

CAPITAL FOUR

Capital Four CLO Management II GP ApS

Per Henrik Lings Allé 2, 8th floor
2100 Copenhagen Ø
CVR-no. 42 77 13 41

Annual Report 2022
1 January 2023 – 31 December 2023

This annual report has been adopted
at the company's annual general
meeting on, the 18/4 2024

Chairman of the meeting:

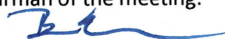


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Company details

Capital Four CLO Management II GP ApS
Per Henrik Lings Allé 2, 8th floor
2100 Copenhagen Ø
CVR-no.: 42 77 13 41
Domicile: Copenhagen
Financial year: 1 January – 31 December

Phone: 35 25 61 00
Internet: www.capital-four.com
E-mail: financials@capital-four.com

Board of Management
Sandro Näf
Torben Maggaard Skødeberg

Auditors
EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg

Banks
Jyske Bank A/S

Group relationship

The Company is included in the consolidated financial statements of the parent company, Capital Four Holding A/S. The Annual Report can be obtained at the phone number 35 25 61 00 or at financials@capital-four.com.

Statement by the Board of Management

We have on this day presented the Annual Report for the financial year 1 January 2023 – 31 December 2023 for Capital Four CLO Management II GP ApS.

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

In our opinion the financial statements give a true and fair view of the Company's assets, liabilities, equity and financial position as at 31 December 2023 and of the results of operations for the financial year 1 January 2023 – 31 December 2023.

The Annual Report is submitted for adoption by the Annual General Meeting.

Copenhagen, 21 March 2024

Board of Management



Sandro Näf



Torben Maggaard Skødeberg

Independent Auditor's Report

To the shareholders of Capital Four CLO Management GP ApS

Opinion

We have audited the financial statements of Capital Four CLO Management II GP ApS for the financial year 1 January 2023 – 31 December 2023, 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 2023 and of the results of the Company's operations for the financial year 1 January 2023 – 31 December 2023 in accordance with the Danish Financial Statement 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 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' 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.

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 Statement 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 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, 21 March 2024

EY Godkendt Revisionspartnerselskab

CVR-nr. 30 70 02 28

Anders Duedahl-Olesen
State Authorised Public Accountant
mne24732

Bjørn Würtz Rosendal
State Authorised Public Accountant
mne40039

Income statement 1 January 2023 – 31 December 2023

Notes

1 January 2023 – 19 October 2021
31 Decemer 2023 – 31 December
2022

Amounts in DKK

Other operating income	30,520	23,450
Other external expenses	-23,334	-19,986
Gross profit	7,186	3,464
Financial income	9	
³ Financial expenses	-	-299
Profit before tax	7,195	3,165
Taxes	-1,583	-696
Profit for the year	5,612	2,469
Proposed appropriation account		
Retained earnings	5,612	2,469
Total	5,612	2,469

Balance sheet at 31 December 2023

Assets		2023	2022
Notes	Amounts in DKK		
	Receivables from group companies	11,458	7,200
	Total receivables	11,458	7,200
	Cash	38,206	35,964
	Total current assets	49,664	44,164
	Total assets	49,664	44,164

Balance sheet at 31 December 2023

Liabilities & equity		2023	2022
Notes	Amounts in DKK		
<hr/>			
Equity:			
	Share capital	40,000	40,000
	Retained earnings	8,081	2,469
Total equity		48,081	42,469
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	Tax liabilities	1,583	695
Total short-term payables		1,583	695
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Total payables		1,583	695
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Total liabilities & equity		49,664	43,164
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- 4 Staff costs
- 5 Contingent liabilities
- 6 Charges and security
- 7 Related parties

Equity statement at 31 December 2023

Amounts in DKK	Share capital	Retained earnings	Total
Share capital 01.01.2023	40,000	2,469	42,469
Net profit/loss for the year	-	5,612	5,612
Equity at 31.12.23	40,000	8,081	48,469

Notes

1 Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

In the income statement, income is recognised as earned, including value adjustments of financial assets and liabilities. In the income statement, all expenses, including depreciation, amortisation, impairment losses and write-downs, are recognised as well.

In the balance sheet, assets are recognised when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet, when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

REPORTING CURRENCY

The Annual Report is presented in Danish kroner (DKK).

INCOME STATEMENT

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities including administration fee.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debt to the extent that these do not exceed normal write-downs.

Financial income and expenses

Interest income and interest expenses etc. are recognized in other net financials.

Tax

Tax for the year comprises current tax, joint taxation contribution and changes in deferred tax for the year. Tax relating to the profit/loss for the year is recognized in the income statement, and the tax relating to amounts directly recognized in equity is recognized directly in equity.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivables if there is no objective evidence of individual impairment of a receivable.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Current and deferred taxes

Current tax payable and receivable is recognized in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for any tax paid on account.

Provisions for deferred tax are calculated of all temporary differences between carrying

amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income. In cases where the tax base can be made according to different tax rules, deferred tax is measured on basis of management's planned use of the asset or settlement of the liability.

Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred tax liabilities.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

2 Primary activities

The company's activity is to be general partner in Capital Four CLO Management K/S and all activities, which according to the Board of Management, are related hereto.

1 January 2023 – 31 December 2023 19 October 2021 – 31 December 2022

DKK

3 Financial expenses

Negative interests' banks	-	299
Total financial expenses	-	299

4 Staff costs

Average number of employees during the year		0
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5 Contingent liabilities

Other contingent liabilities.

The company is general partner in a limited partnership, Capital Four CLO Management II K/S. Total liabilities in Capital Four CLO Management II K/S amounts to DKK 687,835 thousand as of 31 December 2023.

Tax liabilities

The company is taxed jointly with the other Danish companies in the group and is liable for income taxes on a pro rata basis for the jointly taxed companies. The maximum liability totals an amount corresponding to the share of the capital in the company which is owned directly or indirectly by the ultimate parent. The total tax liability for the jointly taxed companies at the balance sheet date has not yet been determined. For further information, please see the financial statements of the management company Capital Four Holding A/S.

6 Charges and security

The company has not provided any security over assets.

7 Related parties

Receivables from group companies recognized under current assets and short-term payables to group enterprises consist of balances which are settled on an ongoing basis and in accordance with the enterprise's standard terms of agreement and payment. No write-downs have been made on the receivables.

The company is included in the consolidated financial statements of the parent Capital Four Holding A/S, Copenhagen.