



Sunstone Capital A/S

Store Strandstræde 18 A, st.
1255 København K
CVR No. 30573528

Annual report 2021

The Annual General Meeting adopted the
annual report on 25.03.2022

Merete Lundbye Møller

Chairwoman of the General Meeting

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Entity details

Entity

Sunstone Capital A/S

Store Strandstræde 18 A, st.

1255 København K

Business Registration No.: 30573528

Registered office: Copenhagen

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

James Peter Arthur Benson

Claus Asbjørn Andersson

Sten Verland

Søren Lemonius

Christian Lindegaard Jepsen

Jimmy Fussing Nielsen

Merete Lundbye Møller

Executive Board

Søren Lemonius

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Sunstone Capital A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 25.03.2022

Executive Board

Søren Lemonius

Board of Directors

James Peter Arthur Benson

Claus Asbjørn Andersson

Sten Verland

Søren Lemonius

Christian Lindegaard Jepsen

Jimmy Fussing Nielsen

Merete Lundbye Møller

Independent auditor's report

To the shareholders of Sunstone Capital A/S

Opinion

We have audited the financial statements of Sunstone Capital A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 25.03.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Kim Takata Mücke

State Authorised Public Accountant
Identification No (MNE) mne10944

Murat Güler

State Authorised Public Accountant
Identification No (MNE) mne46582

Management commentary

Primary activities

Sunstone Capital A/S is a company that provides administration and financial services to managers of venture capital funds. Sunstone Capital A/S is located in Copenhagen.

Development in activities and finances

The profit after tax for 2021 was DKK 16,376 thousand and equity equals DKK 960 thousand end of 2021.

Uncertainty relating to recognition and measurement

The annual report is not influenced by material uncertainties relating to recognition and measurement.

Events after the balance sheet date

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

Income statement for 2021

	Notes	2021 DKK'000	2020 DKK '000
Revenue		283	644
Other operating income		2,908	2,393
Other external expenses		(176)	(408)
Gross profit/loss		3,015	2,629
Staff costs	1	(2,904)	(2,494)
Depreciation, amortisation and impairment losses		(10)	(10)
Operating profit/loss		101	125
Income from investments in group enterprises		16,291	94
Other financial income		1	0
Other financial expenses		(12)	(44)
Profit/loss before tax		16,381	175
Tax on profit/loss for the year	2	(5)	(50)
Profit/loss for the year		16,376	125
Proposed distribution of profit and loss:			
Extraordinary dividend distributed in the financial year		16,146	0
Retained earnings		230	125
Proposed distribution of profit and loss		16,376	125

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Other fixtures and fittings, tools and equipment		3	13
Property, plant and equipment	3	3	13
Investments in group enterprises		481	636
Financial assets	4	481	636
Fixed assets		484	649
Deferred tax		23	27
Other receivables		1	0
Income tax receivable		25	25
Prepayments		26	17
Receivables		75	69
Cash		726	656
Current assets		801	725
Assets		1,285	1,374

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital		504	504
Reserve for net revaluation according to the equity method		214	370
Retained earnings		242	(144)
Equity		960	730
Trade payables		21	67
Other payables		304	577
Current liabilities other than provisions		325	644
Liabilities other than provisions		325	644
Equity and liabilities		1,285	1,374

Contingent liabilities

5

Statement of changes in equity for 2021

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	504	370	(144)	730
Extraordinary distributions	0	0	(16,146)	(16,146)
Dividends from group enterprises	0	(16,446)	16,446	0
Profit/loss for the year	0	16,291	86	16,376
Equity end of year	504	214	242	960

Notes

1 Staff costs

	2021 DKK'000	2020 DKK'000
Wages and salaries	2,880	2,473
Pension costs	16	16
Other social security costs	8	5
	2,904	2,494
Average number of full-time employees	2	2

2 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Change in deferred tax	5	50
	5	50

3 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	237
Cost end of year	237
Depreciation and impairment losses beginning of year	(224)
Depreciation for the year	(10)
Depreciation and impairment losses end of year	(234)
Carrying amount end of year	3

4 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	266
Cost end of year	266
Revaluations beginning of year	370
Share of profit/loss for the year	16,291
Dividend	(16,446)
Revaluations end of year	215
Carrying amount end of year	481

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
SUNSTONE LSV GENERAL PARTNER BI ApS	Copenhagen	ApS	10.0
SUNSTONE LSV GENERAL PARTNER II ApS *	Copenhagen	ApS	10.0
HEARTCORE CAPITAL GENERAL PARTNER I ApS *	Copenhagen	ApS	10.0

* Sunstone Capital A/S is entitled to receive 100% dividends from the indicated companies, whereby they are accounted for as subsidiaries and Sunstone Capital A/S recognise full profit and equity share in its financial statements.

5 Contingent liabilities

The Company has no contingent liabilities.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

The annual report is presented in DKK'000.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

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

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

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

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

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

Income statement

Revenue

Revenue comprises administration fee for investment advisory services and administration.

Other operating income

Other operating income comprises fee for investment management services and administration.

Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities, including expenses for premises, marketing costs, IT-costs and corporate costs.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relate to equipment calculated on the basis of the residual values and useful lives of the individual assets.

Income from investments in group enterprises

Investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and currency gains, as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and currency losses, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity the portion attributable to entries directly in equity.

Balance sheet**Property, plant and equipment**

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equities.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

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

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.