



## Ax V Management Invest K/S

C/O Kromann Reumert Sundkrogsgade 5  
2100 København Ø  
CVR No. 38556088

## Annual report 2023

The Annual General Meeting adopted the annual report on 08.02.2024

---

**Jesper Frydensberg Rasmussen**  
Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Supplementary reports	8
Income statement for 2023	9
Balance sheet at 31.12.2023	10
Statement of changes in equity for 2023	12
Cash flow statement for 2023	13
Notes	14
Accounting policies	18

# Entity details

## Entity

Ax V Management Invest K/S  
C/O Kromann Reumert Sundkrogsgade 5  
2100 København Ø

Business Registration No.: 38556088  
Date of foundation: 06.04.2017  
Registered office: København  
Financial year: 01.01.2023 - 31.12.2023

## Fund Manager:

The General Partner is Axcel V GP APS and the Fund Manager is Axcel Management AS, FT no. 23101.

## Board of Directors in Axcel V GP ApS

Christian Gyms Schmidt-Jacobsen, Chairman  
Mads Dreyer Laursen, Member  
Jacob Høeg Madsen, Member

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

## Depositary:

Intertrust Depositary Services (Denmark) A/S  
Sundkrogsgade 21  
2100 København Ø

# Statement by Management

The Executive Board has today considered and approved the annual report of Ax V Management Invest K/S for the financial year 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of its operations and cash flows for the financial year 01.01.2023 - 31.12.2023.

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.

Copenhagen, 02.02.2024

## Executive Board

**Christian Gymos Schmidt-Jacobsen**  
Chairman

**Mads Dreyer Laursen**  
Member

**Jacob Høeg Madsen**  
Member

# Independent auditor's report

## To the shareholders of Ax V Management Invest K/S

### Opinion

We have audited the financial statements of Ax V Management Invest K/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, 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 the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations and cash flows for the financial year 01.01.2023 - 31.12.2023 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 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. 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:

- 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 by relevant law and regulations.

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, 02.02.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Bill Haudal Pedersen**

State Authorised Public Accountant  
Identification No (MNE) mne30131

**Michael Thorø Larsen**

State Authorised Public Accountant  
Identification No (MNE) mne35823

# Management commentary

## Financial highlights

	2023	2022	2021	2020	2019
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
<b>Key figures</b>					
Operating profit/loss	(3)	(2)	0	0	(10)
Profit/loss for the year	10,088	40,784	81,171	9,909	427
Total assets	130,307	131,224	96,510	15,199	5,120
Equity	130,089	131,212	91,399	10,227	318
<b>Ratios</b>					
Return on equity (%)	7.72	36.64	159.74	187.94	268.55

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Return on equity (%):

Profit/loss for the year \* 100

Average equity



### Primary activities

Ax V Management Invest K/S is a private fund which invests in mid-size Nordic based companies with the purpose of developing these commercially. Ax V Management Invest K/S is managed by Axcel Management A/S, a manager under supervision by the Danish FSA.

### Development in activities and finances

Ax V Management Invest K/S was established on 6 April 2017 and had final close on 28 March 2018. Ax V Management Invest K/S co-invests with other partnerships and the funds have a combined commitment of EUR 617m from its limited partners.

During the investment period, which ended in August 2021, the Fund acquired nine companies. After the investment period, the Fund has focused on developing the acquired companies until they are divested.

In 2022, Ax V Management Invest K/S sold its investments in Mountain Top. The four remaining investments in Nissens, Loopia, Gubi and Phase One have also performed well during 2023 and with a few exceptions, increased in value during the year.

### Profit/loss for the year in relation to expected developments

The result for the year is a gain of approximately EUR 10.1 million compared to a gain of EUR 40.8 million last year. The result is driven by realised gain from the exit of Mountain Top and unrealised gain from valuations of the remaining investments.

The result is in line with management's expectations.

### Uncertainty relating to recognition and measurement

The unrealized result on investments in portfolio companies, which are recognized in the income statement and the value of the investments that are recognized and measured in the balance sheet, are based on accounting judgement and estimates, which are uncertain by nature.

When measuring the fair value of the unlisted investments, the General Partner assesses the stage of the portfolio companies compared to the initial plans at the time of making the initial investments, future financing requirements, commercialization possibilities, timing of exit and possible exit values, including changes in earnings and multiples.

### Outlook

Forthcoming results of Ax V Management Invest K/S depend on the portfolio companies' performance and the stock market development in general for which it is not possible to provide forward-looking statements.

### 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.

## Supplementary reports

Please refer to supplementary report provided for the Sustainable Finance Disclosure Regulation on page 20.

# Income statement for 2023

		2023	2022
	Notes	EUR'000	EUR '000
Other external expenses	2	(3)	(2)
<b>Gross profit/loss</b>		<b>(3)</b>	<b>(2)</b>
Income from financial assets		10,019	40,815
Other financial income		74	0
Other financial expenses	3	(2)	(29)
<b>Profit/loss before fair value adjustments and tax</b>		<b>10,088</b>	<b>40,784</b>
<b>Profit/loss for the year</b>	4	<b>10,088</b>	<b>40,784</b>

# Balance sheet at 31.12.2023

## Assets

	Notes	2023 EUR'000	2022 EUR'000
Other investments		117,084	131,188
<b>Financial assets</b>	5	<b>117,084</b>	<b>131,188</b>
<b>Fixed assets</b>		<b>117,084</b>	<b>131,188</b>
Other receivables		2,179	34
<b>Receivables</b>		<b>2,179</b>	<b>34</b>
<b>Cash</b>		<b>11,044</b>	<b>2</b>
<b>Current assets</b>		<b>13,223</b>	<b>36</b>
<b>Assets</b>		<b>130,307</b>	<b>131,224</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>EUR'000</b>	<b>2022</b> <b>EUR'000</b>
Contributed capital		4,858	4,858
Retained earnings		125,231	126,354
<b>Equity</b>		<b>130,089</b>	<b>131,212</b>
Other payables		218	12
<b>Current liabilities other than provisions</b>		<b>218</b>	<b>12</b>
<b>Liabilities other than provisions</b>		<b>218</b>	<b>12</b>
<b>Equity and liabilities</b>		<b>130,307</b>	<b>131,224</b>
Events after the balance sheet date	1		
Employees	7		
Contingent liabilities	8		
Assets charged and collateral	9		

# Statement of changes in equity for 2023

	Contributed capital EUR'000	Retained earnings EUR'000	Total EUR'000
Equity beginning of year	4,858	126,354	131,212
Ordinary dividend paid	0	(11,211)	(11,211)
Profit/loss for the year	0	10,088	10,088
<b>Equity end of year</b>	<b>4,858</b>	<b>125,231</b>	<b>130,089</b>

At 31.12.2023 carried interest has increased the fair value of investment, and the total net assets, with a total of 112.2 mEUR. In 2023 carried interest has reduced income from portfolio companies with 13.9 mEUR.

# Cash flow statement for 2023

	Notes	2023 EUR'000	2022 EUR'000
Operating profit/loss		(3)	(2)
Working capital changes	6	(1,940)	(112)
<b>Cash flow from ordinary operating activities</b>		<b>(1,943)</b>	<b>(114)</b>
Financial income received		74	0
Financial expenses paid		(2)	(28)
<b>Cash flows from operating activities</b>		<b>(1,871)</b>	<b>(142)</b>
Divestment of portfolio companies		24,124	6,135
<b>Cash flows from investing activities</b>		<b>24,124</b>	<b>6,135</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>22,253</b>	<b>5,993</b>
Contributions from Limited Partners		0	4,858
Distributions to Limited Partners		(11,211)	(5,830)
Bridge loan, Management Partners		0	(5,021)
<b>Cash flows from financing activities</b>		<b>(11,211)</b>	<b>(5,993)</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>11,042</b>	<b>0</b>
Cash and cash equivalents beginning of year		2	2
<b>Cash and cash equivalents end of year</b>		<b>11,044</b>	<b>2</b>
Cash and cash equivalents at year-end are composed of:			
Cash		11,044	2
<b>Cash and cash equivalents end of year</b>		<b>11,044</b>	<b>2</b>

# Notes

## 1 Events after the balance sheet date

No events have occurred after the reporting date, which would materially influence the evaluation of this annual report.

## 2 Other external expenses

According to Article 107 of the AIFM Directive, alternative investment funds must disclose information about the total remuneration of the entire staff of the Fund Manager and the number of beneficiaries. Furthermore, remuneration to material risk-takers must be disclosed.

In accordance with section 61 (5 and 6) of the Alternative Investment Fund Managers etc. Act, information regarding salaries paid to employees of the fund manager is disclosed in the Annual Report for 2023 for Axcel Management A/S, Business Reg. No. 28 30 18 55.

The Fund Manager must also disclose the information necessary to provide an understanding of the risk profile of the Fund and the measures that the Fund Manager takes to avoid or manage conflicts of interest between the Fund Manager and the Limited Partners. The Board of Directors has adopted a remuneration policy in order to ensure that the employees and Management are remunerated according to the Danish Executive Order on remuneration policy and disclosure requirements on remuneration for managers of alternative investment funds, etc.

The remuneration policy ensures, among other matters, that the following is applied in relation to remuneration at the Fund Manager:

- Promoting of sound and effective risk management, which does not encourage excessive risk-taking.
- Consistency with the principles regarding the protection of the Limited Partners and measures in order to avoid conflicts of interest.

At 31.12.2023 carried interest has increased the fair value of investment, and the total net assets, with a total of 112.2 mEUR. In 2023 carried interest has reduced income from portfolio companies with 13.9 mEUR.

## 3 Other financial expenses

	<b>2023</b>	<b>2022</b>
	<b>EUR'000</b>	<b>EUR'000</b>
Other financial expenses	2	29
	<b>2</b>	<b>29</b>

## 4 Proposed distribution of profit and loss

	<b>2023</b>	<b>2022</b>
	<b>EUR'000</b>	<b>EUR'000</b>
Retained earnings	10,088	40,784
	<b>10,088</b>	<b>40,784</b>

## 5 Financial assets

	<b>Other investments EUR'000</b>
Cost beginning of year	2,638
Disposals on divestments etc	(251)
<b>Cost end of year</b>	<b>2,387</b>
Revaluations beginning of year	128,550
Disposals on divestments etc	(23,872)
Fair value adjustments	10,019
<b>Revaluations end of year</b>	<b>114,697</b>
<b>Carrying amount end of year</b>	<b>117,084</b>

All investments are unlisted level 3 assets.

The Fund Manager regularly and at least on a quarterly basis reviews the fair value of its portfolio companies in connection with its non-public reporting to its Limited Partners and in connection with the preparation of the financial statements.

The Fund's portfolio companies are not classified as investment companies. They are engaged in doing business in trading and development, etc. The Fund has no limitations concerning the potential reception of dividends or having loans etc. repaid from the portfolio companies, apart from the fact that distribution from the portfolio companies can only take place if it is considered proper and prudent according to the principles in the Company Laws.

### Fair value hierarchy for determining fair value for investments in portfolio companies

IFRS has established a fair value hierarchy for certain assets measured at fair value:

- 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).

The measurement of investments in portfolio companies classified according to level 3 is based on measurement methods, in which material non-observable inputs are included such as assessment of which method best reflects fair value, assessment of the performance of each group enterprise, determination of multiples and future earnings, and assessment of whether a pervasive negative development should result in the recognition of impairment write-downs.

The fair value of the Fund's portfolio companies is impacted by the development in applied multiples as well as expected future earnings and development in each group enterprise. A decrease or increase in the above-mentioned material non-observable inputs may have a direct effect on the measurement of the portfolio companies, just as the fair value of the Fund's portfolio companies is impacted by the development in macroeconomic conditions.

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 Companies is not recognised in profit or loss of the Fund, but rather a fair value adjustment of the investment.



**Methods applied in and assumptions underlying the determination of fair values of investments**

The fair value of each investment has been estimated by applying methods that best reflect the risks and the stage of each investment, e.g., assumption related to inflation, peer groups, expected earnings, share prices and discount rates.

In general, the fair value is determined in accordance with IPEV Valuation Guidelines and generally accepted valuation techniques, such as multiple analysis/benchmarking, most recent transaction multiple and other relevant methods. The valuation approach incorporates all of the factors that market participants would take into account in pricing a transaction.

Ax V Management Invest K/S owns each portfolio company via separate holding structures for each investment. Ax V Management Invest K/S owns a share class, which has certain preference rights, but the fair value of the shares owned may also be reduced by carried interest if the conditions for carried interest are fulfilled. Carried interest is based on a classical European whole-fund carried interest model with a hurdle rate of 8%.

*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 portfolio 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.

Range for implied multiples: 9.2 to 12.6 (2022: 6.5 to 14.5).

*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 of the balancesheet date, 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.

### Material unobservable inputs

Fair value of the assets is determined based on both forward-looking information, current market and geopolitical conditions, actuals e.g., contributions and distributions etc. as well as status on the specific assets. Valuations are conducted by an independent inhouse valuation expert team and approved quarterly in the Valuation Committee and subsequently by the Board of Directors as part of the quarterly report. A number of material unobservable input is applied in the valuation and is ongoingly assessed on a on a Fund specific level. An elaboration of the assessed material unobservable inputs is outlined below.

Financial instruments measured at fair value in the balance sheet are based on valuation techniques that include material unobservable inputs.

Material unobservable assumptions used in the valuation of unlisted investments in portfolio companies consist of multiples and future earnings expectations for the portfolio companies. The multiples are derived from looking at the valuation of comparable business for each investment. As the multiples are multiplied on the expected earning level of a given investment, the multiple used has a significant effect on the valuation. Management believes that the multiples applied are on a par with the market for comparable Danish businesses. In addition, allowance is made for net interest-bearing debt of the portfolio companies when making the valuation.

At 31.12.2023 carried interest has increased the fair value of investment, and the total net assets, with a total of 115.2 mEUR. In 2023 carried interest has reduced income from portfolio companies with 13.9 mEUR.

## 6 Changes in working capital

	<b>2023</b>	<b>2022</b>
	<b>EUR'000</b>	<b>EUR'000</b>
Increase/decrease in receivables	(2,146)	(34)
Increase/decrease in trade payables etc	206	(78)
	<b>(1,940)</b>	<b>(112)</b>

## 7 Employees

The Entity has no employees other than the Executive Board.

## 8 Contingent liabilities

As of 31 December 2023, the investment group Axcel V has issued a guarantee of EUR 2.4 million to support the senior loan in a portfolio company.

## 9 Assets charged and collateral

According to the limited partnership agreement, the carried interest from realised investments shall be hold in escrow. Therefore 11,017 tEUR are in a deposit agreement which expires in october 2024.

# Accounting policies

## Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

## 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 for management fee, administration and abort cost.

### Income from other fixed asset investments

Income from other fixed asset investments comprises gains/losses from divestments, fair value changes and received dividends and other similar types of returns from the investments.

### Other financial income

Other financial income is recognised in the income statement based at the amount that concern the financial year. Financial income include interest revenue.

### Other financial expenses

Other financial expenses are recognised in the income statement based at the amount that concern the financial year. Financial expenses include interest expenses.

## Balance sheet

### Other investments

Investments in portfolio companies comprise equity investments in portfolio companies measured at fair value through profit or loss.

The fair value of the unlisted investments is determined in accordance with IPEV's Valuation Guidelines, according to which the fair value – depending on the type and maturity of the investment – is determined to be equal to cost (typically applied for new investments) or multiple-based calculations based on industry benchmarks.

**Receivables**

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

**Cash**

Cash comprises bank deposits.

**Other financial liabilities**

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

**Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.

## Periodic disclosure for Article 8 financial products

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852 for the period 01.01.2023-31.12.2023.

Product name: Axcel V

Legal entity identifier: 89450012BSVE5Z4ZU905

Sankt Annæ Plads 10  
DK-1250 Copenhagen K  
Denmark

Phone (+45) 33 36 69 99

axcel@axcel.dk  
www.axcel.dk

### Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

#### Diversity, equity & inclusion

Axcel V worked to improve gender diversity in portfolio company leadership teams by tracking gender diversity KPIs and considering diversity in hiring and promotion processes.

### Climate change

Axcel V worked to reduce GHG emissions in its portfolio companies by asking portfolio companies to measure GHG emissions and to set science-based targets. Axcel Management furthermore worked to reduce its own GHG emissions by sourcing renewable electricity.

### Principal adverse impact indicators

Axcel V worked to reduce adverse impacts of portfolio companies by asking portfolio companies to measure and report on principal adverse impact indicators. 2023 was the first year a principal adverse indicator report was published.

### ESG requirements

Axcel V implemented Axcel Management's five-step sustainability programme in portfolio companies.

### ***How did the sustainability indicators perform?***

#### Diversity, equity & inclusion

Axcel V targets that during its ownership period 40% of persons hired into portfolio company leadership teams will be of the underrepresented gender (measured as the share of women hired into the leadership team, or in the case men are the underrepresented gender, the share of men hired into the leadership team). The target applies from January 2022 onwards.

As per 30 September 2023

- 33% of Axcel V companies have achieved a 60/40 gender split in the leadership team, and there is therefore no underrepresented gender
- 33% of Axcel V companies have met the target of 40% of additions to leadership teams being of the underrepresented gender
- 33% of Axcel V companies have not met the target of 40% of additions to leadership teams being of the underrepresented gender
- 0% of Axcel V companies did not make additions to the leadership team
- 0% of Axcel V companies did not report on additions to the leadership team

Leadership teams are defined as the CEO, direct reports to the CEO (L1), and direct reports to L1 (L2). Only employees who have others reporting to them are included. Additions are defined as persons promoted or hired into the leadership team.

### Climate change

Axcel Management has set an approved science-based target. Axcel Management targets that by 2025, 60% of its portfolio companies across Axcel funds will have set approved science-based targets and that by 2030, 100% of portfolio companies will have done so. Portfolio coverage is measured as the share of invested capital in companies owned for more than two years.

As per 30 September 2023, four companies in the Axcel portfolio had approved science-based targets representing 43% of invested capital in companies owned for more than two years. Three

of the companies, GUBI, Loopia, and Capture One are owned by Axcel V representing 69% of invested capital in Axcel V companies owned for more than two years.

Axcel Management is furthermore committed to sourcing at least 85% renewable electricity. During 2023, Axcel Management sourced 100% renewable electricity.

#### Principal adverse impact indicators

During 2023 Axcel V companies reported on principal adverse impact indicators. A PAI report was published on Axcel's website on 30 June 2023 which contains results from 2022. A second PAI report will be published by 30 June 2024 with full-year 2023 results.

#### ESG requirements

As per 30 September 2023, 100% of Axcel V companies had implemented Axcel required ESG policies, commitments, and processes.

#### *...and compared to previous periods?*

#### Diversity, equity & inclusion

Measure	Results	
	2022	2023
Share of Axcel V companies that have achieved a 60/40 gender split in the leadership team, and where there is therefore no underrepresented gender.	33%	33%
Share of Axcel V companies that have met the target of 40% of additions to leadership teams being of the underrepresented gender.	50%	33%
Share of Axcel V companies that have not met the target of 40% of additions to leadership teams being of the underrepresented gender.	17%	33%
Share of Axcel V companies did not make additions to the leadership team.	0%	0%
Share of Axcel V companies did not report on additions to the leadership team	0%	0%

#### Climate change

Measure	Results	
	2022	2023
Number of companies in the Axcel portfolio with approved science-based targets.	2	4
Share of invested capital in companies owned for more than two years with approved science-based targets.	29%	43%
Number of Axcel V companies in the Axcel portfolio with approved science-based targets.	1	3

Share of Axcel V invested capital in companies owned for more than two years with approved science-based targets.	23%	69%
Share of renewable electricity purchased by Axcel Management	100%	100%

Principal adverse impact indicators

Measure	Results	
	2022	2023
principal adverse impact indicators data collected and reported	Yes	Data is being collected. Report will be published in June 2024.

ESG requirements

Measure	Results	
	2022	2023
Share of Axcel V companies that have implemented Axcel required ESG policies, commitments, and processes	100%	100%

***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088.

***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088. The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



**How did this financial product consider principal adverse impacts on sustainability factors?**

Axcel collected data on the principal adverse indicators presented in Annex 1 of the Sustainable Finance Disclosure Regulation Regulatory Technical Standards. Axcel engages with its companies on sustainability matters with the aim of reducing adverse impacts and increasing positive impacts on sustainability topics, including the adverse sustainability indicators.





### What were the top investments of this financial product?

Largest investments	Sector	% Assets <sup>1</sup>	Country
Nissens	Business services & industrials	20-30%	Denmark
Mountain Top	Business services & industrials	20-30%	Denmark
Loopia	Technology	20-30%	Denmark
GUBI	Consumer	20-30%	Denmark
<b>Total</b>		<b>100%</b>	

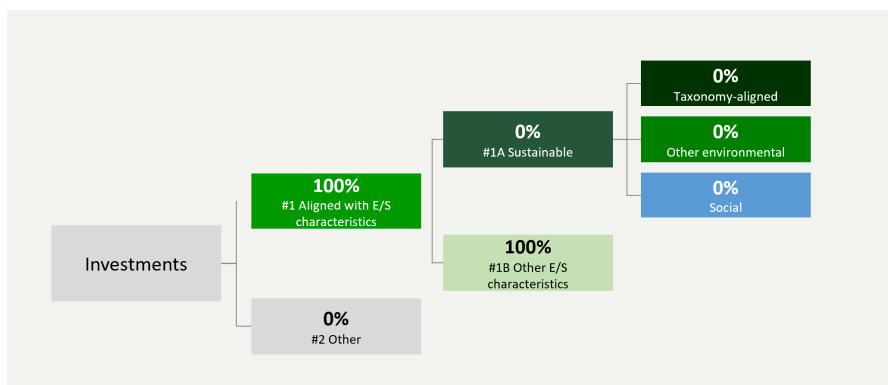
1) Share of invested capital



### What was the proportion of sustainability-related investments?

The fund did not make sustainability-related investments.

### What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### In which economic sectors were the investments made?

Investments have been made in Industrials & Business Services, Healthcare, Technology and Consumer sectors.



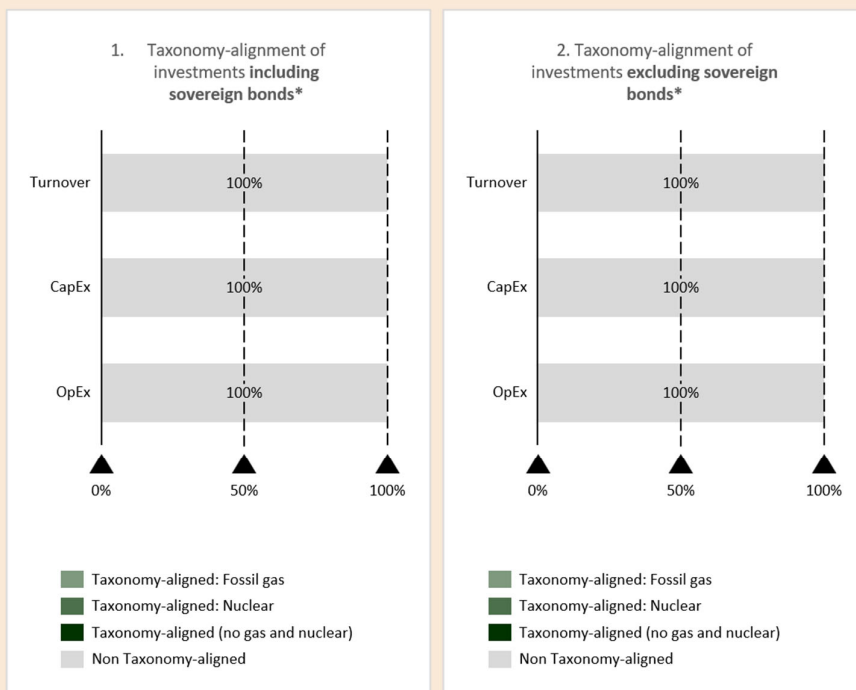
**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088. None of the investments (0%) are aligned with the EU Taxonomy.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?**

- Yes
  - In fossil gas
  - In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

**What was the share of investments made in transitional and enabling activities?**

None of the investments (0%) are aligned with the EU Taxonomy criteria for transitional or enabling activities.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Measure	Results	
	2022	2023
Share of Taxonomy aligned investments	0%	0%



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088.



**What was the share of socially sustainable investments?**

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

No investments are included under “other”. All investments are categorized as #1B Other E/S characteristics.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

- Worked together with portfolio companies to improve performance on diversity, equity & inclusion, climate change, and ESG management
- Collected and reported EU Principal Adverse Impact data as well as Data Convergence initiative data
- Continued engagement with portfolio companies through Board review of progress on ESG priorities, ongoing sparring with Axcel Management’s Head of Sustainability, quarterly reporting to Axcel Management, and competency building events



**How did this financial product perform compared to the reference benchmark?**

A reference benchmark has not been defined for this product.

**How does the reference benchmark differ from a broad market index?**

Not applicable as a reference benchmark has not been defined for this product.

***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable as a reference benchmark has not been defined for this product.

***How did this financial product perform compared with the reference benchmark?***

Not applicable as a reference benchmark has not been defined for this product.

***How did this financial product perform compared with the broad market index?***

Not applicable as a broad market index has not been used for this product.