# MAJ INVEST EQUITY VIETNAM I K/S

Annual report 2022

# **CONTENTS**

STATEMENTS	
Statement by management	3
Independent auditor's report	4
MANAGEMENT COMMENTARY	
Fund information	7
Key figures and ratios	8
Business review	g
FINANCIAL STATEMENTS	
Accounting policies	12
Income statement	15
Balance sheet	16
Statement of change in equity	. 17
Cash flow statement	18
Notes	19

### STATEMENT BY MANAGEMENT

The executive board has today discussed and approved the annual report for Maj Invest Equity Vietnam I K/S for the financial year 1 January – 31 December 2022.

The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the limited partnership's assets, liabilities and financial position at 31 December 2022 and of the results of the limited partnership's operations and cash flows for the financial year 1 January – 31 December 2022.

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

We recommend the annual report 2022 for adoption at the annual general meeting.

Copenhagen, 21 March 2023

General partner:

General Partner Equity Vietnam ApS

Excutive board:

Thomas Riis

Kasper Svarrer

The annual report is presented and adopted at the annual general meeting.

on

Chairman of the partnership meeting: \_

2023

## Independent auditor's report

### To the limited partners in Maj Invest Equity Vietnam I K/S

### **Opinion**

We have audited the financial statements of Maj Invest Equity Vietnam I K/S for the financial year 1 January – 31 December 2022, which comprise accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. 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 financial position of the Limited Partnership at 31 December 2022 and of the results of the Limited Partnership's operations for the financial year 1 January – 31 December 2022 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 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 Limited Partnership 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.

### 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 Limited Partnership '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 Limited Partnership 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

## Independent auditor's report

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 Limited Partnership'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 Limited Partnership'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 Limited Partnership 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

# Independent auditor's report

significant deficiencies in internal control that we identify during our audit.

### Statement on 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 Statements 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 21 March 2023

EY Godkendt Revisionspartnerselskab CVR no. 30 70 02 28

Lars Rhod Søndergaard, mne28632 State Authorised Public Accountant Rasmus Berntsen, mne35461 State Authorised Public Accountant

# Penneo dokumentnøgle: LAVLK-AVYY0-FNE0O-HHVEO-QEKFH-QLQ07

# **MANAGEMENT COMMENTARY**

### **Fund information**

The limited partnership

Maj Invest Equity Vietnam I K/S

Gammeltorv 18

DK-1457 Copenhagen K

Denmark

Manager contact information

E-mail: kontakt@majinvest.com

Website: majinvest.com

CVR no.

32 26 42 04

Financial year

1 January - 31 December

Registered office

Copenhagen

General partner

General Partner Equity Vietnam ApS

Executive board in General

Partner Equity Vietnam ApS Thomas Riis Kasper Svarrer

Manager

Management Equity Vietnam I ApS

**Auditors** 

EY Godkendt Revisionspartnerselskab

Dirch Passers Allé 36 DK-2000 Frederiksberg

Denmark

### **KEY FIGURES AND RATIOS**

'000 DKK	2022	2021	2020	2019	2018
Key figures					
Profit/loss					
Income of investments in					
portfolio companies	1,286	5 <i>7</i>	(12,916)	(996)	421
Operating profit/loss	1,065	10	(12,963)	(1,927)	(1,437)
Result for the year	981	(61)	(13,026)	(1,994)	(897)
Balance sheet					
Investments in					
portfolio companies	<del>-</del>	11,646	11,509	28,039	57,371
Total assets	3,677	14,886	14,946	31,731	61,187
Equity	3,435	14,671	14,732	31,503	60,974
Financial resources					
Cash	3,677	3,154	3,437	3,671	2,949
Remaining commitment	10,085	10,085	10,085	10,085	10,085
Total financial resources	13,762	13,239	13,522	13,756	13,034
Cash flow					
Cash flows from					
operating activities	(478)	(283)	(234)	(278)	(2,317)
Cash flows from			2 745	20.477	100 212
investing activities	13,218	_	3,745	28,477	108,313
Cash flows from financing activities	(12 217)		(3,745)	(27,477)	(105,647)
-	(12,217)	(283)	(234)	722	349
Net change in cash	323	(203)	(234)	122	343
Ratios					
Equity ratio	93.4%	98.6%	98.6%	99.3%	99.7%
Paid-in capital to	22				
committed capital (%)	98%	98%	98%	98%	98%

### **BUSINESS REVIEW**

### Maj Invest Equity Vietnam I K/S

The private equity fund Maj Invest Equity Vietnam I K/S (Maj Invest Equity Vietnam) was established on 16 June 2009 as a Danish limited partnership and is owned by Danish investors. The investors have entered into a limited partnership agreement. The purpose of the Fund has been to carry out investments in Vietnam.

Maj Invest Equity Vietnam has invested in well-established small and medium-sized Vietnamese companies with a well-defined business model. The Fund has made six investments since its establishment of which all have been exited.

The objective of Maj Invest Equity Vietnam has been to create and realise value in the portfolio companies. As the business carried out by Maj Invest Equity Vietnam is private equity, and no new investments will be made, Maj Invest Equity Vietnam's activity has ended. A voluntary liquidation process for Maj Invest Equity Vietnam is expected to be initiated during 2023.

### **CSR** policy

Maj Invest Equity Vietnam's CSR Policy has served as the framework for ensuring the incorporation of environmental, social and governance factors (ESG) into the investment decision-making process and ownership practices and for ensuring a responsible and positive development on ESG factors in the companies. The Fund has promoted the UN Global Compact principles, with the addition of good corporate governance and animal welfare.

### Ownership

Maj Invest Equity Vietnam is mainly owned by Danish professional and institutional investors holding a stake of 99.4%. Maj Invests management and staff involved in investments in Maj Invest Equity Vietnam and one former external member of the Fund's Investment Committee have invested as special limited partners in Maj Invest Equity Vietnam. Any profits earned by such special limited partners are subject to tax under current Danish and local tax rules. The special limited partners do not pay management fees and partnership formation costs to the Fund.

### **BUSINESS REVIEW**

	Commitment	Interest
Investors	DKKm	in per cent
Danish pension funds	275.0	68.01%
Other Danish professional investors	124.7	30.85%
Maj Invest Holding A/S Management and staff in	2.3	0.57%
Maj Invest Equity International	1.4	0.36%
Other special limited partners	0.9	0.21%
·	404.3	100.00%

### Legal structure

Maj Invest Equity Vietnam is a Danish limited partnership with a Danish private limited company as general partner. The general partner is managed by an executive board consisting of two members. The general partner is a subsidiary of Maj Invest Holding A/S.

Under a management agreement, the manager, Management Equity Vietnam I ApS, handles all investment-related and administrative tasks for Maj Invest Equity Vietnam. Consequently, Maj Invest Equity Vietnam has no staff employed. The manager has made an advisory services agreement with Fondsmæglerselskabet Maj Invest A/S in respect of some of the investment-related tasks and an agreement with Maj Invest Holding A/S in respect of administrative tasks.

### **Decision structure**

The investors in Maj Invest Equity Vietnam have set up an Investor Board with representatives appointed by the investors. The Investor Board is the investors' representative body which evaluates the overall developments in the Fund.

### Development in activities and the financial position

In February 2022, Maj Invest Equity Vietnam exited the investment in the Vietnamese portfolio company VMG Media JSC. Here after all investments are exited.

The result for 2022 is a profit of DKK 1.0 million (2021 loss of DKK 0.1 million) and is mainly due to realized gain in connection to the exit of VMG Media JSC.

### The Taxonomy Regulation

According to the taxonomy regulation, information must be given in the management commentary for Article 6 funds and thus for Maj Invest Equity Vietnam. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

### **BUSINESS REVIEW**

As mentioned above, Maj Invest Equity Vietnam's investments were made since establishment in 2009 and all investments are sold in the beginning of 2022.

### Capital resources

Maj Invest Equity Vietnam has a total capital commitment of DKK 404.3 million. On 31 December 2022, investors had paid DKK 394.3 million, or 98% of their capital commitments. The remaining capital commitment is DKK 10.1 million. Maj Invest Equity Vietnam's equity amounted to DKK 3.4 million at 31 December 2022, matching an equity ratio of 93%.

### Events after the balance sheet date

There have been no events after the balance sheet date and to date that materially affect the assessment of the annual report.

### **ACCOUNTING POLICIES**

### **GENERAL**

The annual report for Maj Invest Equity Vietnam I is prepared in accordance with the provisions of the Danish Financial Statements Act for reporting class B entities with the adoption of rules for reporting class C entities such as cash flow statement and with the necessary adjustments considering that the company is a limited partnership, whoes activity is private equity. Investments in portfolio companies are recognised in compliance with the International Private Equity and Venture Capital Valuation Guidelines, drawn by the IPEV Board.

In order to achieve a true and fair view of operations of the limited partnership, the presentation of the income statement and balance sheet has been changed compared with the reporting form shown in schedule 2 of the Danish Financial Statements Act. Income from investments in portfolio companies is presented as an item under operating profit/loss. The fair values of the investments are presented as one item under the balance sheet regardless of the size of the ownership interest.

The accounting policies are the same as last year.

With reference to the Danish Financial Statements Act §110, the limited partnership has not prepared consolidated financial statements.

### Recognition and measurement

All income and expenses relating to the financial year are recognised in the income statement regardless of time of payment. Negative value adjustments in respect of investments in portfolio companies are also recognised in the income statement.

Assets are recognised in the balance sheet, if, in all probability, future economic benefits will flow to the limited partnership, and the value of such assets can be measured reliably.

Liabilities are recognised in the balance sheet, if, in all probability, future economic benefits will flow out of the limited partnership, and the value of such liabilities can be measured reliably.

Recognition and measurement of assets and liabilities have taken into account any information available after the balance sheet date but before the presentation of the financial statements, either affirming or not affirming conditions existing on the balance sheet date.

### **ACCOUNTING POLICIES**

### Foreign currency translation

Transactions in foreign currencies are translated into Danish kroner using the exchange rates applicable on the transaction date. Assets and liabilities in foreign currencies are translated into Danish kroner using the rates on the balance sheet date.

### **INCOME STATEMENT**

### Income of investments in portfolio companies

Realised gains/losses on investments and negative unrealised value adjustments of investments are recognised in the income statement. Interest received on loans to and dividends received from portfolio companies are also recognised under "Income of investments in portfolio companies".

### Administrative expenses

Administrative expenses consist of other administrative expenses.

### Financial income and expenses

Financial income and expenses include interests on bank deposits and interests on loans provided by the general partner "General Partner Equity Vietnam ApS".

### Tax

Maj Invest Equity Vietnam I is a Danish limited partnership. The limited partnership is transparent for tax purposes and taxes are levied on the individual investors in proportion to their shares in the partnership. Consequently, no provisions for tax have been made in the financial statements.

### **BALANCE SHEET**

### **ASSETS**

### Investments in portfolio companies

On initial recognition, investments in portfolio companies were measured at cost, with the addition of transaction costs. On subsequent recognition, investments are measured at fair value.

The fair value of investments in portfolio companies are measured at the most recent market price, for instance in the form of an expansion of capital or a partial sale based on the values of comparable companies or through the use of traditional valuation methods, such as EV/EBITDA, P/E, EV/EBIT, P/B.

Positive unrealised value adjustments of investments in associated companies are recognised directly in the equity. Negative unrealised value adjustments are recognised in the income statement.

### **ACCOUNTING POLICIES**

If the fair value assessment is not reliable, investments will be measured at cost, with the addition of transaction costs.

Receivables from portfolio companies in the form of loans are recognised as receivables and measured at fair value.

### Receivables

Receivables from portfolio companies and other receivables are measured at the lower of amortised cost or net realisable value, which usually corresponds to the nominal value less write downs for bad debts. Write downs for bad debts are determined on the basis of an assessment of the individual receivables.

### Cash

Cash includes deposits with financial institutions.

### LIABILITIES

### Financial liabilities

Other liabilities are measured at amortised cost, usually corresponding to the nominal value.

### **CASH FLOW STATEMENT**

### Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as the year's movements in cash flows and the limited partnership's cash at the beginning and end of the year.

### Cash flows from operating activities

Cash flows from operating activities include the net profit or loss for the year, adjusted for changes in working capital and non-cash operating items, such as value adjustments of investments in portfolio companies and provisions. The working capital includes current assets less short-term liabilities, exclusive of items included in cash and bank loans.

### Cash flows from investing activities

Cash flows from investing activities include payments in respect of acquisitions or divestments of portfolio companies.

### Cash flows from financing activities

Cash flows from financing activities include payments to and from limited partners as well as any changes in bank loans.

### **INCOME STATEMENT**

'000 DKK	Note	2022	2021
Income of investments in			
portfolio companies	1	1,286	57
Administrative expenses		(221)	(47)
Operating profit/loss	<del></del>	1,065	10
Financial income		14	4
Financial expenses		(98)	(75)
Result for the year		981	(61)
Proposed distribution of net profit/loss			
Retained earnings		981	(61)
		981	(61)

### **BALANCE SHEET**

'000 DKK	Note	31/12/2022	31/12/2021
ASSETS			
Investments in portfolio companies	2	_	11,646
Total investments			11,646
Total non-current assets			11,646
Receivables from portfolio companies		_	86
Total receivables			86
Cash		3,677	3,154
Total current assets		3,677	3,240
Total assets		3,677	14,886
EQUITY AND LIABILITIES			
Paid-in capital		394,255	394,255
Distributions		(429,857)	(417,640)
Retained earnings	_	39,036	38,055
Total equity	-	3,435	14,671
Debt to general partner	3	125	125
Total long-term liabilities		125	125
Debt to general partner	3	50	50
Other payables	_	67	40
Total short-term liabilities		117	90
Total liabilities	_	242	215
Total equity and liabilities		3,677	14,886
Cash flow statement - adjustments	4		
Cash flow statement - change in working			
capital	5		
Contingent liabilities etc.	6		
Other notes	7		

### STATEMENT OF CHANGES IN EQUITY

'000 kr.	Paid-in capital from limited partners	Distribu- tions to limited partners	Retained earnings	Total
OOO KII	P	<b>F</b>		
2022				
Equity at beginning of year Distributions to limited	394,255	(417,640)	38,055	14,671
partners	_	(12,217)	-	(12,217)
Retained earnings	-	-	981	981
Equity at				
year end	394,255	(429,857)	39,036	3,435
The limited partners are liable remaining commitment as of		of the	_	10,085
2021				
Equity at beginning of year	394,255	(417,640)	38,116	14,732
Retained earnings	_	_	(61)	(61)
Equity at year end	394,255	(417,640)	38,055	14,671
The limited partners are liable		of the		10,085
remaining commitment as of	31/12/2021			10,065

### **CASH FLOW STATEMENT**

'000 DKK	Note	2022	2021
Profit/loss for the year		981	(61)
Adjustments	4	(1,488)	(66)
Change in working capital	5	113	(85)
Cash flows from operating activities before net financials		(394)	(212)
Financial income etc.		14	4
Financial expenses etc.		(98)	(75)
Cash flows from operating activities		(478)	(283)
Capital reduction in portfolio companies		12,387	-
Disposals of portfolio companies and loans		831	-
Cash flows from investing activities	-	13,218	_
Paid-in capital from investors		-	_
Distributions to investors		(12,217)	-
Cash flows from financing activities	_	(12,217)	_
Cash flows for the year, net	_	523	(283)
Cash at the beginning of the year		3,154	3,437
Cash at the end of the year	15	3,677	3,154

### **NOTES**

'000 DKK	2022	2021
NOTE 1 Income of investments in portfolio companies Unrealised value adjustment		137
Realised gain/loss on loans to portfolio		137
companies	1,286	(80)
_	1,286	57

# NOTE 2 Investments in portfolio companies

The investments are valued according to the fair value measurements in Level 3 of the fair value hierarchy.

### NOTE 3 Debt to general partner

Debt to general partner is an installment-free loan to Maj Invest Equity Vietnam for the full term of Maj Invest Equity Vietnam.

### **NOTES**

'000 DKK	31/12/2022	31/12/2021
NOTE 4 Cash flow statement - adjustments		
Financial income	(14)	(4)
Financial expenses	98	75
Realised gain/loss in portfolio companies	(1,572)	-
Unrealised value adjustments in portfolio		
companies		(137)
	(1,488)	(66)
NOTE 5 Cash flow statement - change in working capital		
Change in receivables	86	(86)
Change in other short-term liabilities	27	1
	113	(85)

### NOTE 6 Contingent liabilities etc.

### Contingent liabilities

Maj Invest Equity Vietnam has contingent liabilities in connection with the sale of portfolio companies. While most of the warranties have expired, certain key warranties are unlimited in time and amount. The key warranties are normal sales guarantees for this line of business.

### NOTE 7 Information on average number of employees

Maj Invest Equity Vietnam has no employees.

# Penneo dokumentnøgle: LAVLK-AVYY0-FNE0O-HHVEO-QEKFH-QLQ07

# PENN30

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

### Thomas Riis

Direktion

På vegne af: GPEV ApS Serienummer: PID:9208-2002-2-512439198457

IP: 217.63.xxx.xxx 2023-03-21 10:25:50 UTC

NEM ID 🔇

### Kasper Svarrer

Direktion

På vegne af: GPEV ApS Serienummer: f6b598f6-04f3-487e-804d-d77269b96d3b

IP: 217.63.xxx.xxx 2023-03-21 11:31:34 UTC



### Rasmus Berntsen

Revisor

På vegne af: Revisor Serienummer: 4da33c6f-75ac-47e7-bc55-f83bf42ab5e4

2023-03-21 11:40:21 UTC

IP: 94.147.xxx.xxx





### Lars Rhod Søndergaard

Revisor

På vegne af: Revisor Serienummer: 30b7573c-a2a0-46ac-bc57-2faebed6e490

IP: 93.164.xxx.xxx

2023-03-21 15:48:51 UTC





Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstemplet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service <penneo@penneo.com>**. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiskes igneringsbeviser i ndlejret i dokumentet ved at anvende Penneos validator på følgende websted: https://penneo.com/validator