

PENM IV Founding Partner ApS

Tuborg Havnevej 18
2900 Hellerup
Business Registration No
36906413

Annual report 2017

The Annual General Meeting adopted the annual report on 24.05.2018

Chairman of the General Meeting



Name: Susan Lützner

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Entity details

Entity

PENM IV Founding Partner ApS

Tuborg Havnevej 18

2900 Hellerup

Central Business Registration No (CVR): 36906413

Founded: 28.05.2015

Registered in: Gentofte

Financial year: 01.01.2017 - 31.12.2017

Executive Board

Hans Christian Jacobsen, Chief Executive Officer

Susan Lützner

Lars Kjær

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of PENM IV Founding Partner ApS for the financial year 01.01.2017 - 31.12.2017.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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

Hellerup, 24.05.2018

Executive Board


Hans Christian Jacobsen
Chief Executive Officer


Susan Lützner


Lars Kjær

Independent auditor's report

To the shareholders of PENM IV Founding Partner ApS

Opinion

We have audited the financial statements of PENM IV Founding Partner ApS for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report

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

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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.

København, 24.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556



Bill Haudal Pedersen

State Authorised Public Accountant

Identification No (MNE) mne30131

Management commentary

Primary activities

The company's purpose is as a limited partner to establish and invest in Private Equity New Markets IV K/S. The company can also conduct all other business activities and perform services which serves the purpose of the Company.

Development in activities and finances

In the financial year 2017 PENM IV Founding Partners ApS made a loss of DKK 6.964. The company's equity is DKK 72.457 as at 31.12.2017.

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Other external expenses	1	-8.750	-8.795
Operating profit/loss		-8.750	-8.795
Income from other fixed asset investments		1.340	0
Other financial expenses		-1.896	-1.409
Profit/loss before tax		-9.306	-10.204
Tax on profit/loss for the year		2.342	2.275
Profit/loss for the year		-6.964	-7.929
Proposed distribution of profit/loss			
Retained earnings		-6.964	-7.929
		-6.964	-7.929

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Other investments		<u>35.480</u>	<u>19.871</u>
Fixed asset investments	2	<u>35.480</u>	<u>19.871</u>
Fixed assets		<u>35.480</u>	<u>19.871</u>
Deferred tax		<u>6.966</u>	<u>4.625</u>
Receivables		<u>6.966</u>	<u>4.625</u>
Cash		<u>38.761</u>	<u>63.675</u>
Current assets		<u>45.727</u>	<u>68.300</u>
Assets		<u>81.207</u>	<u>88.171</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK</u>	<u>2016</u> <u>DKK</u>
Contributed capital		100.000	100.000
Share premium		300.000	300.000
Retained earnings		-327.543	-320.579
Equity		<u>72.457</u>	<u>79.421</u>
Other payables		8.750	8.750
Current liabilities other than provisions		<u>8.750</u>	<u>8.750</u>
Liabilities other than provisions		<u>8.750</u>	<u>8.750</u>
Equity and liabilities		<u>81.207</u>	<u>88.171</u>
Contingent assets	3		
Mortgages and securities	4		

Statement of changes in equity for 2017

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	100.000	300.000	-320.579	79.421
Profit/loss for the year	0	0	-6.964	-6.964
Equity end of year	100.000	300.000	-327.543	72.457

Notes

1. Other external expenses

The company has no employees.

	Other investments DKK
2. Fixed asset investments	
Cost beginning of year	19.871
Additions	14.269
Cost end of year	34.140
Revaluations for the year	1.340
Revaluations end of year	1.340
Carrying amount end of year	35.480

3. Contingent assets

PENM IV Founding Partner ApS is a limited partner in Private Equity New Markets IV K/S. PENM IV Founding Partner ApS has a contractual right to carried interest (performance fee) from Private Equity New Markets IV K/S, if the fund's total return exceeds a certain hurdle rate. On the balance sheet date, the fund's return was above the hurdle rate, however since a large porpotion of the return is still unrealized, there is a considerable uncertainty in the estimation of the value, and therefore the carried interest is not taken into account in the value of the shares.

4. Mortgages and securities

The Fund has no guarantees or contingent liabilities, but has an outstanding commitment of USD 4.932.000.

Accounting policies

Reporting class

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

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

Reporting currency is Danish kroner (DKK).

Recognition and measurement

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

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

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

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

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

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of dividends etc on fixed asset investments.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

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

Accounting policies

Balance sheet

Other investments

Other investments comprise investments in Private Equity New Markets IV K/S which are measured according to the equity method at the balance sheet date.

Deferred tax

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

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

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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