

# **PENM Partners ApS**

Tuborg Havnevej 18, 2900 Hellerup

CVR no. 35 02 90 01

## Annual report 2021

Approved at the Company's annual general meeting on 7 June 2022

Chair of the meeting:



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Michael Rude Mortensen

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### Statement by the Board of Directors and the Executive Board

Today, the Executive Board has discussed and approved the annual report of PENM Partners ApS for the financial year 1 January - 31 December 2021.

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

In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Hellerup, 7 June 2022  
Executive Board:



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Hans Christian Jacobsen

## Independent auditor's report

To the shareholders of PENM Partners ApS

### Opinion

We have audited the financial statements of PENM Partners ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We 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 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 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 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 the financial statements.

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.



## Independent auditor's report

- ▶ 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 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 7 June 2022  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Rasmus Berntsen  
State Authorised Public Accountant  
mne35461

## Management's review

### Company details

Name	PENM Partners ApS
Address, Postal code, City	Tuborg Havnevej 18, 2900 Hellerup
CVR no.	35 02 90 01
Established	7 January 2013
Registered office	Gentofte
Financial year	1 January - 31 December
Executive Board	Hans Christian Jacobsen
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

### Management commentary

#### Business review

The Company's main activity is to be the management company for Private Equity New Markets IV K/S. Private Equity New Markets III K/S was liquidated in 2021.

#### Financial review

The income statement for 2021 shows a profit of DKK 5,406 thousand against a profit of DKK 13,535 thousand last year, and the balance sheet at 31 December 2021 shows equity of DKK 25,609 thousand.

The development of the year's result is primarily a result of financial income.

#### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK'000	2021	2020
	Revenue	12,087	27,191
	Other operating income	4	0
	Other external expenses	-1,973	-2,396
	<b>Gross profit</b>	<b>10,118</b>	<b>24,795</b>
2	Staff costs	-8,995	-10,673
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-18	-68
	<b>Profit before net financials</b>	<b>1,105</b>	<b>14,054</b>
	Financial income	15,553	5,140
	Financial expenses	-9,717	-1,803
	<b>Profit before tax</b>	<b>6,941</b>	<b>17,391</b>
	Tax for the year	-1,535	-3,856
	<b>Profit for the year</b>	<b>5,406</b>	<b>13,535</b>
	<b>Recommended appropriation of profit</b>		
	Proposed dividend recognised under equity	3,000	4,000
	Extraordinary dividend distributed in the year	0	21,452
	Retained earnings/accumulated loss	2,406	-11,917
		<b>5,406</b>	<b>13,535</b>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2021	2020
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
	<b>Property, plant and equipment</b>		
	Fixtures and fittings, other plant and equipment	20	36
	Leasehold improvements	0	2
		<u>20</u>	<u>38</u>
	<b>Investments</b>		
	Investments in group enterprises	187	187
	Other securities and investments	6,393	14,731
	Other receivables	141	97
		<u>6,721</u>	<u>15,015</u>
	<b>Total fixed assets</b>	<u>6,741</u>	<u>15,053</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Deferred tax assets	2	0
	Joint taxation contribution receivable	0	353
	Other receivables	588	5,257
		<u>590</u>	<u>5,610</u>
	<b>Cash</b>	<u>22,156</u>	<u>9,273</u>
	<b>Total non-fixed assets</b>	<u>22,746</u>	<u>14,883</u>
	<b>TOTAL ASSETS</b>	<u>29,487</u>	<u>29,936</u>



## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2021	2020
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital		450
	Share premium account	450	450
	Retained earnings	250	250
	Dividend proposed	21,909	19,503
		3,000	4,000
	<b>Total equity</b>	<u>25,609</u>	<u>24,203</u>
	<b>Liabilities other than provisions</b>		
	<b>Current liabilities other than provisions</b>		
	Joint taxation contribution payable	681	0
	Other payables	1,008	1,347
	Deferred income	2,189	4,386
		<u>3,878</u>	<u>5,733</u>
	<b>Total liabilities other than provisions</b>	<u>3,878</u>	<u>5,733</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>29,487</u>	<u>29,936</u>

- 1 Accounting policies
- 3 Contractual obligations and contingencies, etc.

## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK'000	Share capital	Share premium account	Retained earnings	Dividend proposed	Total
Equity at 1 January 2020	450	250	31,420	0	32,120
Transfer through appropriation of profit	0	0	9,535	4,000	13,535
Proposed extraordinary dividend recognised under equity	0	0	-21,452	0	-21,452
<b>Equity at 1 January 2021</b>	<b>450</b>	<b>250</b>	<b>19,503</b>	<b>4,000</b>	<b>24,203</b>
Transfer through appropriation of profit	0	0	2,406	3,000	5,406
Dividend distributed	0	0	0	-4,000	-4,000
<b>Equity at 31 December 2021</b>	<b>450</b>	<b>250</b>	<b>21,909</b>	<b>3,000</b>	<b>25,609</b>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of PENM Partners ApS for 2021 has been prepared in accordance with the provisions of the Danish Accounting Act, which is based on the International Financial Reporting Standards (IFRS) with certain provisions applying to reporting class C entities such as statement of changes in equity.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Revenue

Revenue consists of income from management and administrations fees from Private Equity New Markets III K/S and Private Equity New Markets IV K/S. Revenue is recognized exclusive of VAT and taxes.

##### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administrations of private equity funds including administration and management, office costs and write-downs of receivables.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	4 years
Leasehold improvements	4 years



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses, net capital gains and losses from other securities and investments, dividends from other securities and investments, fair value revaluations and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

##### Other securities and investments

Securities and investments consisting of shares in Private Equity New Markets IV K/S are measured at fair value (market price) at the balance sheet date.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Equity

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Other payables comprise intercompany balances, payable staff costs, holiday pay and other payable costs.

Other liabilities are measured at net realisable value.

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

DKK'000	2021	2020
<b>2 Staff costs</b>		
Wages/salaries	8,976	10,655
Other social security costs	19	18
	8,995	10,673
 Average number of full-time employees	 5	 6

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 3 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The Company is jointly taxed with its parent, PENM Partners Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

##### Other financial obligations

Other rent and lease liabilities:

DKK'000	2021	2020
Rent and lease liabilities	149	427

The Company has not recognized lease liabilities of the above mentioned amount.