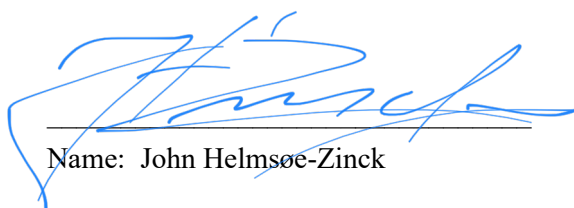


**VIA equity Fond II K/S  
Strandvejen 58  
2900 Hellerup  
Business Registration No  
33 35 87 84  
Annual report 2020**

The Annual General Meeting adopted the annual report on 03.03.2021

## **Chairman of the General Meeting**



Name: John Helmsøe-Zinck

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## **Fund details**

### **Fund**

VIA equity Fond II K/S

Strandvejen 58

DK-2900 Hellerup

Business Registration No: 33 35 87 84

Founded: 23.11.2010

Registered in: Gentofte

Financial year: 01.01.2020 – 31.12.2020

Telephone: +45 39 77 50 60

Internet: [www.viaequity.com](http://www.viaequity.com)

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P.O. Box 1600

0900 Copenhagen C

## Statement by Management on the annual report

The Manager and the General Partner have today considered and approved the annual report of VIA equity Fond II K/S for the financial year 01.01.2020 – 31.12.2020.

The annual report is presented in accordance with International Financial Reporting Standards as adopted by the EU and disclosure requirements of the Danish Financial Statements Act.

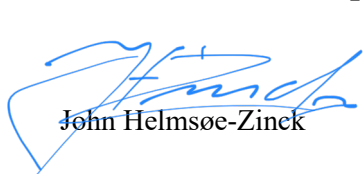
In our opinion, the financial statements give a true and fair view of the Fund's financial position at 31.12.2020 and of the results of its operations and the cash flows for the financial year 01.01.2020 – 31.12.2020.

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.

Hellerup, 17.02.2021

**On behalf of VIA equity a/s / VVP Komplementar II K/S**

  
John Helmsøe-Zinck

  
Jesper Hørsholt

## **Independent auditor's report**

### **To the shareholders of VIA equity Fond II K/S**

#### **Opinion**

We have audited the financial statements of VIA equity Fond II K/S for the financial year 01.01.2020 - 31.12.2020, which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Funds's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 Fund in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Fund'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 Fund 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.

## Independent auditor's report

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 Fund'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 Fund'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 Fund 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.

## Independent auditor's report

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, 17.02.2021

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56



Bill Haudal Pedersen  
State-Authorised Public Accountant  
Identification No (MNE) mne30131



Michael Thorø Larsen  
State-Authorised Public Accountant  
Identification No (MNE) mne35823

## Management commentary

	2020 t.kr.	2019 t.kr.	2018 t.kr.	2017 t.kr.	2016 t.kr.
<b>Financial highlights</b>					
<b>Statement of comprehensive income</b>					
Results from investments	393,079	39,211	76,674	51,715	673,149
Operating profit/(loss)	388,324	33,486	72,323	46,039	660,584
Financial income and expenses	(65)	0	(4)	(182)	27
Profit/loss for the year	388,259	33,486	72,319	45,857	660,611
<b>Balance sheet</b>					
Total assets	141,961	393,390	374,856	300,904	655,129
Equity	141,935	393,347	374,802	300,754	654,971
<b>Ratios</b>					
Total Value to Paid in	3.14x	2.69x	2.66x	2.62x	2.58x
Distributed to Paid in	2.97x	2.21x	2.20x	2.25x	1.75x
IRR (since establishment)	52.8%	51.8%	53.0%	53.9%	57.9%
Number of portfolio companies	2	4	5	5	5

For definitions and terms we refer to the section on accounting policies applied.

### Primary activities

The Fund is a buy-out fund investing primarily in Nordic based technology and growth companies. The Fund has made investments in 11 portfolio companies.

The Fund has a committed capital of DKK 900,000 thousand from a broad base of recognized international investors.

The Fund is managed by VIA equity a/s pursuant the agreed investment guidelines and management agreement, following which the manager may decide on investments and divestments subject to approval from an independent investment committee.

### Development in activities and financial matters

The investment period is closed and the Fund only makes follow-up investments. Hence, the focus has been on further developing the remaining portfolio companies and divestments, which resulted in the sale of two portfolio companies during the year and leaving the Fund with two remaining portfolio companies.

Further information on the portfolio companies is available on the manager's website [www.viaequity.com](http://www.viaequity.com)



## **Management commentary**

### **Result of the year**

The portfolio companies have in general developed well over the year and proven relatively resistant to the COVID-19 situation. The year saw mostly positive fair value adjustments, which resulted in a profit from investment activities of DKK 393,079 thousand. The Fund administration costs amounted to DKK 4,755 thousand in line with expectations. The result for the year was a satisfactory profit of DKK 388,259 thousand.

### **Uncertainty relating to recognition and measurement**

The Fund makes investments in non-listed companies, where the ability to divest and the companies' earnings are influenced by various factors, and the fair market valuation includes judgements and estimates. The fair market valuation of the investments in portfolio companies is therefore subject to uncertainties and the investments will not at all times be liquid as different market conditions may influence liquidity.

For further description of valuation principles please refer to the accounting principles.

### **Events after the balance sheet date**

From the balance sheet date until the date of the presentation of this annual report, no events have occurred that would materially affect the assessment of the annual report.

### **Outlook for 2021**

The Fund is considering divestments of portfolio companies on a continuous basis and may choose to divest if an attractive return can be achieved. The Fund expects a positive result for the year subject to normal uncertainty.

### **Social responsibility**

The Fund considers social responsibility an integral part of making investments. The Fund aims at not making investments in companies that deliberately and repeatedly violates rules that have been laid down by national authorities in the markets in which the company operates or any rules, norms and/or standards that ensue from conventions or international agreements ratified by the EU and/or Denmark; nor engaging in activities that may be legal but that have aggressive tax planning as the main purpose or in activities that promotes violent conflicts.

The Fund focuses on active ownership to promote the long-term value creation of the investments. As part of exercising the rights as a shareholder the Fund is when possible, through the management company, represented on portfolio companies' general meetings and in the boards as active board members.

## Statement of comprehensive income

	<u>Notes</u>	<u>2020 DKK'000</u>	<u>2019 DKK'000</u>
<b>Operating income</b>			
Net increase/(decrease) in realised and unrealised gains/(losses) from portfolio companies	3, 6	327,238	30,096
Dividend		66,718	9,157
Net foreign exchange gains/(losses)		(877)	(42)
<b>Total operating income/(loss)</b>		<u><b>393,079</b></u>	<u><b>39,211</b></u>
<b>Operating expenses</b>			
Administrative expenses	4	(4,755)	(5,725)
<b>Total operating expenses</b>		<u><b>(4,755)</b></u>	<u><b>(5,725)</b></u>
<b>Operating profit/(loss)</b>		<u><b>388,324</b></u>	<u><b>33,486</b></u>
Financial expenses	5	(65)	0
<b>Profit/(loss) for the year</b>		<u><b>388,259</b></u>	<u><b>33,486</b></u>
<b>Comprehensive income</b>		<u><u><b>388,259</b></u></u>	<u><u><b>33,486</b></u></u>
<b>Proposed distribution of profit/loss</b>			
Transferred to equity		<u><b>388,259</b></u>	<u><b>33,486</b></u>

**Balance sheet at 31.12.2020**

	<u>Notes</u>	<u>2020 DKK'000</u>	<u>2019 DKK'000</u>	<u>Opening balance 01.01.2019 DKK'000</u>
Investments in portfolio companies	6	137,847	365,342	370,240
Loans to portfolio companies	11	<u>0</u>	<u>23,896</u>	<u>0</u>
<b>Fixed asset investments</b>		<u>137,847</u>	<u>389,238</u>	<u>370,240</u>
<b>Fixed assets</b>		<u>137,847</u>	<u>389,238</u>	<u>370,240</u>
Other receivables		<u>3,991</u>	<u>3,991</u>	<u>4,551</u>
<b>Receivables</b>		<u>3,991</u>	<u>3,991</u>	<u>4,551</u>
Cash	7	<u>123</u>	<u>161</u>	<u>65</u>
<b>Current assets</b>		<u>4,113</u>	<u>4,152</u>	<u>4,616</u>
<b>Assets</b>		<u><u>141,961</u></u>	<u><u>393,390</u></u>	<u><u>374,856</u></u>

**Balance sheet at 31.12.2020**

	<u>Notes</u>	<u>2020 DKK'000</u>	<u>2019 DKK'000</u>	<u>Opening balance 01.01.2019 DKK'000</u>
Limited partnership capital	8	835,499	830,699	824,867
Retained earnings		1,789,701	1,401,442	1,367,956
Distributions to limited partners and general partner		<u>(2,483,264)</u>	<u>(1,838,794)</u>	<u>(1,818,021)</u>
<b>Equity</b>		<b><u>141,935</u></b>	<b><u>393,347</u></b>	<b><u>374,802</u></b>
Other payables	9	<u>26</u>	<u>43</u>	<u>54</u>
<b>Current liabilities</b>		<b><u>26</u></b>	<b><u>43</u></b>	<b><u>54</u></b>
<b>Liabilities</b>		<b><u>26</u></b>	<b><u>43</u></b>	<b><u>54</u></b>
<b>Equity and liabilities</b>		<b><u>141,961</u></b>	<b><u>393,390</u></b>	<b><u>373,856</u></b>

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## Statement of changes in equity

DKK'000	<b>Limited Partnership capital</b>	<b>Retained earnings</b>	<b>Distributions to limited and gener- al partners</b>	<b>Total</b>
Equity at 01.01.2020	830,699	1,401,442	(1,838,794)	393,347
Contributions from Partners	4,800	0	0	4,800
Distributions to Partners	0	0	(644,470)	(644,470)
Profit/(loss) for the year	0	388,259	0	388,259
<b>Equity at 31.12.2020</b>	<b>835,499</b>	<b>1,789,701</b>	<b>(2,483,264)</b>	<b>141,935</b>

DKK'000	<b>Limited Partnership capital</b>	<b>Retained earnings</b>	<b>Distributions to limited and gener- al partners</b>	<b>Total</b>
Equity at 01.01.2019	824,867	1,367,956	(1,818,021)	374,802
Contributions from Partners	5,832	0	0	5,832
Distributions to Partners	0	0	(20,773)	(20,773)
Profit/(loss) for the year	0	33,486	0	33,486
<b>Equity at 31.12.2019</b>	<b>830,699</b>	<b>1,401,442</b>	<b>(1,838,794)</b>	<b>393,347</b>

The Partners have committed themselves to contributing up to DKK 900,000 thousand into the Fund, as and when new capital is required for making investments, paying fund costs etc. Of the total committed capital, Partners have paid-in net DKK 835,499 thousand at 31.12.2020, and the remaining contribution balance is DKK 64,501 thousand.

For certain limited partnership shares specific market based rights are attached (carried interest rights) concerning the allocation of distributions from the Fund to the Partners.

**Cash flow statement for 2020**

	<u>Notes</u>	<u>2020 DKK'000</u>	<u>2019 DKK'000</u>
Operating profit/(loss)		388,324	33,486
Realised and unrealised fair value adjustments	3	(327,238)	(30,096)
Unrealised net foreign exchange gains/(losses)		877	42
Working capital changes	10	(17)	549
<b>Cash flows from ordinary activities</b>		<u><b>61,946</b></u>	<u><b>3,981</b></u>
Financial expenses	5	(65)	0
<b>Cash flows from operating activities</b>		<u><b>(65)</b></u>	<u><b>0</b></u>
Investments in portfolio companies	6	0	0
Divestment of portfolio companies		577,751	11,056
<b>Cash flows from investing activities</b>		<u><b>577,751</b></u>	<u><b>11,056</b></u>
Contributions from Partners		4,800	5,832
Distributions to Partners		(644,470)	(20,773)
<b>Cash flows from financing activities</b>		<u><b>(639,670)</b></u>	<u><b>(14,941)</b></u>
<b>Increase/decrease in cash</b>		<b>(38)</b>	<b>96</b>
Cash beginning of year		161	65
<b>Cash end of year</b>		<u><u><b>123</b></u></u>	<u><u><b>161</b></u></u>

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## Notes

### 1. Accounting policies

#### Reporting class

The annual report for 2020 for VIA equity Fond II K/S is presented in accordance with the International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements of the Danish Financial Statements Act governing reporting class B enterprises. VIA equity Fond II K/S is a limited partnership domiciled in Denmark.

The financial statements are presented in Danish kroner (DKK), which is the functional currency of the Fund.

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

The Fund's investments are investments in portfolio companies and are therefore not covered by IFRS 9. The Fund has no other significant assets and liabilities, which are covered by IFRS 9.

Fund's income consists of value increases on investments, and the Fund has no contracts covered by IFRS 15. The Fund has not entered into any lease contracts covered by IFRS 16.

Where relevant, assessments made by Management when applying IFRS and which have had a significant impact on the financial statements are presented in the relevant notes to the financial statements.

#### First time adoption of IFRS

This is the Fund's first financial year prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and disclosure requirements of the Danish Financial Statements Act.

The transition to IFRS has been made in accordance with the requirements in IFRS 1, which has the following impact under the financial statements

- 1) The comparative figures have been recognised and measured according to relevant standards under IFRS, especially IFRS 13.
- 2) The comparative figures for 2019 have been adjusted in the statement of comprehensive income, balance sheet and relevant notes.
- 3) The financial statements for the financial year were previously presented in accordance with the Danish Financial Statements Act (in Danish "årsregnskabsloven"). Investment and receivables from investment was also measured at fair value in accordance with the Danish Financial Statement Act. The transition to IFRS have therefore not had impact on the equity and statement of comprehensive income as stated below:



## Notes

### 1. Accounting policies (continued)

	<u>DKK'000</u>
Equity 1 January 2019 under the Danish Financial Statements Act	374,802
Equity 1 January 2019 under IFRS	374,802
Equity 1 January 2020 under the Danish Financial Statements Act	393,347
Equity 1 January 2020 under IFRS	393,347
Comprehensive income for the period 1 January 2019 to 31 December 2019 under the Danish Financial Statements Act	33,486
Comprehensive income for the period 1 January 2019 to 31 December 2019 under IFRS	33,486

No cashflow statement has previously been prepared under the Danish Financial Statements Act, and no reconciliation has therefore been prepared.

#### **Statement of omission to prepare consolidated financial statements**

The Fund has omitted to prepare consolidated financial statements in accordance with IFRS 10 and IAS 27, as the Fund complies with the definition of an investment company. The definition is as follows:

"An investment company is defined as a company which, through deposits from investors, is intended to solely invest the funds in order to obtain a return on the invested capital in the form of income, value increases or both".

On the grounds set out below, Management has determined that the Fund meets the definition of an investment company because:

1. The purpose of the Fund was to invest in 9-11 companies within 5 years in order to obtain a return to investors.
2. The Fund has more than one investor and its investors are not related parties. See note 13 for further description.
3. The Fund's investments in portfolio companies are primarily made in the form of equity instruments or similar investments, and the purpose of the Fund is to obtain a return on the invested capital in the form of income, value increases or both.

## Notes

### 1. Accounting policies (continued)

#### Standards and Interpretations not yet in force

All of the new and revised standards and interpretations which are relevant to the Fund and which came into force with effect for financial years beginning 01.01.2020 have been applied when preparing the financial statements.

According to Management, new and revised standards and interpretations not effective as of 01.01.2020 will not have a significant impact on the financial statements and will not be early adopted.

#### Significant accounting policies and estimates

In preparing the financial statements, Management performs a number of accounting estimates which form the basis for the presentation, recognition and measurement of the Fund's assets and liabilities. The significant accounting estimates are outlined in note 2.

#### 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 Fund, and the value of the asset can be measured reliably. Assets are derecognised in the balance sheet when it is no longer probable that future economic benefits will flow to the Fund.

Purchase and sale of financial assets and liabilities are recognised in the balance sheet at the commitment date.

Liabilities are recognised in the balance sheet when the Fund has a legal or actual obligation as a result of an event before or on the balance sheet date, and it is probable that future economic benefits will flow out of the Fund, and the value of the liability can be measured reliably. Liabilities are derecognised in the balance sheet when it is no longer probable that economic benefits will have to be given up to settle the liability.

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 statement of comprehensive income when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Notes

### 1. Accounting policies (continued)

#### Foreign currency translation

Transactions denominated in other currencies than the Fund's functional currency are translated at initial recognition using the exchange rate at the balance sheet date.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

#### Statement of comprehensive income

##### Realised gains/(losses) and unrealised fair value adjustments of portfolio companies

Unrealised fair value adjustments of the Fund's portfolio companies are recognised on a regular basis in the statement of comprehensive income. In addition, realised gains/(losses) are recognised in connection with the sale of portfolio companies.

##### Dividend and interest from loans to portfolio companies

Dividend income is recognised when the Fund's rights to receive the payments have been established.

##### Administrative expenses

Administrative expenses include expenses incurred during the year in connection with the Fund's investment management activities, including administrative expenses and management fees.

##### Financial expenses

Financial expenses include bank fees and interest expenses.

##### Tax

The Fund is not liable to taxation independently, as the profit/loss for the year of the Fund is included at the partners level.

#### Balance sheet

##### Investments in and loans to portfolio companies

Investments and loans recognised under fixed assets include investments in portfolio companies held with the purpose of trading, which are measured at fair value at initial recognition equal to cost price and are subsequently measured at fair value with regular recognition of fair value adjustments in the profit/loss statement.

## Notes

### 1. Accounting policies (continued)

The fair value is determined on the basis of market information, IPEV valuation guidelines and accepted valuation methods, including multiple analysis/benchmarking or other relevant methods, where it is considered to provide the best estimate of the fair value of the investment.

#### Receivables

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

#### Cash

Cash comprises cash in bank deposits.

#### Other payables

Payables comprise expenses payable such as fees for legal services, auditors, and administration, etc. and they are measured at amortised cost, usually equalling nominal value.

#### Cash flow statement

The cash flow statement is presented according to the indirect method and shows cash flows for operations, investments and financing, and cash and cash equivalents at the beginning and end of the year.

Cash flows relating to operating activities are calculated as the operating profit, adjusted for non-cash operating items and changes in working capital attributable to operating activities.

Cash flows for investing activities include payments related to the acquisition and sale of portfolio companies.

Cash flows relating to financing activities comprise changes in the Fund's capital.

### Financial highlights

The ratios stated in the outline of key figures and ratios are calculated as follows:

#### Total Value to Paid In (TVPI)

The value of distributions to investors + the year end equity/contributed capital from investors.

#### Distributed to Paid In (DPI)

The value of distributions to investors/capital contributed by investors.

#### IRR

Internal rate of return is calculated on the basis of the actual cash flows as well as the value of the equity.

## Notes

### 2. Significant accounting estimates, assumptions and uncertainties

The Fund makes investments in non-listed companies, where the ability to divest and the companies' earnings are influenced by various factors, and the fair market valuation includes judgements and estimates. The fair market valuation of the investments in portfolio companies is therefore subject to uncertainties and the investments will not at all times be liquid as different market conditions may influence liquidity.

This uncertainty may be greater in periods of high volatility in the financial markets, and the business cycle also affects earnings in the underlying companies. The portfolio companies held during 2020 have proven relatively resistant to the COVID-19 situation, why this has not had a material impact on the valuation but there is uncertainty in regards to the future impact. Methods and assumptions for the calculation of the fair value of investments in the non-listed portfolio companies are described in note 11.

### 3. Fair value adjustments

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
Realised gains / (losses)	328,526	36,973
Unrealised gains / (losses)	<u>(1,288)</u>	<u>(6,877)</u>
<b>Fair value adjustments</b>	<b><u>327,238</u></b>	<b><u>30,096</u></b>

### 4. Administrative expenses

The Fund has no employees.

Administrative expenses comprise management fee for the accounting period to the management company, VIA equity a/s, in accordance with the limited partnership agreement and other administration costs. For additional information on the management fee we refer to note 13.

### 5. Financial expenses

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
Other interest rates and fees	<u>(65)</u>	<u>0</u>
<b>Interest expenses for financial liabilities</b>	<b><u>(65)</u></b>	<b><u>0</u></b>

## Notes

	<b>2020</b> <b>DKK'000</b>	<b>2019</b> <b>DKK'000</b>
<b>6. Investments in portfolio companies</b>		
Fair value beginning of year	365,342	370,240
Reclassification of loan to portfolio companies	23,896	(20,000)
Disposals	(249,226)	(18,268)
Unrealised fair value adjustment	(1,288)	33,309
Exchange rate gains/(losses)	(877)	61
<b>Fair value at 31.12</b>	<b>137,847</b>	<b>365,342</b>
<b>Carrying amount at 31.12</b>	<b>137,847</b>	<b>365,342</b>

According to the requirements of IFRS 12, information concerning the Fund's non-consolidated portfolio companies must be provided and the information below is assessed as relevant for such.

<b>Investment</b>	<b>Corporate form</b>	<b>Registered in</b>	<b>Equity interest %</b>	<b>Profit/(loss) DKK'000</b>	<b>Equity DKK'000</b>
All NRG Holding	A/S	Denmark	59.7	(67,811)	26,671
MS TopCo (Mansoft A/S)	ApS	Denmark	69.6	3,221	57,419

The entities stated in brackets indicate the names of the underlying operating companies.

The overview of investments above is based in financial information from the most recent published annual report at the time of the presentation of these financial statements.

Consistently with the accounting policies, the Fund regularly adjusts the value of the investments to the best estimate of fair value. This means that the proportionate share of operating profit or loss for the portfolio companies is not recognised in profit or loss of the Fund, but rather a fair value adjustment of the investment.

The methods used by the Fund for the valuation of the investments are set out in note 11.

The Fund's portfolio companies are not classified as investment companies as they deal with trading, development and production, etc. The Fund may have certain limitations in terms of being able to receive dividends or recover loans, etc., from portfolio companies with external financing.

## Notes

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
<b>7. Cash</b>		
Cash	123	161
	<u>123</u>	<u>161</u>

Cash comprise bank deposits.

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
<b>8. Limited partnership capital</b>		
Limited partnership capital	835,499	830,699
	<u>835,499</u>	<u>830,699</u>

The limited partnership capital is divided into shares of DKK 1.

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
<b>9. Other payables</b>		
Other payables	26	43
	<u>26</u>	<u>43</u>

The carrying amount of payables relates to other accounts payable such as fees for legal assistance, auditors, and administrative services. The amount recognised corresponds to the fair value of the liabilities.

Other payables fall due for payment within 12 months.

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
<b>10. Working capital changes</b>		
Change in receivables	0	547
Change in payables	(17)	(11)
	<u>(17)</u>	<u>536</u>

## Notes

	<b>2020</b>	<b>2019</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>11. Financial risks and financial instruments</b>		
Categories of financial instruments:		
Investments in portfolio companies	137,847	365,342
Loans to portfolio companies	0	23,896
<b>Financial assets measured at fair value through profit or loss</b>	<b>137,847</b>	<b>389,238</b>
Other receivables	3,991	3,991
<b>Financial assets measured at cost</b>	<b>3,991</b>	<b>3,991</b>
Other payables	26	43
<b>Financial liabilities measured at amortised cost</b>	<b>26</b>	<b>43</b>

All financial liabilities are due for payment within 12 months.

The Fund continuously manages and reduces risks by:

- in-depth business, technical, financial and legal due diligence before an investment is made;
- the conclusion of shareholder agreements in order to ensure the best possible protection and freedom of action of the Fund;
- continuous close monitoring of portfolio companies and active ownership.

### Currency risks

The currency risk of the Fund is related to the investments made in foreign portfolio companies. The Fund does not hedge this risk, but considers it to be an integrated and less important part of the aggregate risk of a portfolio company.

### Interest rate risks

External financing has been used in the portfolio companies. There is a limited interest rate risk in connection to the external financing.

### Credit risk

The Fund's credit risk relates to the remaining commitments from Partners. The Partners are considered to have the necessary capital base in order to pay for any remaining capital contributions. The limited partners are recognised international investors.



## Notes

### 11. Financial risks and financial instruments (continued)

#### Liquidity risk

The liquidity risk relates to the risk that the Fund may not fulfil its contractual obligations due to an insufficient amount of liquidity.

There are no investment commitments to the portfolio companies, while the remaining commitments of the Partners amount to DKK 64,501 thousand. The liquidity risk is therefore considered to be very limited.

#### Methods and assumptions for measuring the fair value in the portfolio company

##### Investments in portfolio companies

The fair values of the individual portfolio companies are calculated on the basis of methods that best reflect individual investment risks, life cycle, and industry conditions. Generally applicable, the fair value is calculated in accordance with IPEV valuation guidelines and accepted valuation methods, including multiple analysis/benchmarking or other relevant methods.

##### Peer group multiple

The peer-group multiple method uses comparable companies where market value and earnings are known. On this basis, a market level for primarily e.g. EV/EBITDA is calculated for the comparable companies.

The calculated EV/ EBITDA is then capitalised on the basis of a normalised EBITDA for the individual portfolio companies which, by adjustment for net interest bearing debt, yield the value of the investments.

In using the method, the Fund assesses which multiples can be used and assesses the determination of normal earnings in the portfolio companies, including assessing the sensitivity of the values when changing the model's variables.

##### Transaction multiple

At the transaction date, a transaction multiple is calculated based on the transaction value and the earnings at the transaction date (EBITDA). The multiple is only changed when there are significant changes in the surroundings of the companies, for example, industry conditions and micro- and macro-economic conditions, which are expected to be of a long-term nature. The company's expected earnings are adjusted periodically on the basis of underlying budgets, and an expected increase in future earnings may increase the valuation of the portfolio companies.

In certain cases, when applying a transaction multiple analysis, comparable business transactions are also assessed to identify which multiples would be relevant at a hypothetical sale of the Fund's portfolio companies at the end of the accounting period.

## Notes

### 11. Financial risks and financial instruments (continued)

#### Description of the valuation process

The valuation process is carried out in connection with the preparation of internal reporting to investors and in connection with the preparation of the Fund's annual report. The valuation assesses the portfolio investments at the end of the accounting period and must reflect the fair value of each portfolio company, based on reasonable valuation methods and assumptions.

Individual investments are assessed separately at the end of the accounting period and are in most cases assessed on the basis of the market situation as follows: (i) determination of the Enterprise Value (EV) estimated on the basis of a hypothetical sale of the investment at the time, based on one or more of the valuation methods mentioned above, and (ii) calculation of the value of the equity investment by adjusting EV for net debt and NWC adjustments as well as any equity related waterfall structures.

#### Fair value hierarchy for financial instruments measured at fair value in the balance sheet

Below, financial instruments measured at fair value are classified using the fair value hierarchy:

- Quoted prices in active markets for identical instruments (Level 1)
- Quoted prices in active markets for similar assets or liabilities or other valuation methods under which all material inputs are based on observable market data (Level 2)
- Valuation techniques under which any material inputs are not based on observable market data (Level 3)

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>2020</b>				
Unlisted shares, investment in portfolio companies	0	0	137,847	137,847
Loans to portfolio companies	0	0	0	0
<b>Financial assets measured at fair value through profit or loss</b>	<b>0</b>	<b>0</b>	<b>137,847</b>	<b>137,847</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>2019</b>				
Unlisted shares, investment in portfolio companies	0	0	365,342	365,342
Loans to portfolio companies	0	0	23,896	23,896
<b>Financial assets measured at fair value through profit or loss</b>	<b>0</b>	<b>0</b>	<b>389,238</b>	<b>389,238</b>

There have been no transfers between level 1 and level 2 in the accounting year.

## Notes

### 11. Financial risks and financial instruments (continued)

#### Significant non-observable inputs for level 3

Unlisted shares measured at fair value in the balance sheet are based on valuation methods incorporating significant non-observable inputs.

A significant non-observable precondition in the valuation is the multiples used, just as expectations of the future earnings of the portfolio companies, which may be included in the valuation. The multiples applied are in line with the market for comparable entities. In addition, the valuation methods also takes account of net interest-bearing payables in the portfolio companies.

	<u>2020</u>	<u>2019</u>
Interval for multiples applied	4-7	4-7

#### Sensitivity analysis

The fair value of the Fund's portfolio companies is affected by the development of applied multiples as well as the realised and expected future earnings and the level of debt in the portfolio companies. A decrease or increase in the above significant non-observable inputs will have a direct impact on the valuation of portfolio companies. In addition, the fair value of the Fund's portfolio companies is affected by the development in a number of macroeconomic conditions in which reliable sensitivity analyses cannot be prepared.

A change in the non-observable inputs used will have the following effects on the fair value of portfolio companies.

	<u>2020</u> <u>DKK'000,000</u>	<u>2019</u> <u>DKK'000,000</u>
A reduction of 10% in applied valuation multiples will reduce the fair value by	<u>13</u>	<u>47</u>

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
Fair value beginning of year	365,342	370,240
Reclassification to loan to portefolio companies	23,896	(20,000)
Disposals	(249,226)	(18,268)
Fair value adjustment	(3,043)	33,309
Exchange rate gains/(losses)	877	61
Transfer to/from level 3	<u>0</u>	<u>0</u>
<b>Fair value end of year</b>	<u><b>137,847</b></u>	<u><b>365,342</b></u>

## Notes

### 12. Contingent liabilities

The Fund has no contingent liabilities, but the Fund has provided a guarantee of DKK 1,200 thousand to support a bank facility of a portfolio company.

### 13. Related parties and controlling influence

#### Related parties with a controlling interest

The Fund has no investors or related parties with a controlling interest.

We refer to note 6 for an outline of the portfolio companies controlled by the Fund.

#### Transactions

VIA equity Fond II K/S has purchased services from VIA equity a/s for management services on market terms of a total of DKK 4,115 thousand. VIA equity Fond II K/S has also paid VVP Komplementar II K/S to act as a limited partnership on market terms by a total of DKK 55 thousand.

In addition to this, no transactions with related parties have been conducted during the year.

#### Loans to portfolio companies

Portfolio loans have been granted to Mansoft and ALL NRG on market terms. The loan to Mansoft has been settled in 2020, while the loan against ALL NRG is valued at DKK 0 (outstanding loan is DKK 20,000 thousand).

	<u>2020</u> <u>DKK'000</u>	<u>2019</u> <u>DKK'000</u>
Loans to portfolio companies at 31.12.	0	23,896

### 14. Investor relations

#### The Fund's investors

The Limited Partnership has registered the following Limited Partners as holding more than 5% of the voting rights or nominal value of the contributed capital:

FASO V A SCA SICAV RAIF, 33 rue Sainte Zithe, 2763 Luxembourg

Cubera IX LP, Western Suite Ground Floor, Mill Court La Charroterie, St. Peter Port, Guernsey GY1 1EJ, Storbritannien

### 15. 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.

**16. Adoption of the annual report for publication**

At the management meeting on 17.02.2021, Management approved this annual report for publication on 03.03.2021. The annual report will be presented to the limited partners of the Fund for approval at the Annual General Meeting on 03.03.2021.