



# MAJ INVEST MINORITIES I K/S

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## Annual report 2023

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# STATEMENTS

## STATEMENT BY MANAGEMENT

The Executive Board has today discussed and approved the annual report for Maj Invest Minorities I K/S for the financial year 1 January – 31 December 2023.

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

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

We believe that the Management commentary and the supplementary report in accordance with the Sustainable Financial Disclosure Regulation (EU) include a fair review of the affairs and conditions referred to therein.

We recommend the annual report 2023 for adoption at the annual general meeting.

Copenhagen, 10 July 2024

General partner:  
PE Minorities GP ApS

Executive Board:

*Jens Aaløse*

*Torben Kjær*

The annual report is presented and approved at the annual general meeting.

on *6 August 2024* / 2024

Chairman: *[Signature]* -----

# STATEMENTS

## INDEPENDENT AUDITORS' REPORT

To the limited partners of Maj Invest Minorities I K/S

### **Opinion**

We have audited the financial statements of Maj Invest Minorities I K/S for the financial year 1 January – 31 December 2023, which comprise accounting policies, income statement, balance sheet, cash flow statement 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 Limited Partnership at 31 December 2023 and of the results of the Limited Partnership's operations for the financial year 1 January – 31 December 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 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 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 Limited Partnership'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 Limited Partnership or to cease operations, or has no realistic alternative but to do so.

# STATEMENTS

## INDEPENDENT AUDITORS' REPORT

### **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 Limited Partnership'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 Limited Partnership'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 Limited Partnership 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

# STATEMENTS

## INDEPENDENT AUDITORS' REPORT

note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Statement on the Management's commentary and other information in accordance with SFDR

Management is responsible for the Management's commentary, and other information in accordance with SFDR, hereafter referred to "other information".

Our opinion on the financial statements does not cover the Management's commentary or other information, 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 commentary as well as other information and, in doing so, consider whether the Management's commentary and other information 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 commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's commentary and other information 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's commentary or other information.

Copenhagen, 10 July 2024

EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Lars Rhod Søndergaard  
State Authorised  
Public Accountant  
mne28632

Rasmus Berntsen  
State Authorised  
Public Accountant  
mne35461

# MANAGEMENT COMMENTARY

## FUND INFORMATION

<b>The limited partnership</b>	Maj Invest Minorities I K/S Gammeltorv 18 DK-1457 Copenhagen K Denmark
<b>Contact information</b>	E-mail: <a href="mailto:kontakt@majinvest.com">kontakt@majinvest.com</a> Website: <a href="http://majinvest.com">majinvest.com</a>
<b>CVR no.</b>	42 78 84 30
<b>Financial year</b>	1 January – 31 December (First year 27 October 2021 – 31 December 2022)
<b>Registered office</b>	Copenhagen
<b>General partner</b>	PE Minorities GP ApS
<b>Executive Board in PE Minorities GP ApS</b>	Jens Aaløse Torben Kjær
<b>Manager</b>	Maj Invest Equity A/S
<b>Depository</b>	Apex (Denmark) ApS
<b>Auditors</b>	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 DK-2000 Frederiksberg Denmark

# MANAGEMENT COMMENTARY

## KEY FIGURES AND RATIOS

'000 DKK		2023	27/10/2021 – 31/12/2022
<b>Key figures</b>	<b>3</b>		
<b>Income statement</b>			
Income from investments in portfolio companies	4	(345,857)	(45,855)
Operating profit/loss		(369,077)	(61,447)
Profit/loss for the year		(372,745)	(39,319)
<b>Balance sheet</b>			
Investments in portfolio companies		4,617,270	3,373,653
Total assets		4,624,727	3,393,156
Equity		4,573,891	3,392,733
<b>Financial resources</b>			
Cash		79	14,846
Remaining commitment		1,172,085	1,666,086
Total financial resources		1,172,166	1,680,932
<b>Cash flow</b>			
Cash flows from operating activities		20,806	507
Cash flows from investing activities		(529,572)	(3,319,575)
Cash flows from financing activities		494,000	3,333,914
Net change in cash		(14,766)	14,846
<b>Ratios</b>			
Equity ratio		99%	100%
Paid-in capital to committed capital (%)		77%	67%

In accordance with the Danish Financial Statement Act, all investments in associates are measured at fair value and positive unrealised value adjustments are made directly in the equity. Investments in participating interests are measured at fair value and unrealised value adjustments are recognised in the income statement.

In case, all unrealised fair value adjustments on investments were recognised in the income statement, the key figures for profit/loss would have been as the following:

'000 DKK		2023	27/10/2021 – 31/12/2022
Income from investments in portfolio companies		812,182	52,282
Operating profit/loss		788,963	36,690
Profit/loss for the year		785,296	58,818



# MANAGEMENT COMMENTARY

## BUSINESS REVIEW

### **Maj Invest Minorities I K/S**

The limited partnership Maj Invest Minorities I K/S (Maj Invest Minorities I or Fund) was established on 27 October 2021 and had closing with investors on 6 November 2021 with a total commitment of DKK 5 billion. The Fund is owned by four pension funds administered by PKA A/S. The investors have entered into a limited partnership agreement. The Fund has invested in eight portfolio companies since inception.

### **Investment policy and strategy in Maj Invest Minorities I**

Maj Invest Minorities I' investment strategy is focused on minority investments within the asset classes 'private equity' and 'venture capital'. Life sciences and technology are the main sectors. Investments are primarily unlisted with expected ownership of 10–25% and geographically limited to developed markets. The Fund's investments are usually structured alongside reputable professional investors with a proven track record.

Maj Invest Minorities I is structured as an evergreen fund with potential extensions after 10 years ensuring flexibility, optimal asset allocation and a long-term mindset.

### **Sustainability Policy**

Maj Invest Minorities I focus on long-term value creation with a core effort on integrating sustainability across the portfolio companies. Taking sustainability factors into consideration can identify and capture value creating opportunities as well as mitigate relevant risks. As part of the Maj Invest group, Maj Invest Equity has been a signatory to the UN-backed Principles for Responsible Investment, PRI, since 2010. This states the commitment as a responsible investor.

Maj Invest Minorities I was established during 2021 and several investments have been made. Maj Invest Minorities I have been committed to promote environmental and social developments both in the pre- and post-investment phase and seeks to support selected Sustainable Development Goals (SDGs). As a part of the investment process, an ESG assessment of the potential portfolio companies has been made. The assessment has included the integration of specific investor guidelines for responsible investment as well as an exclusion list. Material ESG risks and opportunities have been identified prior to investment based on standards such as SASB's Materiality Mapper, as well as the companies' contribution to the SDGs. During the ownership period, Maj Invest Minorities has worked together with relevant portfolio companies on establishing and developing the companies' ESG approach and strategy.

The Fund is classified as article 8 under the Sustainable Financial Disclosure Regulation (EU) 2019/2088. ESG and sustainability are core focal points, with the Fund seeking direct exposure to responsible companies that show consideration for the outside world, particularly the green transition. This annual report includes a supplementary report in accordance with SFDR (EU), to which we refer for further information.

# MANAGEMENT COMMENTARY

## BUSINESS REVIEW

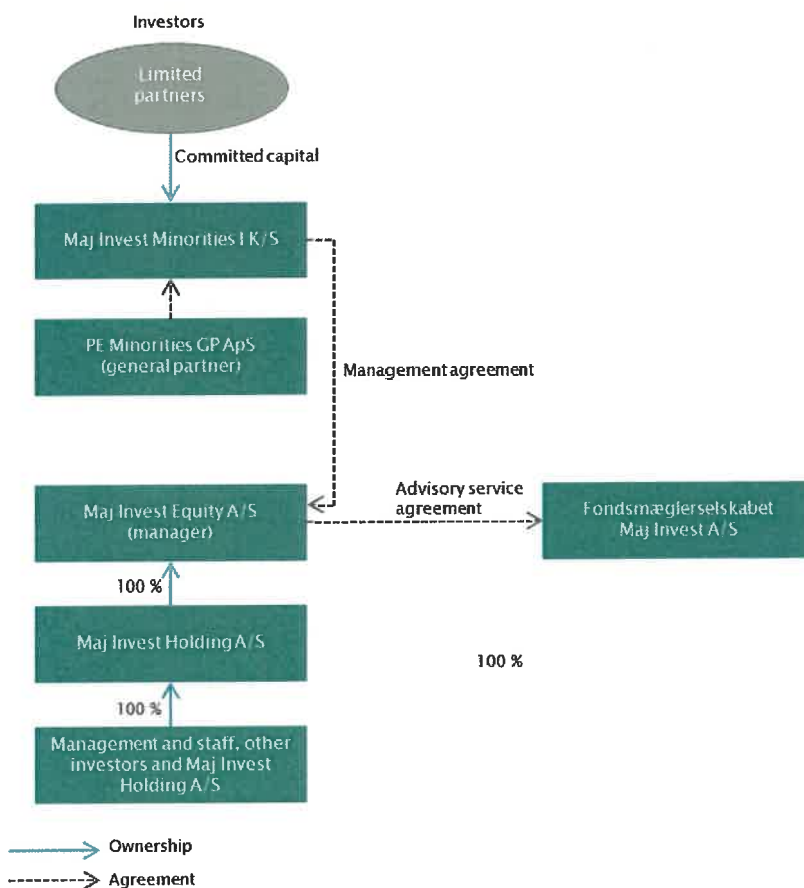
### Ownership

Maj Invest Minorities I is owned by four pension funds administered by PKA A/S.

### Legal structure

Maj Invest Minorities I is a Danish limited partnership with a Danish private limited company as General Partner. The General Partner, PE Minorities GP ApS, is managed by an executive board consisting of the Managing Partner in the Manager, Maj Invest Equity A/S (Maj Invest Equity), as well as an external member. The General Partner is a subsidiary of Maj Invest Equity which is owned by Maj Invest Holding A/S.

### Legal structure of Maj Invest Minorities I



The General Partner is responsible for management and signs for the Fund. Under a management agreement, the Manager handles all investment-related and administrative tasks for Maj Invest Minorities. Consequently, the Fund has no staff employed. The Manager has made an investment advisory agreement with Fondsmæglersekskabet Maj Invest A/S in respect of certain of the investment-related tasks.

Perneo dokumentnøgle: QELE7-P1E8H-88TD3-PYAFE-DYE7-FI278

# MANAGEMENT COMMENTARY

## BUSINESS REVIEW

### Decision structure

The General Partner has established an Investment Committee. The Investment Committee is responsible for reviewing and considering all investments, follow-on investments or divestment proposals based on such review to make recommendations to the General Partner. No investments or realisation can be made without the prior approval of the Investment Committee, except for certain minor follow-on investments and realisations.

The Investment Committee consists of four members, namely the CEO of Maj Invest Holding A/S, the Managing Partner of Maj Invest Equity and two members appointed by the Limited Partners. Investment Committee members do not participate in the portfolio companies and never invest in the portfolio companies in a discretionary manner.

### License as manager with the Danish FSA

The Manager has received a license as manager (in Danish: forvalter) with the Danish FSA (in Danish: Finanstilsynet) and the Manager is under financial regulation and the Danish FSA supervision.

Maj Invest Minorities I have appointed a depositary in accordance with the provisions in FAIF.

Remuneration for the financial year paid to management and staff in Maj Invest Equity A/S is disclosed in the annual report of Maj Invest Equity A/S. Information is given at Manager level. The annual report for Maj Invest Equity A/S will also be available on the website [majinvest.com](http://majinvest.com).

### Reporting

One of the things governed by the limited partnership agreement is the aspect of reporting on fund activities, its development and financial position in relation to investors. The Fund is obliged to report to its investors on a current basis:

- Quarterly reports on the financial situation, the development in individual investments and investment returns.
- Memoranda on investments and follow-on investments.
- Annual reports.
- Investor meetings.
- Annual sustainability reports.
- Replies to investor queries.

The quarterly reports to investors are prepared in compliance with the international guidelines in respect of “best practice” as stipulated in the Invest Europe Investor Reporting Guidelines. Investments are valued at their fair values and in accordance with the International Private Equity and Venture Capital Valuation Guidelines.

# MANAGEMENT COMMENTARY

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### Development in activities and the financial position

In 2023, equity markets staged a comeback from the weak performance of the year prior. Inflation declined slowly across developed markets, while the Federal Reserve ended the year by signalling that interest rate hikes are over. This spurred an increased risk appetite across most listed equity sectors, a trend that was also reflected in the private markets.

In relation to private equity exposure, Maj Invest Minorities remained cautious during 2023 with no incremental investments, after deploying significant capital at attractive entry points during 2022. The private equity exposure is primarily focused on defensive and structurally growing companies with a dominant market position within the Health Care sector. Overall, these companies have continued to track alongside our fundamental expectations.

Venture capital markets showed signs of strengthening during 2023 as well, after a significant drawdown from the peak of 2021. Maj Invest Minorities leveraged these market dynamics to carry out six new investments whereof two were structured as convertible loans on attractive terms. Market dynamics remain volatile, and fundraising is becoming a challenge throughout the sector. Therefore, we prefer defensive financial structures.

Entering 2024, Maj Invest Minorities maintains sufficient available funds to continue supporting its existing portfolio companies and to pursue a select few new investments within the sectors of life science and technology. We will likely remain focused on the venture capital markets in 2024.

### Impact on the external environment

Maj Invest Minorities' activities are not considered to have a significant effect on the external environment and climate, but the Fund's investments affect the external environment. We refer to the section "Sustainability policy" for further information.

### Result for the year

The bottom-line for the period 1 January to 31 December 2023 is a loss of DKK 373 million. The result for the year is negatively affected by unrealised value adjustments of the investments of DKK 346 million. The value adjustments consist of DKK 130 million due to currency adjustments and DKK 216 million is related to value adjustments of the Fund's investments in two venture funds, which are valued at their latest reported Net Asset Value (NAV).

It is the Management's assessment that the portfolio companies are developing well, but the investments are at an early stage.

### Investments

As of end of December 2023, the fund had made 14 investment in the following companies: Morrow Batteries ASA, Synklino A/S, Red Tree Venture Fund, L.P., Grove Ventures III, L.P, Sar-

# MANAGEMENT COMMENTARY

## BUSINESS REVIEW

torius AG, Medical Knowledge Group LLC, The Ritedose Corporation, KabaFusion LLC, ActiveFence Ltd., Protai.Bio Ltd., Hemab ApS, Luminescent Heat Engine Ltd., Tingo Medical Ltd., and Magnus Medical Ltd.

### Follow-on investments

During the financial year 2023, the fund made follow-on investments in Morrow Batteries ASA. This was done in organized funding rounds alongside existing shareholders.

Additional information on the investments is available below.

## Development in portfolio companies in 2023

### Morrow Batteries ASA

Morrow Batteries ASA (Morrow) is a battery manufacturing company that was founded in Norway in 2020. Morrow aims to develop the world's most cost-effective and sustainable batteries based on state-of-the-art technology (e.g., lithium-ion, steady-state.). The company aims to sell their batteries internationally, focusing on the automotive, energy storage systems, and maritime markets. During 2023, the company advanced its commercial activities and customer dialogs, and Morrow expects to deliver its first order in 2024. Morrow Batteries has completed factory acceptance tests in South Korea, which means that all equipment is now approved and qualified for installation at the Morrow Cell Factory in Arendal, Norway, bringing it closer to production commencement. For further information about the company please refer to the portfolio company's website: [morrowbatteries.com](https://morrowbatteries.com).

### Red Tree Venture Fund, L.P.

Red Tree Venture Fund, L.P. (Red Tree) is an American venture fund that invests in early-stage biotech (75% allocation) and medical device (25%) companies on the West Coast. Red Tree's investments are sourced from Stanford and similar elite US universities. Red Tree was formed on 26 June 2020 and had final closing on 30 June 2022. As of 31 December 2023, Red Tree's portfolio consists of 12 investments. One company, Cargo Therapeutics, went public during Q4 2023 with an enterprise value now surpassing 1 USDbn. For further information about the company please refer to the portfolio company's website: [redtreevc.com](https://redtreevc.com).

### Grove Ventures III, L.P.

Grove Ventures III, L.P. (Grove Ventures III) is an early-stage Israeli venture fund formed on 7 December 2021 with its first closing on 6 January 2022. Grove Ventures III invests in digital transformation by focusing on Israeli start-ups within edge computing, data centres and cloud infrastructure, and AI/automation. As of 31 December 2023, Grove Venture III's portfolio consists of seven investments, whereof each company are showing significant progress, while the fund is yet to deploy the majority of its capital. For further information about the company please refer to the portfolio company's website: [grovevc.com](https://grovevc.com).

# MANAGEMENT COMMENTARY

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### Medical Knowledge Group LLC

Medical Knowledge Group LLC (MKG) was founded in 2004 and is an American analytics-centred commercialization solutions firm providing specialized medical communications, proprietary analytics, and market research to biopharma companies. The client base is diverse and global, including both the world's largest biopharmaceutical companies and smaller biotech companies. MKG continues to pursue an accretive M&A strategy and has recently acquired a premier healthcare communications company based in New York, specializing in qualitative market research. For further information about the company please refer to the portfolio company's website: [mkgny.com](http://mkgny.com).

### The Ritedose Corporation

Founded in 1995, The Ritedose Corporation (Ritedose) is an American pharmaceutical manufacturer leveraging blow-fill-seal technology. Products include contract manufacturing, Ritedose's own generic drugs, and 503B compounding to blue-chip customers. Customers include U.S. based pharmaceuticals, wholesalers, and retail pharmacies of all sizes. For 2023, Ritedose's performance is in line with budget in terms of both sales and profitability. Growth remains driven by new products, including Albuterol Sulfate for asthma, which is in short supply for patients across the US. For further information about the company please refer to the portfolio company's website: [ritedose.com](http://ritedose.com).

### Sartorius AG

Sartorius AG (Sartorius) was founded in Germany in 1870 and is an international pharmaceutical equipment supplier with two divisions: Bioprocess Solutions and Lab Products and Services. Sartorius is listed on the Frankfurt Stock Exchange. The company saw a decline in underlying developments during 2023, adversely affecting sales and profitability. To boost sales and expand their product offering within Bioprocess Solutions, Sartorius acquired the French company Polyplus, which is a 270-employee provider of transfection and DNA/RNA delivery reagents. For further information, we refer to the company's website: [sartorius.com](http://sartorius.com).

### Synklino A/S

Synklino A/S (Synklino) is a Danish biotech start-up developing cures for cytomegalovirus (CMV) herpes chronic virus infections. Synklino's patented SYN002 drug candidate eliminates CMV-infections by targeting both lytic and latent infections. The company has proven cellular efficacy and demonstrated efficacy of SYN002 in human donor organs as well as mice, rat, and non-human primate lungs. During 2023, the company advanced its pre-clinical trials and secured its first approval for commercial compound manufacturing. For further information about the company please refer to the portfolio company's website: [synklino.com](http://synklino.com).

### KabaFusion, LLC

# MANAGEMENT COMMENTARY

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KabaFusion, LLC (KabaFusion) is a leading full-service home infusion provider of chronic therapies, e.g., immunoglobulin (IG) therapy, acute therapy, and enteral therapy. Founded in 2010 and headquartered in California, KabaFusion owns state-of-the-art compounding pharmacies across the US, with service capabilities in over 40 states and more than 400 sales and nursing employees. In 2023, the company scaled its operation to sustain growth, continuously looking to employ new part-time and full-time nurses. KabaFusion also expanded its number of local pharmacies and treatment centres across the country to better help hard-to-reach patients, e.g., those in rural areas needing care the most and without access to a nearby hospital. For further information about the company please refer to the portfolio company's website: [kabafusion.com](https://kabafusion.com).

### **ActiveFence Ltd.**

ActiveFence Ltd (ActiveFence) is an Israeli technology company established in 2018 with a mission to make the internet a safer place by eliminating harmful content. The company provides a complete Trust & Safety solution, including data, services, and software that empower Trust & Safety teams to proactively handle any threat that may arise on their platforms. During 2023, ActiveFence acquired the competitor Spectrum Labs, which aims to enhance its technological capabilities and expand market reach. The company is increasingly pursuing growth from its full end-to-end SaaS offering instead of legacy services, which will help customers through the entire process of detecting and removing harmful content online. For further information about the company please refer to the portfolio company's website: [activefence.com](https://activefence.com).

### **Protai Bio Ltd.**

Protai Bio Ltd. (Protai), founded in 2021, is an AI-powered drug discovery startup exploring innovative approaches to drug discovery. The company uses an AI-powered platform to map the course of a disease on the protein level, thereby enhancing the capacity to observe cellular function and improving how new drugs are discovered cost-effectively. In 2023, the company initiated its first in vivo trial with one of its drug candidates. The company continues to scale as expected and with accelerating commercial traction. This includes discussions with several major pharmaceutical companies on potential asset licensing deals. For further information about the company please refer to the portfolio company's website: [protai.bio](https://protai.bio).

### **Hemab ApS**

Hemab ApS (Hemab), founded in 2019, is a cutting-edge biotech startup based in Denmark, focused on developing innovative treatments for rare bleeding and thrombotic disorders. The company boasts a robust pipeline of five different drug candidates, each targeting various unique bleeding disorders. During 2023, Hemab successfully completed the first part of Phase 1 clinical trials for its lead drug candidate, HMB-001, across different patient cohorts. All patients exhibited meaningful results, suggesting the potential for the first preventative

# MANAGEMENT COMMENTARY

## BUSINESS REVIEW

treatment for individuals with Glanzmann Thrombasthenia. The trials demonstrated a faster-than-anticipated proof of mechanism and a longer half-life than initially estimated. Results of the trial were presented in February 2024 at the European Association for Hemophilia and Allied Disorder in Frankfurt. For further information about the company please refer to the portfolio company's website: [Hemab.com](http://Hemab.com).

### **Luminescent Heat Engine Ltd.**

Luminescent Heat Engine Ltd. (Luminescent), founded in 2020, is an Israeli company aiming to develop a novel technology for efficient and cost-effective waste heat upcycling. The company's vision is to generate zero-emission electricity from any source of waste heat, which can significantly reduce emissions, particularly in the most polluting industries. Their innovative solution is the world's first liquid-based isothermal engine, which is designed to be small, highly efficient, and affordable. In 2023, the company successfully advanced its product development plan, achieving significant technical milestones. Luminescent is experiencing considerable inbound interest, having initiated discussions for commercial pilots with four prospective clients and formalized an MOU for two high-temperature projects. For further information about the company please refer to the portfolio company's website: [Luminescentpower.com](http://Luminescentpower.com).

### **Tingo Medical Ltd.**

Tingo Medical Ltd. (Tingo) is a medical device company founded in 2020, focused on developing a continuous glucose monitoring (CGM) system for managing diabetes. The company has identified an enzyme and sensor that can deliver more accurate glucose measurements at a substantially cheaper production price than current competing real-time continuous glucose monitoring systems. For further information about the company please refer to the portfolio company's website: [finder.startupnationcentral.org/company\\_page/tingo-medical](http://finder.startupnationcentral.org/company_page/tingo-medical).

### **Magnus Medical Ltd.**

Magnus Medical Ltd. (Magnus), founded in 2020, is an American medical device company developing a novel, rapid acting brain stimulation technology designed to treat people suffering from major depressive disorder (MDD) who have not responded to existing treatments. Their non-invasive technology uses targeted magnetic stimulation of the brain, utilizing magnetic fields to activate nerve cells within the brain. During 2023, Magnus commenced revenue-generating open label studies across multiple US states to generate further data on the efficacy and safety of its treatment. Meanwhile, experienced MedTech leader Christian Gormsen was onboarded as the company's new CEO. For further information about the company please refer to the portfolio company's website: [magnusmed.com](http://magnusmed.com).

### **Capital resources**

Maj Invest Minorities has a total capital commitment of DKK 5 billion. As of 31 December 2023, Maj Invest Minorities had drawn DKK 3,828 million, equal to 77% of the capital com-



# MANAGEMENT COMMENTARY

## BUSINESS REVIEW

mitment. The remaining capital commitment is DKK 1,172 million. Maj Invest Minorities' equity amounted to DKK 3,919 million on 31 December 2023, corresponding to an equity ratio of 100%.

Maj Invest Minorities is able to finance investments and follow-on investments from the time of investment and up to six months through bridge financing loans from financial institutions. A bridge loan must be repaid in connection with a capital call from investors. As of 31 December 2023, Maj Invest Minorities have a total of 52.5 million in bank loans.

### Financial risks

The objective of Maj Invest Minorities is to undertake minority venture capital and private equity investments in private life science and technology companies in developed markets. A key risk is failing to create value in the underlying portfolio companies before the exit of the investments. Changes in the macroeconomic environment can significantly impact portfolio companies' valuation. This includes general market volatility, rising inflation, interest rates, and geopolitical tensions. Additionally, all investments are subject to company-specific risks, including business and operations risks.

### Uncertainties relating to recognition and measurement in the financial statements

The investments in portfolio companies are valued at their fair value, according to the description in accounting policies. The valuation includes accounting estimates, and as such the valuation is therefore subject to some uncertainty.

Uncertainty also exists relating to currency development in USD.

### Outlook 2024

The outlook for the Fund depends on the result of the investments.

The result for 2024 is not expected to be positive, maybe a minor positive result, as the Fund is at an early stage in its lifecycle. The result is expected to be within the range of DKKm -100 (negative) to + 25 DKKm. Furthermore, positive value adjustments of investments in associates will be added directly to the equity statement in the financial statements.

The Fund's investment period is still ongoing. The Management expects the existing portfolio companies to develop positively in the coming year.

### Events after the balance sheet day

Maj invest Minorities have a bridge loan of DKK 52.5 million which will be repaid end of March 2023 in connection with a draw down from the Limited Partner.

There have been no other events after the balance sheet day and to date that materially affect the assessment of the annual report.

# FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

### GENERAL

The annual report for Maj Invest Minorities I K/S is prepared in accordance with the provisions of the Danish Financial Statements Act for reporting class C enterprises (medium-size) with the necessary adjustments considering that the company is a limited partnership, whose activity is private equity. Investments in portfolio companies are recognised in compliance with the International Private Equity and Venture Capital Valuation Guidelines, drawn by the IPEV Board.

In order to achieve a true and fair view of operations of the limited partnership, the presentation of the income statement has been changed compared with the reporting form shown in schedule 2 of the Danish Financial Statements Act.

Income from investments in portfolio companies is presented as an item under operating profit/loss.

The accounting policies are the same as last year.

### Recognition and measurement

All income and expenses relating to the financial year are recognised in the income statement regardless of time of payment. Negative unrealised value adjustments of investments in associates as well as unrealised value adjustments of investments in participating interests are also recognised in the income statement.

Assets are recognised in the balance sheet, if, in all probability, future economic benefits will flow to the limited partnership, and the value of such assets can be measured reliably.

Liabilities are recognised in the balance sheet, if, in all probability, future economic benefits will flow out of the limited partnership, 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.

Recognition and measurement of assets and liabilities have taken into account any information available after the balance sheet date but before the presentation of the financial statements, either affirming or not affirming conditions existing on the balance sheet date.

# FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

### Foreign currency translation

Transactions in foreign currencies are translated into Danish kroner using the exchange rates applicable on the transaction date. Assets and liabilities in foreign currencies are translated into Danish kroner using the rates on the balance sheet date.

## INCOME STATEMENT

### Income from investments in portfolio companies

Realised gains/losses on investments, negative unrealised value adjustments of investments in associates and unrealised value adjustments of investments in participating interests in portfolio companies are recognised in the income statement. Dividends received from investments will also be classified as "Income from investments in portfolio companies".

### Administrative expenses

Administrative expenses mainly include management fees, partnership formation costs, depositary fee and other administrative expenses.

### Financial income and expenses

Financial income and expenses include interest expense due to credit facilities and bridge loans, interest on bank deposits, financial risk premium to the general partner and currency adjustments.

### Tax

Maj Invest Minorities I K/S is a Danish limited partnership. The limited partnership is transparent for tax purposes and taxes are levied on the individual investor in proportion to their shares in the partnership. Consequently, no provisions for tax have been made in the financial statements. However, tax withheld on the payment of dividends by the portfolio companies will be recognized in the income statement under "Withholding tax".

## BALANCE SHEET

### ASSETS

#### Investments in portfolio companies

On initial recognition, investments in associates and participating interests are measured at cost, with the addition of transaction costs.

On subsequent recognition, investments in associates are measured at fair value and positive unrealised value adjustments are made directly at the equity. Negative unrealised value adjustments are recognised in the income statement.

On subsequent recognition, investments in participating interests are measured at fair value and any value adjustments are recognised in the income statement.

# FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

### Investments in portfolio companies (continued)

The fair value of investments in listed portfolio companies will for actively traded (listed) investments be available market prices with deductions for any discounts related to contractual or other legal restrictions attributable to the investments, e.g. lock-up. If shares are not actively traded, investments will be measured as investments in unlisted portfolio companies.

The fair value of investments in unlisted portfolio companies are measured through the use of traditional valuation methods. The most recent market price for a limited period following the date of the relevant transaction are also taken into consideration, for instance in the form of an expansion of capital or partial sale.

Investments in underlying funds are measured at their Net Asset Value (NAV).

If the fair value assessment is not reliable, investments will be measured at cost with the addition of transaction costs.

Investments in portfolio companies owned by the fund are valued based on the International Private Equity and Venture Capital Valuation Guidelines (IPEV).

### Receivables

Other receivables are measured at the lower of amortised cost or net realisable value, which usually corresponds to the nominal value less write-downs for bad debts. Write-downs for bad debts are determined on the basis of an assessment of the individual receivables.

### Prepayments

Prepayments recognised under assets consist of prepaid management fees.

### Cash

Cash includes deposits with financial institutions.

## LIABILITIES

### Financial liabilities

Bank loans regarding bridge financing are measured at amortised cost, corresponding to the outstanding debt.

Other short-term liabilities are measured at amortised cost, usually corresponding to the nominal value.

# FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

### CASH FLOW STATEMENT

#### **Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities as well as the year's movements in cash flows and the limited partnership's cash at the beginning and end of the year.

#### **Cash flows from operating activities**

Cash flows from operating activities include the net profit or loss for the year, adjusted for changes in working capital and non-cash operating items, such as value adjustments of investments in portfolio companies and provisions. The working capital includes current assets less short-term liabilities, exclusive of items included in cash and bank loans.

#### **Cash flows from investing activities**

Cash flows from investing activities include payments in respect of acquisitions or divestments of portfolio companies.

#### **Cash flows from financing activities**

Cash flows from financing activities include payments to and from limited partners as well as any changes in bank loans.

# FINANCIAL STATEMENTS

## INCOME STATEMENT

'000 DKK	Note	2023	27/10/2021 – 31/12/2022
Income from investments in portfolio companies	1	(345,857)	(45,855)
Administrative expenses		(23,220)	(15,592)
<b>Operating profit/loss</b>		<b>(369,077)</b>	<b>(61,447)</b>
Financial income	2	13	26,813
Financial expenses	3	(3,680)	(4,685)
<b>Profit/loss before tax</b>		<b>(372,745)</b>	<b>(39,319)</b>
Withholding tax		–	–
<b>Profit/loss for the year</b>	4	<b>(372,745)</b>	<b>(39,319)</b>

# FINANCIAL STATEMENTS

## BALANCE SHEET

'000 DKK	Note	31/12/2023	31/12/2022
<b>ASSETS</b>			
Investments in portfolio companies	5	4,617,270	3,373,653
<b>Total investments in portfolio companies</b>		<b>4,617,270</b>	<b>3,373,653</b>
<b>Total non-current assets</b>		<b>4,617,270</b>	<b>3,373,653</b>
Prepayments	6	7,377	4,657
<b>Total receivables</b>		<b>7,377</b>	<b>4,657</b>
<b>Cash</b>		<b>79</b>	<b>14,846</b>
<b>Total current assets</b>		<b>7,456</b>	<b>19,503</b>
<b>Total assets</b>		<b>4,624,727</b>	<b>3,393,156</b>
<b>EQUITY AND LIABILITIES</b>			
Paid-in capital		3,827,915	3,333,914
Fair value adjustment of investments in associates		1,158,041	98,138
Retained earnings		(412,064)	(39,319)
<b>Total equity</b>	7	<b>4,573,891</b>	<b>3,392,733</b>
Debt to banks		50,264	-
Trade payables		572	423
<b>Total short-term liabilities</b>		<b>50,836</b>	<b>423</b>
<b>Total liabilities</b>		<b>50,836</b>	<b>423</b>
<b>Total equity and liabilities</b>		<b>4,624,727</b>	<b>3,393,156</b>
Contingent liabilities	10		
Other notes	11-14		

# FINANCIAL STATEMENTS

## CASH FLOW STATEMENT

'000 DKK	Note	2023	27/10/2021 – 31/12/2022
Profit for the year		(372,745)	(39,319)
Adjustments	8	349,525	21,932
Change in working capital	9	47,692	(4,234)
<b>Cash flows from operating activities before net financials</b>		<b>24,474</b>	<b>(21,621)</b>
Financial income		13	26,813
Financial expenses		(3,680)	(4,685)
Paid withholding tax			-
<b>Cash flows from operating activities</b>		<b>20,806</b>	<b>507</b>
Purchase of investments in portfolio companies		(529,572)	(3,319,575)
<b>Cash flows from investing activities</b>		<b>(529,572)</b>	<b>(3,319,575)</b>
Paid-in capital from limited partners		494,000	3,333,914
Distributions to limited partners			-
<b>Cash flows from financing activities</b>		<b>494,000</b>	<b>3,333,914</b>
<b>Cash flows for the year, net</b>		<b>(14,766)</b>	<b>14,846</b>
Cash at the beginning of the year		14,846	-
<b>Cash at the end of the year</b>		<b>79</b>	<b>14,846</b>



# FINANCIAL STATEMENTS

## NOTES

'000 DKK	2023	27/10/2021 – 31/12/2022
<b>NOTE 1 Income from investments in portfolio companies</b>		
Unrealised value adjustments	(345,857)	(44,058)
Other expenses regarding investments	-	(1,797)
	<u>(345,857)</u>	<u>(45,855)</u>
<b>NOTE 2 Financial Income</b>		
Currency adjustments	1	26,797
Other financial income	12	17
	<u>13</u>	<u>26,813</u>
<b>NOTE 3 Financial expenses</b>		
General Partner, annual financial risk premium	(8)	(7)
Other financial expenses	(3,673)	(4,678)
	<u>(3,680)</u>	<u>(4,685)</u>
<b>NOTE 4 Proposed distribution of profit and loss</b>		
Retained earnings	(372,745)	(39,319)
	<u>(372,745)</u>	<u>(39,319)</u>

# FINANCIAL STATEMENTS

## NOTES

'000 DKK

### NOTE 5 Investments in portfolio companies

2023	Investments in associates	Investments in participating interests	Total investments in portfolio companies
Cost primo	2,650,159	669,416	3,319,575
Additions during the year	-	529,572	529,572
Disposals during the year	-	-	-
Cost at 31/12	<b>2,650,159</b>	<b>1,198,988</b>	<b>3,849,147</b>
Value adjustments primo	97,775	(43,697)	54,078
Value adjustments during the year	931,258	(100,267)	830,991
Currency adjustments during the year	(83,233)	(33,713)	(116,946)
Value adjustments at 31/12	<b>945,800</b>	<b>(177,677)</b>	<b>768,123</b>
<b>Carrying amount at 31/12</b>	<b>3,595,959</b>	<b>1,021,311</b>	<b>4,617,270</b>

Investments in portfolio companies are valued according to the fair value measurements in Level 3 of the fair value hierarchy.

The fair market value for each portfolio company is primarily measured based on methods that best reflect individual investment risks, life cycle and industry conditions. Generally applicable, the fair value is calculated in accordance with IPEV valuation guidelines and accepted valuation methods, including multiple analysis/benchmarking or other relevant methods.

Investments in fund-of-funds are measured based on latest Net Asset Value reported.

'000 DKK

31/12/2023

In case, no unrealised fair value adjustments were recognised directly in equity of investments in associates, the value of investments in portfolio companies would have been as the following:

**3,671,470**

# FINANCIAL STATEMENTS

## NOTES

### NOTE 5 Investments in portfolio companies (continued)

Name of investments in portfolio companies	Registered office	Ownership interest	Currency	Equity	Profit/loss for the year
<i>Investments in associates</i>					
Synklino A/S	Copenhagen	26.60%	'000 DKK	145,746	(57,549)
Armira LifeScience SCSp (Sartorius AG)	Germany	21.98%	'000 EUR	*	*
Novo Maia, LP (Medical Knowledge Group LLC)	United States	24.60%	'000 USD	*	*
Novo Rhea Aggregator, LP (The Ritedose Corporation)	United States	20.71%	'000 USD	*	*
<i>Investments in participating interests</i>					
Morrow Batteries ASA	Norway	15.85%	'000 NOK	2,218,295	(333,481)
Red Tree Venture Fund, L.P.	United States	9.19%	'000 USD	*	*
Grove Ventures III, L.P.	Israel	13.70%	'000 USD	*	*
NH Kronos Ultimate Holdings L.P. (KabaFusion LLC)	United States	10.40%	'000 USD	*	*
ActiveFence Ltd.	Israel	1.80%	'000 USD	*	*
Protai Bio Ltd.	Israel	N/A	'000 USD	*	*
Hemab ApS	Copenhagen	3.10%	'000 USD	6,101	(156,407)
Luminescent Heat Enige Ltd.	Israel	N/A	'000 USD	*	*
Tingo Medical Ltd.	Israel	14.87%	'000 USD	*	*
Magnus Medical Ltd.	United States	N/A	'000 USD	*	*

The overview of investments above is based in financial information from the most recent published annual report at the time of the presentation of these financial statements. The latest annual report published for Synklino A/S is 2022. the latest annual report published for Morrow ASA is 2023. The latest annual report for Hemab ApS is 2022.

# FINANCIAL STATEMENTS

## NOTES

### NOTE 5 Investments in portfolio companies (continued)

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\* No values in equity and profit/loss have been stated for entities for which no public financial disclosures are available, cf. section 97a (3) in the Danish Financial Statements Act.

The entities stated in brackets indicate the names of the underlying operating companies. Since the Fund's main activity is investing in companies, listing all investment entities related to the Fund would result in a comprehensive list consisting of multiple entities. In order to maintain the integrity of the true and fair view of the annual report, the list of entities to which the Fund has an equity interest has been limited to the entities to which the Fund has a direct ownership.

# FINANCIAL STATEMENTS

## NOTES

'000 DKK	31/12/2023	31/12/2022
<b>NOTE 6 Prepayments</b>		
Prepaid management fee	7,377	4,657
	<u>7,377</u>	<u>4,657</u>
<b>NOTE 7 Equity</b>		
Equity at beginning of year		-
Paid-in capital from limited partners	3,827,915	3,333,914
Fair value adjustment of investments in associates	1,158,041	98,138
Retained earnings	(412,064)	(39,319)
<b>Equity at end year</b>	<u><b>4,573,891</b></u>	<u><b>3,392,733</b></u>
The limited partners are liable for their share of the remaining commitment 31/12/2023	<u>1,172,085</u>	<u>1,666,086</u>
The limited partnership capital has not been divided into classes.		

'000 DKK	31/12/2023	27/10/2021 - 31/12/2022
<b>NOTE 8 Cash flow statement – adjustments</b>		
Financial income	(13)	(26,813)
Financial expenses	3,680	4,685
Unrealised value adjustments in portfolio companies	345,858	44,060
	<u>349,525</u>	<u>21,932</u>
<b>NOTE 9 Cash flow statement – change in working capital</b>		
Change in prepayments	(2,720)	(4,657)
Change in other short-term liabilities	50,413	423
	<u>47,692</u>	<u>(4,234)</u>

### NOTE 10 Contingent liabilities

Maj Invest Minorities I K/S has outstanding commitments to the investments in venture funds of USD 29.6 million as of 31 December 2023.

Maj Invest Minorities I K/S has entered into a management agreement with Maj Invest Equity A/S, for the Manager's administration of the Fund as well as the provision of investment advisory services to the Fund. The Management Agreement shall remain in full force and effect until the Partnership has been finally liquidated and hence the Fund is obliged to pay management fee until the liquidation of the partnership.

# FINANCIAL STATEMENTS

## NOTES

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### NOTE 11 Information on average number of employees

Maj Invest Minorities I K/S has no employees.

Please refer to the section "Legal structure" in the Business Review for further.

### NOTE 12 Events after the balance sheet day

No events have occurred after the balance sheet day.

Maj Invest Minorities I K/S has a outstanding credit facility of 72.5 million which will be reduced by DKK 52.5 million per. 31 March 2024. The credit facility was obtained to finance the latest investment in Magnus Medical Ltd. The bridge loan will be repaid end of march 2024 in connection with a draw down from the Limited Partners.

There have been no other events after the balance sheet day and to date that materially affect the assessment of the annual report.

### NOTE 13 Related parties

Maj Invest Minorities I K/S has no investors or related parties with a controlling interest.

Related parties include the General Partner "PE Minorities GP ApS" and the Executive Board of the General Partner.

Transactions with related parties are made at normal market prices and terms.

#### Related party transactions

The General Partner receives a fee for its liability towards

Maj Invest Minorities I K/S

**Payment to the General Partner**

7

Maj Invest Equity A/S (Manager) is considered a related party of the Fund due to direct or indirect control and transactions

**Management fee to Manager**

22,457

There are no other key relationships, which are considered material to the financial statements.

# FINANCIAL STATEMENTS

## NOTES

### NOTE 14 Executive Board of the General Partner

#### *Torben Kjær*

##### *Director of:*

Mietra GP ApS, PE Minorities GP ApS and Susanne Boye Nielsen Holding ApS.

##### *Board member of:*

Foodpeople A/S, Foodpeople Group ApS, Fonden LDE 2 GP, Fonden LDE 3 GP, Fonden MIE 5 GP, Fonden Maj Invest Equity General Partner and Fonden MIE 6 GP.

#### *Jens Aaløse*

##### *Managing Partner of:*

Maj Invest Equity A/S.

##### *Director of:*

Maj Invest Holding A/S, Maj Invest Equity A/S, Fondsmæglerselskabet Maj Invest A/S, PE Minorities GP ApS, Mietra GP ApS and MOMA Capital ApS.

In addition, director, chairman and board member of several holding companies and underlying portfolio companies owned by Maj Invest Equity 5 K/S.

##### *Chairman of:*

Fonden LDE 3 GP, Fonden MIE 6 GP, Blue Ocean Robotics ApS and Blue Ocean Robotics Holding ApS.

##### *Vice Chairman of the boards of:*

TOPDANMARK A/S and TOPDANMARK Forsikring A/S.

##### *Board member of:*

Dansk Erhverv, Top-Danmark-Fonden, Fonden Maj Invest Equity General Partner, Gerda og Victor B. Strand Holding A/S, Gerda og Victor B. Strands Fond/Toms Gruppens Fond. and Kraka Economics ApS

##### *Member of Investment Committee of:*

Maj Invest Equity 5 K/S, Maj Invest Minorities I K/S, Maj Invest Minorities II K/S and Maj Invest Financial Inclusion Fund III K/S.

# OTHER INFORMATION – SUPPLEMENTARY REPORT IN ACCORDANCE WITH SFDR (EU)

## ANNEX IV

### Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> it made <b>sustainable investments with an environmental objective</b> :__pct.  <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> it <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of __ pct. sustainable investments  <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> with a social objective
<input type="checkbox"/> it made <b>sustainable investments with a social objective</b> :__pct.	<input checked="" type="checkbox"/> promoted E/S characteristics, but <b>did not make any sustainable investments</b>

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

The Fund invests in minority equity stakes in mid-large cap private equity deals and early-stage venture deals with a particular focus on the green energy transition. The Fund promotes environmental and social characteristics, which have been promoted through selected Sustainable Development Goals (SDGs): SDG 3, 8 and 13. The Fund met all environmental and social characteristics promoted, as all companies in the Fund contributed to at least one of the



promoted SDGs and the exclusion criteria was followed. The Fund does not use a reference benchmark.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**How did the sustainability indicators perform?**

The sustainability indicators' performance is presented below. Sustainability indicators are not covered by the audit statement.

Indicator	2023
Percentage of companies contributing to SDG 3	64
Percentage of companies in the fund contributing to SDG 8	100
Percentage of companies in the fund contributing to SDG 13	14
Number of incidents with breaches on exclusion list	0

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

Indicator	2023	2022
Percentage of companies contributing to SDG 3	64	86
Percentage of companies in the fund contributing to SDG 8	100	100
Percentage of companies in the fund contributing to SDG 13	14	10
Number of incidents with breaches on exclusion list	0	0

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

The Fund did not make any sustainable investments.

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

Not applicable.

**How were the indicators for adverse impacts on sustainability factors taken into account?**

Not applicable.

**Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**  
Not applicable.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

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.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

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

Due to lack of data this financial product does not consider principal adverse impacts on sustainability factors.

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

2023:

Name	Country	Sector	Avg. Weight
The Ritedose Corporation	United States	Health Care	37 pct.
Medical Knowledge Group, LLC	United States	Health Care	22 pct.

2022:

Name	Country	Sector	Avg. Weight
Sartorius AG	Germany	Health Care	30 pct.
The Ritedose Corporation	United States	Health Care	29 pct.

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

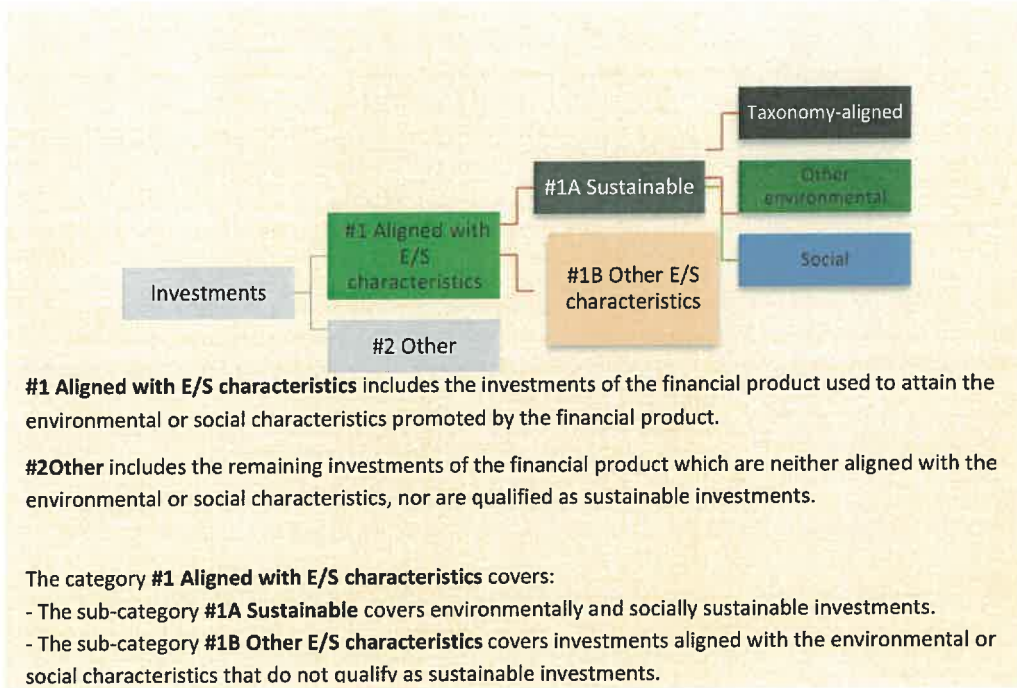
100 pct. of the Fund’s investments in 2023 was in line with sustainability-related investments.

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 2023.

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?

100 pct. of the investments in the Fund was aligned with the environmental and social characteristics promoted by the Fund, as described earlier.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

The economic sectors where the investments were made were:

- Health Care (92%)
- Industrials (6%)
- Information Technology (2%)

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

In 2023, 0% of the investments were sustainable with an environmental objective aligned with the EU Taxonomy. This number is not covered by the audit statement.

### 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

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated regulation (EU) 2022/1214.

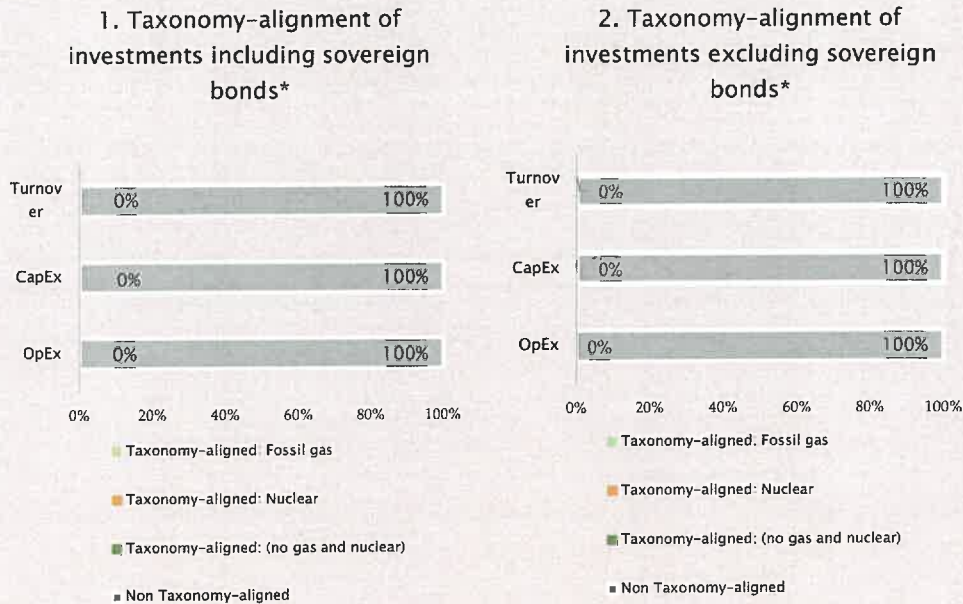
Taxonomy-aligned activities are expressed as a share of:

**Turnover** reflecting the share of revenue from green activities of investee companies.

**Capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

**Operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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?**

In 2023, 0% of investments were made in transitional and enabling activities.

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

No investments were made in alignment with EU-Taxonomy. This number is not covered by the audit statement.

2022	2023
0%	0%

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

0%.

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

0%.

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

Not applicable.

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

An ESG assessment of potential portfolio companies is part of the investment process, and the process also includes integrating specific investor guidelines for responsible investment as well as adhering to an exclusion list. The exclusion list was followed during 2023. The Fund did not invest in companies engaged in following activities: illegal activities, international bans, arms and ammunition, tobacco, pornography, asbestos, radioactive materials (except certain medical or quality control equipment), forced or harmful child labour, or large-scale handling of hazardous chemicals, or activities primarily aimed at tax evasion.

Material ESG risks are evaluated prior to investment based on standards such as SASB’s Materiality Mapper, as well as an evaluation of the companies’ contribution to the SDGs. During the ownership period, the Fund works together with selected relevant portfolio companies on establishing and developing the companies’ ESG approach and strategy. The deal flow is high, which in 2023 resulted in companies being sorted out due to ESG factors, but also lead to many investments. Therefore, ESG-related development of portfolio companies is really to commence in the following years to come.

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

This financial product did not use a reference benchmark.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

## Jens Aaløse

### Direktion

På vegne af: PE Minorities GP ApS

Serienummer: 65783f3d-67f5-4ac1-8dc0-654b30bac338

IP: 217.63.xxx.xxx

2024-07-11 06:01:38 UTC



## Torben Kjær

### Direktion

På vegne af: PE Minorities GP ApS

Serienummer: 724580ad-c174-4401-9486-f9464eca19cd

IP: 2.106.xxx.xxx

2024-07-11 06:52:27 UTC



## Rasmus Berntsen

EY Godkendt Revisionspartnerselskab CVR: 30700228

### Revisor

På vegne af: Revisor

Serienummer: b8d76b10-1fe7-4dff-a99a-6aeb80315ca8

IP: 5.33.xxx.xxx

2024-07-11 07:03:48 UTC



## Lars Rhod Søndergaard

### Revisor

På vegne af: Revisor

Serienummer: 30b7573c-a2a0-46ac-bc57-2faebed6e490

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