



Annual Report for

Saga VII GP II ApS

40101330

Annual Report was approved at
the Annual General Meeting
28. January 2022

Poul Jagd Mogensen
Chairman

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Submission information

Report

Information on type of submitted report

Årsrapport

Entity

Identification number [CVR]

40101330

Name

Saga VII GP II ApS

Date of foundation

2018-12-11

Registered office

Copenhagen

Address , street name

Amerika Plads

Address , street building identifier

37, ,

Address , post code identifier

DK-2100

Address , district name

Copenhagen Ø

Auditor

1

Identification number

mne33748

First name and surname

Thomas Hjortkær Petersen

Identification number [CVR] of audit firm

30700228

Name of audit firm

EY Godkendt Revisionspartnerselskab

Description

State Authorised Public Accountant

Address , street name

Dirch Passers Allé

Address , street building identifier

36

Address , post code identifier

2000

Address , district name

Frederiksberg

2

Identification number

mne40039

First name and surname

Bjørn Würtz Rosendal

Identification number [CVR] of audit firm

30700228

Name of audit firm

EY Godkendt Revisionspartnerselskab

Description

State Authorised Public Accountant

Executive board

First name and surname of member (1)

John Danielsen

First name and surname of member (2)

Peter Thellufsen

Information on enterprise submitting report

Identification number [CVR] of submitting enterprise

30700228

Name of submitting enterprise

EY Godkendt Revision

Address of submitting enterprise, street and number

Cortex park 3

Address of submitting enterprise, post code and district name

5230 Odense M

Other informations

Information on type of submitted report
Reporting period start date
Reporting period end date
Preceding reporting period start date
Preceding reporting period end date
Date of general meeting or date of approval on annual report meeting
First name and surname of chairman of general meeting or person, who acts as chairman
Class of reporting entity
Tool for preparing the XBRL-instance document

Currency:

Årsrapport

2020-10-01

2021-09-30

2019-10-01

2020-09-30

2022-01-28

Poul Jagd Mogensen

Regnskabsklasse B

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DKK

Internal

Statement by the Management Board

Statement by management

Statement by the Management Board

Identification of approved annual report

The Management Board have today discussed and approved the Annual Report of Saga VII GP II ApS for the financial year 1 October 2020 – 30 September 2021.

Confirmation that annual report is presented in accordance with requirements provided for by legislation, any standards and requirements provided by articles of association or by agreement

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

Confirmation that financial statements gives true and fair view of assets, liabilities, equity, financial position and results

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 September 2021 and of the results of its operations for the financial year 1 October 2020 - 30 September 2021.

Management's statement about management's review

Furthermore, in our opinion, the Management's review includes a fair review of the developments in the Company's activities and financial matters.

Recommendation of annual report for approval by general meeting

We recommend that the Annual Report be approved at the Annual General Meeting.

Date of approval of annual report

Copenhagen, 14. January 2022

Executive board

John Danielsen

Peter Thellufsen

Internal

Auditor's reports

The independent auditor's reports (Audit)

Independent auditor's report

To the shareholder of Saga VII GP II ApS

Opinion on audited financial statements (audit)

Opinion

We have audited the financial statements of Saga VII GP II ApS for the financial year 1 October 2020 – 30 September 2021, which comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 September 2021, and of the results of the Company's operations for the financial year 1 October 2020 – 30 September 2021, in accordance with the Danish Financial Statements Act.

Type of opinion on audited financial statements (Audit)

Konklusion

Basis for conclusion (Audit)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Type of basis for opinion on audited financial statements (audit)

Grundlag for konklusion

Statement on management's review [Auditor's report on audited financial statements]

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 Statement 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.

Statement on other information [Auditor's report on audited financial statements]

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Statement of executive and supervisory board's responsibility for financial statements (Audit)

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 Alternative Investment Fund Managers, etc. 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.

Statement of auditor's responsibility for the audit of the financial statements (Audit)

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 additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

- As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 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.

Copenhagen

14. January 2022

Thomas Hjortkjær Petersen

State Authorised Public Accountant

mne33748

EY Godkendt Revisionspartnerselskab

30700228

Bjørn Würtz Rosendal

State Authorised Public Accountant

mne40039

EY Godkendt Revisionspartnerselskab

30700228

Internal

Management's review

Management's review

Management's review

Description of significant activities of entity

Operating review

Principal activities of the company

Saga VII GP II ApS main activity is to invest in a fund-of-funds with a geographical focus on investments in Northern America. Investments are mainly made in micro, small and mid-market buy-out funds.

Description of development in activities and financial affairs

Performance in the financial year

In 2020/21 Saga VII GP II ApS realised a profit of DKK 95,587, which is in line with management's expectations.

At 30 September 2021, the equity amounted to DKK 765,092, of total assets of DKK 803,187.

The company has assumed the general partner obligation in one limited partnerships. The obligation as of 30 September 2021 amounts to DKK 1.3 billion. As the limited partners in the partnership are well reputable investors, the general partner obligation is not considered a significant risk.

Recognition and measurement uncertainties

Investments in portfolio funds are measured at fair value. The measurement includes accounting estimates and is, therefore, subject to uncertainty. Reference is made to note 1 for further information on measurement of portfolio funds.

Description of significant events occurring after end of reporting period

Events after the end of the accounting period

There have been no events after the end of the financial year that are considered of significance to the annual report.

The entity's objectives and policies for financial risk management

Special risk

Financial risk

The objective of Saga VII GP II ApS is to supply risk capital to the portfolio fund, and also to its investments in competitive companies in the Northern American micro, small and mid-market. The highest factor of risk is therefore the changes in the value of the companies in which Saga VII GP II ApS portfolio funds invest in, which to a significant extent depend on the valuations of comparable listed companies on the quoted market.

Foreign exchange currency risk

Saga VII GP II ApS investments have been made in USD. As the capital in Saga VII GP II ApS is in DKK, Saga VII GP II ApS is influenced by currency fluctuations in USD. The currency risk is therefore considered as material. Saga VII GP II ApS does not hedge its exposure toward currency rate fluctuations.

Details on key figures and financial ratios

	Current year	Previous year	2 years ago	3 years ago	4 years ago
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Internal

Accounting policies

Disclosure of accounting policies

Accounting policies

The Annual Report of Saga VII GP II ApS has been prepared in accordance with the Danish Financial Act for a reporting class B entity.

The accounting policies applied are consistent with those of last year. Yes

The annual report has been prepared in DKK.

Class of reporting entity

Regnskabsklasse B

Accounting policies applied to balance sheet items

Balance sheet

Investment assets

Investments in portfolio funds are measured in accordance with the IPEV Valuation Guidelines or similar guidelines depending on the country of domicile of the portfolio funds, according to which investments are measured at the fair value. Revaluations are included in the profit and loss account.

Investments in unlisted private equity funds are valued on the basis of the latest reporting received from the respective sub-funds. The reports from the funds contain a valuation of the private equity fund, including a valuation of each individual portfolio company. The value of a private equity fund consists of the sum of the values of the portfolio companies in which the fund has invested in, and the value of other net assets.

Outstanding investment commitments at the balance sheet date are disclosed as contingent liabilities in the notes.

Description of methods of recognition and measurement basis of cash and cash equivalents

Cash and cash equivalents

Cash and cash equivalents include cash funds in open accounts.

Description of methods of recognition and measurement basis of liabilities other than provisions

Liabilities

Liabilities are measured at amortised cost which is usually equivalent to nominal value.

Description of methods of recognition and measurement basis of tax payables and deferred tax

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is recognised using the current tax rate on all temporary differences between the carrying amount and the tax value of assets and liabilities. Deferred tax assets are recognised if they can in all probability be utilised.

Accounting policies applied to income statement items

Income Statement

Description of methods of recognition and measurement basis of administrative expenses

External administration expenses

External administration expenses include expenses relating to the administration of the company including expenses to auditor and legal services.

Description of methods of recognition and measurement basis of other operating income and expenses

Gains/losses on portfolio funds' investments etc.

Gains/losses in portfolio fund investments include income from investments (dividend and interest), realised and unrealised revaluations or depreciations of investments in portfolio funds as well as realised and unrealised exchange rate profit margins and losses related to the investment in portfolio funds etc

Description of methods of recognition and measurement basis of tax expense

Tax for the year

Tax for the year comprises current tax for the year, changes in deferred tax and adjustment to tax relating to previous years.

Description of methods of translation of foreign currencies

Foreign currency translation

Transactions in foreign currency are translated into Danish Kroner (DKK) according to the currency exchange rate at the transaction date. Investments in foreign currency are translated into Danish Kroner (DKK) according to the currency rate at the balance sheet date.

Foreign currency translation

Transactions in foreign currency are translated into DKK according to the currency exchange rate at the transaction date.

Investments, accounts receivable and accounts payable in foreign currency are translated into DKK according to the currency rate at the balance sheet date.

Income Statement 1. October 2020 - 30. September 2021

	Note	01-10-2020 30-09-2021 DKK	01-10-2019 30-09-2020 DKK
Gross			
Other operating income	1	150.770	569
External expenses	2	-18.946	-15.975
Operations			
Profit (loss) from ordinary operating activities		131.824	-15.406
Ordinary			
Sundry finance expenses		-1.796	-49
Profit (loss) from ordinary activities before tax		130.028	-15.455
Tax expense on ordinary activities		-34.441	3.396
Profit (loss)		95.587	-12.059

	Note	01-10-2020 30-09-2021 DKK	01-10-2019 30-09-2020 DKK
Proposed distribution of profit (loss) etc.			
Profit (loss)			
Retained earnings		95.587	-12.059
Profit (loss)		95.587	-12.059

Balance

Assets

	Note	30-09-2021 DKK	30-09-2020 DKK
Assets...			
Other long-term investments	1	535.293	299.284
Investments		535.293	299.284
Non-current assets		535.293	299.284
Current assets...			
Current deferred tax assets		0	11.408
Cash and cash equivalents		267.894	14.688
Current assets i alt:		267.894	26.096
Assets i alt:		803.187	325.380

Liabilities

	Note	30-09-2021 DKK	30-09-2020 DKK
Liabilities and equity...			
Equity...			
Contributed capital		50.002	50.002
Share premium		659.948	299.948
Retained earnings		55.142	-40.445
Equity i alt:		765.092	309.505
Liabilities other than provisions...			
Short-term tax payables		23.033	0
Other short-term payables		15.062	15.875
Short-term liabilities other than provisions		38.095	15.875
Liabilities other than provisions i alt:		38.095	15.875
Liabilities and equity i alt:		803.187	325.380

Disclosure of mortgages and collaterals

3

Notes

Note 1

Disclosure of investments

Notes

Investments in portfolio funds

DKK	30/9 2021	30/9 2020
Cost at 1 October	320463	67427
Additions in the year	133881	253036
Disposals in the year	-17684	0
Cost at 30 September	436660	320463
Revaluations at 1 October	-21179	-21748
Revaluations on disposals in the year	-30958	0
Revaluation in the year	150770	569
Revaluations at 30 September	98633	-21179
Carrying amount at 30 September	535293	299284
Specification of revaluations in the year		
Realised gains/losses on investments	-44370	-27234
Unrealised gains/loss on investments	187966	41079
	143596	13846
Exchange gains/losses on investments	7174	-13277
Gains/losses on investments	150770	569

Investments in portfolio funds

The company has through investments in portfolio funds ownership of mainly unquoted investments. The company has no controlling or significant influence on the portfolio funds in which the partnership has invested.

The portfolio funds in which the company has invested all use common accepted guidelines for measuring the fair value. The measuring of the fair value of the investments in underlying portfolio companies are made by the managers of the portfolio funds.

Usually the company has no or very little information about specific methods and assumptions used by the managers of the portfolio funds when measuring the fair value of the underlying portfolio companies.

The manager's valuation committee will assess and if considered necessary adjust the valuation of the underlying portfolio companies. At the assessment of the fair value of the underlying portfolio companies reported by the managers, information about the market conditions, company specific information as well as information received through dialog with the managers of the portfolio funds are used.

The value of a private equity fund is measured as the fair value of each investment in portfolio companies owned by the fund with addition of other net assets in the fund. The valuation of a portfolio company in a private equity fund is based on the industry, market position and earnings capacity, and the (i) the peer group multiple, i.e. the market value of comparable listed companies,

(ii) transaction multiple in recent M&A transactions involving comparable companies, (iii) value indications from potential buyers of the portfolio company, (iv) market value if the portfolio company is publicly traded or (v) future expected proceeds if there is a concluded agreement on the sale of the portfolio company.

The company invests in buy-out funds. The investments made by the portfolio funds are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below

Level 1 – Inputs based upon quoted prices for identical assets and liabilities in active markets.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active

Level 3 – Unobservable input

Fair market value measurements as of 30 September 2021

DKK	Quoted prices	Observable input	Unobservable input	Total
	Level 1	Level 2	Level 3	
Investments in portfolio funds	0	0	535293	535293
Total	0	0	535293	535293

Fair market value measurements as of 30 September 2020

Note 2

Disclosure of external expenses

DKK	Quoted prices Level 1	Observable input Level 2	Unobservable input Level 3	Total
Investments in portfolio funds	0	0	299284	299284
Total	0	0	299284	299284
External administration expenses				
The Management board did not receive salaries. The company has no employees except for the Management board.				

Note 3

Disclosure of mortgages and collaterals

Contingencies, etc.

The company's contingent liabilities consist of the company's general partner obligation in Saga VII USD K/S. As of 30 September 2021 the obligation amounts to DKK 1.3 billion.

Investment obligations

DKK	Commitment USD	Commitment DKK	Outstanding commitment USD	Outstanding commitment DKK
Commitment, USD	254127	1633462	183606	1179118
Total commitment		1633462		1179118

The company has no other contingent liabilities as of 30 September 2021.