

GLOBAL EVOLUTION ANNUAL REPORT

Kokholm 3A, 6000 Kolding

01.01 2017 - 31.12 2017



GlobalEvolution

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Company Details

Global Evolution Fondsmæglerselskab A/S
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CVR No.: 30 60 21 53
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Board of Directors

Hans-Christian Ohrt, Chairman
Stefan Paul Allesch-Taylor
Kaj Østergaard Mortensen

Board of Management

Søren Rump
Morten Bugge
Torben Schytt

Auditors

Ernst & Young
Godkendt Revisionspartnerselskab
Osvold Helmuths Vej 4
2000 Frederiksberg

Bankers

Nordea Bank AB
Rendebanen 13
6000 Kolding

Jyske Bank A/S
Jernbanegade 5
6000 Kolding

Danske Bank A/S
Havneparken 3
7100 Vejle

STATEMENT BY THE BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT

The Board of Directors and the Board of Management have today discussed and approved the annual report of Global Evolution Fondsmæglerselskab A/S for the financial year 1 January - 31 December 2017.

The Annual Report has been prepared in accordance with the Danish Financial Business Act, including the Executive Order on Financial reports for Credit Institutions and Investment Companies.

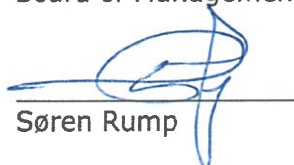
In our opinion the financial statements give a true and fair view of the Company's financial position at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

In our opinion the Management's Review contains a fair review of the circumstances, the Review includes, and a description of the significant risks and uncertainties by which the Company can be influenced.

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

Kolding, 23 March 2018

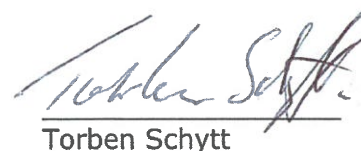
Board of Management:



Søren Rump

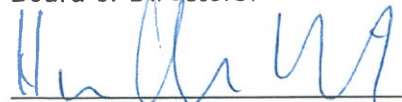


Morten Bugge

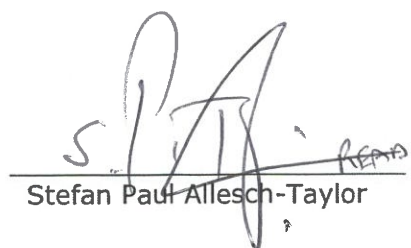


Torben Schytt

Board of Directors:



Hans-Christian Ohrt
Chairman



Stefan Paul Allesch-Taylor



Kaj Østergaard Mortensen

INDEPENDENT AUDITORS' REPORT

To the shareholders of Global Evolution Fondsmæglerselskab A/S

Opinion

We have audited the financial statements of Global Evolution Fondsmæglerselskab A/S for the financial year 1 January – 31 December 2017, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Business Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017 in accordance with the Danish Financial Business 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

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 Business 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.

Auditor's responsibilities for the audit of the financial statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on 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 during 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 under the Danish Financial Business Act.

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 of the Danish Financial Business Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 23 March 2018

Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Lars Rhod Søndergaard
State Authorized Public Accountant
MNE no: mne28632



Morten Østergaard Koch
State Authorized Public Accountant
MNE no: mne35420

MANAGEMENT'S REVIEW

Business activities

The Company offers services to institutional and professional investors based on investments in emerging markets. At the end of 2017, the Company had a total of 26 employees.

Global Evolution Fondsmæglerselskab A/S's vision is to become one of the leading global asset management companies within its business area.

Management of Directorship

For a specification of the Board of Directors and Board of Management, Management and Directorship see note 17 in the Annual Report.

Recognition and measurement uncertainties

There are no recognition and measurement uncertainties apart from those mentioned under accounting policies, just as no exceptional circumstances affecting the recognition and measurement occurred during the period.

Developments in the Company's business activities and financial situation

The Company's income statement for the year shows a profit of DKK 100,803,705 and the Company's balance sheet as at 31 December 2017 shows an equity of DKK 86,200,631. The Company's revenues benefitted significantly from performance fees in 2017.

In 2017, the Company has experienced further significant growth in assets under management. Both earnings and expenses have increased more than expected and the overall result is significantly better than budgeted. The overall 2017 result is regarded as very satisfactory.

Post balance sheet events

No post balance sheet events have occurred which have a significant influence on the evaluation of the annual report.

Outlook for 2018

The Company has continued to expand its client reach globally. The Company expects this expanded reach to lead to a continued growth in assets under management in 2018. Combined with the existing larger base in assets under management this leads to the expectation of a further improvement in the overall 2018 result compared to 2017 (adjusted for performance fees). The Company does not budget with any performance fee revenue.

The company's ownership structure is expected to change during 2018. Conning, which is an US based Investment Management Firm, is expected to acquire a substantial part of the shares in the company. The transaction is subject to the approval of the Danish FSA. After the transaction the majority of shares will continue to remain controlled by the Board of Management of Global Evolution.

Knowledge resources

The Company's business is based on management of investments in Emerging Markets, which requires a high level of knowledge and competences in the organisation. The staff is therefore characterised by being highly qualified and educated within the financial markets.

Special risks

In note 16, the Company describes the special risks which may affect the Company.

Research and development activities

The Company has developed its own portfolio management systems and continuously develops and optimises the individual product and distribution platforms. The expenses incurred in this respect are expensed as they are incurred.

Subsidiary abroad

The Company has in autumn 2013 established a subsidiary in the United States. The activity started in 2014. This initiative is expected to contribute significantly to the company's future growth, but the development so far has been slower than expected.

Board of Directors, proposed dividend

Board of Directors propose a dividend of DKK 61,447,000 at the company's general meeting.

INCOME STATEMENT

Notes		2017 1,000 DKK	2016 1,000 DKK
3	Interest Income	0	75
4	Interest expenses	-220	-71
	Net interest income	-220	4
	Fees and commissions income	208,370	103,839
	Paid fees and commissions expenses	-3,659	-2,864
	Net interest and fee income	204,491	100,979
5	Value adjustments	-1,170	-141
6	Staff costs and administrative expenses	-73,517	-52,466
	Depreciation and impairment of property, plant and equipment	-465	-535
	Income from equity investments in subsidiaries	241	131
	Result before tax	129,580	47,968
7	Taxes	-28,776	-10,321
	Result for the year	100,804	37,647
	Other comprehensive income	-68	14
	Tax on other comprehensive income	0	0
	Comprehensive income for the period	100,736	37,661

Allocation of the result

Proposed dividend	61,447	32,065
Paid, interim dividend	39,357	5,582
Revaluation reserve according to the equity method	173	145
Accumulated result	-241	-131
Total allocation	100,736	37,661

BALANCE SHEET

Notes	31 December 2017 1,000 DKK	31 December 2016 1,000 DKK
ASSETS		
	4	5
8	64,277	50,871
9	742	569
10	1,009	1,514
	19	5
	67,266	36,546
	7,116	3,372
Total assets	140,433	92,882

BALANCE SHEET

Notes	31 December 2017 1,000 DKK	31 December 2016 1,000 DKK
LIABILITIES & EQUITY		
	379	475
Debt to credit institutions and central banks		475
Tax liabilities	7,568	2,844
Other liabilities	46,285	32,676
Total liabilities	54,232	35,995
11 Share capital	4,576	4,576
Retained earnings	19,439	19,680
Revaluation reserve according to the equity method	739	566
Proposed dividend	61,447	32,065
Total equity	86,201	56,887
Total liabilities & equity	140,433	92,882
12 Contingent liabilities		
13 Related parties		
14 Capital adequacy requirements		
15 Solvency		
16 Special risks		
17 Information about the Board of Directors and Board of Management		

STATEMENT OF CHANGES IN EQUITY

1,000 DKK	Share capital	Revaluation reserve according to the equity method	Retained earnings	Proposed dividend	Total
Equity at 01.01.16	4,576	421	19,811	12,710	37,518
Comprehensive income for the period	0	145	-131	37,647	37,661
Change in equity for the period:					
Distribution to owners, dividend 2015	0	0	0	-12,710	-12,710
Interim dividend	0	0	0	-5,582	-5,582
Equity at 31.12.16	4,576	566	19,680	32,065	56,887
Equity at 01.01.17	4,576	566	19,680	32,065	56,887
Comprehensive income for the period	0	173	-241	100,804	100,736
Change in equity for the period:					
Distribution to owners, dividend 2016	0	0	0	-32,065	-32,065
Interim dividend	0	0	0	-39,357	-39,357
Equity at 31.12.17	4,576	739	19,439	61,447	86,201

NOTES

1. Accounting Policies

The Annual Report has been presented in accordance with the Danish Financial Business Act, the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc.

The Accounting Policies have applied consistently with the latest Annual Report.

Due to the immaterial size of the company's subsidiary undertaking no consolidated financial statements are prepared.

Recognition and measurement in general

In the income statement, income is recognised as earned, including value adjustments of financial assets and liabilities. In the income statement, all expenses, including depreciation and impairment losses, are recognised as well.

In the balance sheet, assets are recognised when the economic benefits are likely to be realised and when the asset value can be measured in a reliable manner. Liabilities are recognised when they are likely to be realised and when they can be measured in a reliable manner. On subsequent recognition, financial assets and liabilities are measured as described below for each specific entry.

For purposes of recognition and measurement, predictable losses and risks which occur before the interim report is presented are taken into consideration.

Reporting currency

The Annual Report is presented in Danish kroner.

Foreign currency translation

Transactions in foreign currency are translated into Danish kroner using the exchange rate ruling on the date of the transaction.

Monetary items denominated in foreign currency are translated into Danish kroner at the exchange rates at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement under value adjustments.

On recognition of foreign subsidiaries and associates which are independent entities, the income statements are recognised at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are recognised at the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arisen at the conversion of equity at the beginning of the year and income statements at the exchange rates applicable at the balance sheet date are recognised in other comprehensive income.

Translation adjustments of intercompany balances with independent foreign subsidiaries and associates which are considered part of the overall investment are recognised other comprehensive income.

Derivative financial instruments

Derivatives are measured at fair value. Positive and negative fair values are included as other assets and other liabilities, respectively.

INCOME STATEMENT

Interest income and fee income

Interest income consists of interest and similar income and will be accrued over the specific periods to which they relate and they will be recognised in the income statement with the amount related to the specific financial reporting period.

Fee income includes income related to fees paid by clients for portfolio management and advisory services provided by the Company.

Performance fees are recognised as income when the Company obtains definitive rights to the Fee.

Performance fee and fixed fee income is recognised as a net fee with all rebates deducted. Rebates contains an estimation element upon first recognition and is subsequently recalculated when all parameters are certain.

Value adjustments

Realized and unrealized capital gains and losses are recognised in the income statement, including any value adjustment of assets and liabilities measured at fair value.

Staff costs and administrative expenses

This includes expenses to staff, management and administration, including expenses related to office rental.

Depreciation and impairment

The item includes depreciation and impairment of property, plant and equipment. Fixed assets are depreciated using the straight-line method, based on the cost, measured by reference to the below assessment of the useful life of the assets:

	<u>Useful life</u>
Other fixtures and fittings, tools and equipment	3-5 years
Cars	3-5 years

The scrap value for cars is estimated at 14,2%-17,5% of cost.

Gains or losses on the sale of fixed assets are recognised in the income statement under 'Depreciation and impairment'.

Tax

Tax for the year comprises current tax and changes in deferred tax for the year. Tax relating to the profit/loss for the year is recognised in the income statement, and the tax relating to amounts directly recognised in equity is recognised directly in equity.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements and other fixtures, fittings, tools and equipment. Property, plant and equipment are measured at cost less accumulated depreciation and impairment.

Leased property, plant and equipment qualifying for recognition as assets held under finance leases are treated as acquired assets.

The cost of assets held under finance leases is measured at the lower of cost according to the lease and the net present value of the lease payments, calculated by reference to the interest rate implicit in the lease.

Financial assets

Investments in subsidiaries are recognized in the balance sheet at the proportionate ownership of the companies adjusted for the remaining goodwill or negative goodwill and unrealized group internal gains and losses.

The subsidiaries are recognized in the income statement in proportion to the ownership corresponding to the investments

Newly acquired or newly established companies are recognized in the financial statements from the acquisition date. Companies disposed of are recognized up to the date of disposal.

Gains or losses on disposal of subsidiaries are calculated as the difference between the sales price and the carrying value of net assets at the date of disposal including unamortized goodwill and estimated costs to sell. Gains and losses are recognized in the Income Statement under investments in associated companies and subsidiaries.

Impairment of assets

The carrying amount of non-current assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation/amortisation.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets. The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the disposal of the asset or group of assets after the expiry of their useful lives.

Receivables

Receivables and receivables related to fees for portfolio management are measured at amortised cost, which usually corresponds to the nominal value. The value is reduced by provisions for bad debts.

Securities

Securities are recognised at fair value. The fair value of listed securities is fixed as the closing price on the balance sheet date. The trading date is used as the date of recognition.

Prepayments

Prepayments recognised under assets includes incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Shareholders' equity

Dividends proposed for the reporting period are presented as a separate item under 'Shareholders' equity'.

Income taxes

Current tax charges are recognised in the balance sheet as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior years' taxable income and tax paid in advance.

Provisions for deferred tax are calculated of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred tax liabilities.

Financial liabilities

Financial liabilities are recognised on the raising of loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Other debt is subsequently measured at amortised cost, corresponding to the nominal unpaid debt.

Financial highlights

The financial highlights have been prepared in accordance with the Danish Financial Supervisory Authority's executive order on financial reports of credit institutions and stockbroker companies.

NOTES

2. Key Figures and Financial Ratios

1,000 DKK	2017	2016	2015	2014	2013
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KEY FIGURES

Income Statement

Net interest income and fee income	204,491	100,978	77,726	88,428	54,359
Value adjustments	-1,170	-141	775	68	-259
Staff costs and administrative expenses	73,517	52,467	42,632	39,741	29,459
Loss and provision for bad debts	0	0	0	0	0
Result for the year	100,804	37,647	27,318	36,586	18,186

1,000 DKK	31.12.17	31.12.16	31.12.15	31.12.14	31.12.13
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Balance Sheet

Equity	86,201	56,887	37,518	36,010	35,687
Total assets	140,433	92,882	57,510	59,341	62,662

FINANCIAL RATIOS

Base capital in relation to minimum capital requirement	1,81	2,25	2,44	3,28	3,67
Capital ratio	14,5%	18,0%	19,5%	26,2%	54,6%
Core capital ratio	14,5%	18,0%	19,5%	26,2%	54,6%
Return on equity before tax	181,1%	101,6%	97,1%	136,0%	73,3%
Return on equity after tax	140,9%	79,8%	74,3%	102,5%	54,8%
Income/cost ratio	2,75	1,90	1,81	2,21	1,81

The decrease in capital- and core capital ratio in 2014 is primarily due to the transition to CRR (REA).

NOTES

	2017 1,000 DKK	2016 1,000 DKK
3. Interest income		
Receivables from credit institutions and central banks	0	0
Bonds	0	75
Total interest income	0	75
4. Interest expenses		
Payables to credit institutions and central banks	196	55
Other interest expenses	24	16
Total interest expenses	220	71
5. Value adjustments		
Currency	-1,170	-66
Bonds at fair value	0	-75
Total value adjustments	-1.170	-141

NOTES

	2017	2016
	1,000 DKK	1,000 DKK
6. Staff costs and administrative expenses		
Salaries and remuneration to the Board of Directors, the Board of Management and employees with influence on risk:		
Board of Directors, only fixed salary	184	154
Board of Management, only fixed salary	9,787	8,178
Staff, fixed salary	1,418	1,322
Staff, variable salary	100	100
<hr/>		
Salaries and remuneration to the Board of Directors, Board of Management and employees with influence on risk	11,489	9,754
Staff salaries	29,844	20,648
Staff pensions	2,616	1,817
Social security costs	1,222	1,149
Payroll tax	5,111	2,579
<hr/>		
Total staff costs	50,282	35,947
Other administrative expenses	23,235	16,519
<hr/>		
Total staff costs and administrative expenses	73,517	52,466
<hr/>		
Average number of employees in the period	22	21
<hr/>		
Number of risktakers:		
Board of Directors	3	3
Board of Management	2	2
Staff	1	1
<hr/>		
Total	6	6
<hr/>		
Specification on the fee to the auditors appointed at the general meeting:		
Fees for statutory audits of annual accounts	229	230
Fees for assurance engagements other than audit	85	33
Fees for tax advisory services	49	105
Fees for other services	150	0
<hr/>		
Total fee to Ernst & Young	513	368

NOTES

6. Staff costs and administrative expenses – continued -

Remuneration of the Board of Directors and Board of Management of Global Evolution Fondsmæglerselskab A/S are shown in note 17.

The company has no pension liabilities as the company's plan is a defined contribution plan.

The company has no material risk takers beyond the company's Board of Directors, the members of Board of Management and the Head of Legal & Compliance.

	2017 1,000 DKK	2016 1,000 DKK
7. Taxes		
Estimated tax charge for the period	28,752	10,544
Adjustment of tax in respect of previous years	38	-218
Change in deferred tax	-14	-5
Total taxes	28,776	10,321
Tax Reconciliation		
Tax rate	22,00%	22,00%
Non-taxable items	0,21%	-0,49%
Average effective tax rate	22,21%	21,51%

	31.12.2017 1,000 DKK	31.12.2016 1,000 DKK
8. Receivables from credit institutions and central banks		
Receivables from credit institutions, on demand	64,277	50,871
Total receivables from credit institutions and central banks	64,277	50,871

NOTES
31.12.2017 **31.12.2016**
1,000 DKK **1,000 DKK**
9. Investments in subsidiaries

Cost as at 31.12.16	3	3
Cost as at 31.12.17	3	3
Revaluations as at 31.12.16	566	421
Revaluations in the year	241	131
Currency adjustments	-68	14
Revaluations as at 31.12.17	739	566
Carrying amount as at 31.12.17	742	569

Name	Registered office	Ownership interest	Equity 1,000 DKK	Result for the year 1,000 DKK
Global Evolution USA LLC	Delaware, USA	100%	742	241

31.12.2017 **31.12.2016**
1,000 DKK **1,000 DKK**
10. Other property, plant and equipment

Total cost as at 31.12.16	4,521	4,456
Additions in the year	25	65
Disposal in the year	-65	0
Total cost as at 31.12.17	4,481	4,521
Depreciation as at 31.12.16	3,007	2,472
Depreciation in the year	452	535
Reversal of depreciation on disposals	13	0
Depreciation as at 31.12.17	3,472	3,007
Carrying amount as at 31.12.17	1,009	1,514

NOTES

11. Share capital

The share capital consists of 1,224,502 shares of EUR 0,5 nominal value each.

31.12.2017 **31.12.2016**
1,000 DKK **1,000 DKK**

12. Contingent liabilities, other financial obligations

Rent payment concerning a contract, one year	385	394
Rent payments concerning a contract which is non-cancellable until 1 January 2021	5,734	1,559
Total rent liability	6,119	1,953
The Guarantee Fund for Depositors and Investors	104	87

13. Related parties

Ownership:

The following shareholders are registered in the company's register of shareholders as holding more than 5% of the share capital:

- Global Evolution Holding A/S, Kolding
- Tulip Invest ApS, Kolding
- Rump Invest ApS, Kolding
- Borough Capital Ltd.
- Phoenix Strategy Commercial

Transactions with the subsidiary Global Evolution USA LLC include miscellaneous recharges of administrative expenses and staff costs. All transactions are made on market terms and in accordance with the companies transfer pricing policy.

Remuneration of Management is disclosed in note 17.

NOTES

	31.12.2017	31.12.2016
	1,000 DKK	1,000 DKK

14. Capital adequacy requirements

Capital adequacy requirements according to CRR, article 95 stk. 2 litra A:

Total risk exposure (REA)	165,629	134,559
Capital adequacy requirement, 8% of total risk exposure (REA)	13,250	10,765
Minimum capital EUR 0.05m	372	2,230

Capital adequacy requirements according to section 125(5) of FiL:

Total fixed expenses prior year	53,001	43,059
Capital adequacy requirements, 25% thereof	13,250	10,765
Fulfillment of above capital requirements by 31 December (own Funds)	23,993	24,248

15. Solvency

Shareholders' equity	86,201	56,887
Proposed dividend	-61,447	-32,065
Global Evolution USA	-742	-569
Deferred tax asset	-19	-5

Core capital after deduction	23,993	24,248
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Own Funds	23,993	24,248
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Capital ratio	14,49%	18,00%
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Core capital ratio	14,49%	18,00%
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NOTES

16. Special risks

Business risks

Earnings are considerably affected by the assets under management and the management fee. The size of the assets depends partly on changes in the price of the underlying portfolio, partly on the general demand for asset management within emerging markets. Therefore, it is important to the Company to attract new investors, while at the same time providing competitive returns and products.

Financial risks

The composition of the balance sheet total in the Company is solid, as none of the balance sheet total is financed externally, and because 48% of total assets are placed in Danish/Nordic highly rated and systemically important credit institutions and Danish highly rated government and mortgage bonds. Against this background, the financial risks in the Company are considered limited. Financial risks are managed in accordance with the Board of Directors instructions to the Board og Management.

Foreign exchange risk

The Company is exposed to exchange rate risks. Foreign exchange exposure relating to future transactions is evaluated and hedged by instruments such as forward exchange contracts. The management of foreign exchange risks is based on policies approved by the Board of Directors.

Significant risk and uncertainties

In 2018, business risks will account for the most significant risk factor.

NOTES

17. Information about the Board of Directors and Board of Management

Board of Directors

Chairman

Hans Christian Ohrt

	2017 1,000 DKK	2016 1,000 DKK
Directors remuneration, fixed	124	94
Directors remuneration, variable	0	0
Total	124	94

Chairman:

Liljegren A/S
Global Evolution Holding A/S
Estron A/S
Onlinepartners ApS
Genpack A/S
Genpack Invest A/S
ROV-Support A/S
Kate Acquisition ApS
MM & Ten A/S
Mos Mosh A/S

Board member:

Kirk & Thorsen A/S
Aktieselskab Presenco A/S
Form3 Retail ApS
Bayern AutoGroup Kolding A/S
Kurt Kirkegaard A/S
Easyfood A/S
Thorsen A/S
Duralys A/S
Duralamp Danmark A/S
Andersen Partners Advokatpartnerselskab

NOTES

17. Information about the Board of Directors and Board of Management - continued -

Board member

Stefan Paul Allesch-Taylor

No directors remuneration has been paid for 2017 or 2016

Chairman:

Department of Coffee and Social Affairs Limited
Pump Aid Ltd
Afri-Can Charity
Action Hotels Plc
Docasa Inc

Kaj Østergaard Mortensen

	2017 1,000 DKK	2016 1,000 DKK
Directors remuneration, fixed	60	60
Directors remuneration, variable	0	0
Total	60	60

NOTES

17. Information about the Board of Directors and Board of Management

- continued -

Board of Management

Søren Rump

	2017 1,000 DKK	2016 1,000 DKK
Executive Board remuneration, fixed	4,003	4,020
Executive Board remuneration, variable	0	0
Total	4,003	4,020

Chairman:

Global Evolution Manco S.A., Luxembourg

Board of management:

Rump Invest ApS
Mogambo Holding ApS
Tiananmen Holding ApS
Global Evolution Holding A/S
Mogambo2 Holding ApS

Board member:

Global Evolution Funds SICAV
Global Evolution Holding A/S

NOTES

17. Information about the Board of Directors and Board of Management

- continued -

Board of Management

Morten Bugge

	2017 1,000 DKK	2016 1,000 DKK
Executive Board remuneration, fixed	4,072	4,158
Executive Board remuneration, variable	0	0
Total	4,072	4,158

Board of management:

Tulip Invest ApS
Mogambo Holding ApS
Tiananmen Holding ApS
Mogambo2 Holding ApS
P&B International ApS
BAOBAB Invest ApS

Board member:

Global Evolution Holding A/S

Torben Schytt

No Executive Board remuneration has been paid for 2017 or 2016