the uncertainty pertaining to lawsuits brought against the Company.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 30 March 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703

Anders Røjleskov

State Authorised Public Accountant

mne28699

Company information

The Company	Altor Equity Partners A/S Rosenborggade 15, 2. DK-1130 København K Telephone: 33367300 Email: info@altor.com CVR No: 29 51 63 08 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of Directors	Harald Mix, chairman Hans Ragnesjö Søren Johansen
Executive board	Søren Johansen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Management's review

Key activities

Altor Equity Partners A/S is advisor to Altor Equity Partners AB, Sweden and Altor Fund Manager AB, Sweden.

Market overview

Two lawsuits are pending against the Company related to OW Bunker A / S' bankruptcy. See note 4 "Contingent assets, liabilities and other financial obligations".

Development in the year

The income statement of the Company for 2021 shows a profit of DKK 5,679,178, and at 31 December 2021 the balance sheet of the Company shows positive equity of DKK 6,319,009.

Capital resources

Management has assessed the Company's capital resources and finds that the capital resources are adequate.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2021	2020
		DKK	DKK
Revenue		51,604,714	43,236,981
Other external expenses		-7,968,259	-5,356,197
Gross profit		43,636,455	37,880,784
Staff expenses	1	-35,739,046	-31,887,404
Depreciation and impairment losses of property, plant and equipment		-511,939	-521,324
Profit/loss before financial income and expenses		7,385,470	5,472,056
Financial income		71,186	0
Financial expenses		-104,779	-326,909
Profit/loss before tax		7,351,877	5,145,147
Tax on profit/loss for the year	2	-1,672,699	-1,219,225
Net profit/loss for the year		5,679,178	3,925,922

Distribution of profit

	2021	2020
	DKK	DKK
Proposed distribution of profit		
Proposed dividend for the year	5,675,000	3,925,000
Retained earnings	4,178	922
	5,679,178	3,925,922

Balance sheet 31 December

Assets

	Note	2021	2020
		DKK	DKK
Other fixtures and fittings, tools and equipment		570,675	936,323
Leasehold improvements		76,246	222,536
Property, plant and equipment		646,921	1,158,859
Deposits		560,157	679,579
Fixed asset investments		560,157	679,579
Fixed assets		1,207,078	1,838,438
Trade receivables		12,838,124	4,980,075
Receivables from group enterprises		3,639,034	9,839,849
Other receivables		707,717	74,670
Deferred tax asset		55,895	27,043
Prepayments		0	46,125
Receivables		17,240,770	14,967,762
Current assets		17,240,770	14,967,762
Assets		18,447,848	16,806,200

Balance sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		500,000	500,000
Retained earnings		144,009	139,831
Proposed dividend for the year		5,675,000	3,925,000
Equity		6,319,009	4,564,831
Other payables		0	1,879,907
Long-term debt	3	0	1,879,907
Trade payables		421,993	566,232
Corporation tax		1,200,025	868,571
Other payables	3	10,506,821	8,926,659
Short-term debt		12,128,839	10,361,462
Debt		12,128,839	12,241,369
Liabilities and equity		18,447,848	16,806,200
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Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	500,000	139,831	3,925,000	4,564,831
Ordinary dividend paid	0	0	-3,925,000	-3,925,000
Net profit/loss for the year	0	4,178	5,675,000	5,679,178
Equity at 31 December	500,000	144,009	5,675,000	6,319,009

Notes to the Financial Statements

	<u>2021</u>	<u>2020</u>
	DKK	DKK
1. Staff Expenses		
Wages and salaries	33,980,595	30,023,892
Pensions	1,101,355	1,332,233
Other social security expenses	177,235	195,849
Other staff expenses	479,861	335,430
	<u>35,739,046</u>	<u>31,887,404</u>
Average number of employees	<u>16</u>	<u>16</u>

	<u>2021</u>	<u>2020</u>
	DKK	DKK
2. Income tax expense		
Current tax for the year	1,748,551	1,232,946
Deferred tax for the year	-75,852	-13,721
	<u>1,672,699</u>	<u>1,219,225</u>

3. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2021</u>	<u>2020</u>
	DKK	DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	0	1,879,907
Long-term part	0	1,879,907
Within 1 year	0	0
Other short-term payables	10,506,821	8,926,659
	<u>10,506,821</u>	<u>10,806,566</u>

Notes to the Financial Statements

	2021	2020
	DKK	DKK

4. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	803,218	1,589,553
Between 1 and 5 years	29,149	689,417
	<u>832,367</u>	<u>2,278,970</u>

Other contingent liabilities

Two cases are pending against the company related to OW Bunker A / S's bankruptcy with a total claim of DKK 2,214 million per 31 December 2021. OW Bunker A / S was previously a portfolio company in Altor Fund II.

The Company's external advisor has assessed the risk of a negative outcome to be very low and the company's management and board of directors are of the opinion that Altor Equity Partners A / S will be successful in court and therefore have no provision for the claim for compensation, etc been made. On 22 March 2022 The Supreme Court decided to dismiss one of the cases. After this decision the remaining claim amounts to DKK 1,200 million.

5. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

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

Name	Place of registered office
Altor Equity Partners AB	Stockholm, Sverige <i>Stockholm, Sweden</i>

Notes to the Financial Statements

6. Accounting policies

The Annual Report of Altor Equity Partners A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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

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

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

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

Translation policies

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

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Net sales

Revenue comprise advisory services and is recognised in the income statement when delivery has been made before year end.

Other external expenses

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

Notes to the Financial Statements

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

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

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

Art is not depreciated.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

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

Other fixed asset investments

Financial fixed assets consist of deposits.

Notes to the Financial Statements

Receivables

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

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, subscriptions etc.

Equity

Dividend

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

Deferred tax assets and liabilities

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

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

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

Current tax receivables and liabilities

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

Financial debts

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