

# PEEL HUNT

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## ANNUAL REPORT FINANCIAL STATEMENTS

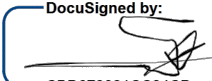
2022/2023 for the period 19 July 2022 - 31 March 2023

### PEEL HUNT EUROPE FONDSMÆGLERSELSKAB A/S

C/O Zieglers Gaard Office Club  
Nybrogade 12  
1203 København K  
CVR Number: 43401785

This annual report and accounts have been approved at the company's annual general meeting on 11 July 2023

Chairman of the general meeting: Steven Harvey Fine

Signature:.....  
  
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## COMPANY DETAILS

### Peel Hunt Europe Fondsmæglerselskab A/S

C/O Zieglers Gaard Office Club  
Nybrogade 12  
1203 København K  
CVR Number: 43401785  
Domicile: Copenhagen  
Phone: +45 3325 5900  
Internet: [www.peelhunt.com](http://www.peelhunt.com)  
E-mail: [info@peelhunt.com](mailto:info@peelhunt.com)

### Board of Directors

Steven Harvey Fine  
David Gal Moalem  
Sunil Dhall

### Board Of Management

James Andrew Hipkiss

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
2900 Hellerup

### Banks

Jyske Bank A/S  
Vesterbrogade 9 | 1780 København V

### Group Relationship

Peel Hunt Europe Fondsmæglerselskab A/S (the Company) is included in the consolidated financial statements of the ultimate parent company, Peel Hunt Limited a Guernsey registered company with its shares traded on the London Stock Exchange (LSE). The immediate parent company is Peel Hunt International Limited, a Guernsey registered company.

# STATEMENT BY THE BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT

The Board of Directors and the Board of Management have today discussed and approved the Annual Report for the period 19 July 2022 to 31 March 2023 for Peel Hunt Europe Fondsmæglerselskab A/S.

The Annual Report has been approved in accordance with the Danish Investment Firms Act.

The financial statements give a true and fair view of the Company's assets, liabilities, equity and financial position as of 31 March 2023 and of the results of operations for the financial period 19 July 2022 – 31 March 2023.

The Management's review gives a fair view of the development in the Company's operations and financial matters as well as a description the most material risks and elements of uncertainty that may affect the Company.

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

**Copenhagen, 11 July 2023**

## Board of Management

DocuSigned by:

*James Hipkiss*

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James Andrew Hipkiss

## Board of Directors

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*Steven Harvey Fine*

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Steven Harvey Fine

DocuSigned by:

*David Moalem*

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David Gal Moalem

*Sunil Dhall*

Sunil Dhall

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# INDEPENDENT AUDITOR'S REPORT

To the shareholders of Peel Hunt Europe Fondsmæglerselskab A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2023, and of the results of the Company's operations for the financial year 19 July 2022 - 31 March 2023 in accordance with the Danish Investment Firms and Investment Services and Activities Act.

We have audited the Financial Statements of Peel Hunt Europe Fondsmæglerselskab A/S for the financial year 19 July 2022 - 31 March 2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

## 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 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 about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## INDEPENDENT AUDITOR'S REPORT

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

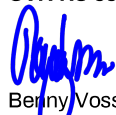
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 11 July 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

**CVR No 33771231**



Benny Voss

State Authorised Public Accountant

mne15009

# MANAGEMENT'S REVIEW

## Company's Background

Peel Hunt Europe Fondsmæglerselskab A/S (Peel Hunt Europe) was incorporated on 19 July 2022 in Copenhagen, Denmark. On 31 March 2023 the company received regulatory approval to carry out its business as an investment firm licensed by the Danish financial regulator, the Danish Financial Supervisory Authority (DFSA).

The Company is a wholly owned subsidiary of Peel Hunt International Limited (PH International Limited), which is, in turn a wholly owned subsidiary of London Stock Exchange AIM-Listed and Guernsey-registered Peel Hunt Limited (PH Limited).

## Management's review

Peel Hunt Europe is expected to be operational in the second half of the year to 31 March 2024. As a result, there are no business transactions or revenue during the period under review. Management have focused their attention on the following:

- Obtaining the regulatory license to operate as an investment firm. This was granted on 31 March 2023.
- Setting up the governance structures and policies and procedures in line with the local regulations and international practise.
- Recruitment of key management and employees as per business plan in place.

Peel Hunt Europe's overarching strategy is to provide access to the UK mid and small-cap market for European investors. In order to achieve this the Company plan to provide the following services:

- Provision of trade transmission and execution services to European institutions in UK and Global cash equities.
- Marketing of Equity Capital Markets (ECM) transactions to European institutions on behalf of UK listed companies.
- Corporate access services for UK listed companies to European institutions.
- Distribution of Peel Hunt LLP (UK Group affiliate) research to European institutions.

## Management and Directorships

Management and Directorships held by the Board of Directors in companies as members of the Board of Management or Board of Directors (Chief Executive Officer (CEO), Chairman (CM) or Board member (BM)).

James Andrew Hipkiss, CEO (No directors remuneration paid during the period)

- Peel Hunt International Limited (BM)

Steven Harvey Fine, Chairman of the Board (No directors remuneration paid during the period)

- Peel Hunt Limited (CEO and BM)
- Peel Hunt Partnership Group Limited (BM)
- Peel Hunt Partnership Limited (BM)
- Peel Hunt International Limited (BM)
- Peel Hunt Inc. (BM)
- Retail Book Holdings Limited (BM)
- Retail Book Limited (BM)
- P.H. Nominees Limited (BM)
- The Quoted Companies Alliance (BM)

Sunil Dhall, Non-Executive Director (No directors remuneration paid during the period)

- Peel Hunt Limited (BM)
- Peel Hunt Partnership Group Limited (BM)
- Peel Hunt Partnership Limited (BM)
- Peel Hunt International Limited (BM)
- Peel Hunt Inc (BM)
- Retail Book Holdings Limited (BM)
- Retail Book Limited (BM)
- P.H. Nominees Limited (BM)
- 188 Worple Road Residents Company Limited (BM)

David Moalem, Non-Executive Director (No directors remuneration paid during the period)

- Bech-Bruun (Partner)

## MANAGEMENT'S REVIEW

The Board of Directors has adopted a Remuneration policy designed to attract and retain high-performing talent and ensure alignment with the long-term success of the business, its strategy and risk appetite. The policy has been aligned with all relevant regulatory remuneration provisions. No directors' remuneration has been paid to members of the Board of Directors during the current financial period.

### Uncertainty with regard to recognition and measurement

No uncertainty with regard to the recognition and measurement exists as no exceptional circumstances affecting the recognition and measurement occurred during the financial period.

### Risk Exposure and Management

As a financial institution Peel Hunt Europe is expected to be faced with risks related to strategic risk, regulatory risk, operational risk, cyber and information security risk, market risk, credit risk, FX risk and liquidity risk when the business becomes operational. Management of these risks is a significant activity in the Company. Risks are managed by the Company's business procedures, including IT technology systems. A Three Lines Model is applied by the Company to manage all risks.

### Net Profit and Equity

Net result for the period shows a net loss of DKK 0.1m. The net loss is a result of the investment in the business to obtain the regulatory license and in preparing the business for launch.

DKK 8.9m capital has been introduced to the Company during the period.

After transfer of the net result for the period, the equity is DKK 8.8m as at 31 March 2023.

### Subsequent events

No subsequent events have occurred after the reporting date that significantly affects the Company's financial position as at 31 March 2023.

### Outlook

Peel Hunt Europe expects to commence operations in the second half of the year to 31 March 2024, following receipt of its investment firm licence on 31 March 2023. As a result, significant effort will be required to set up the office and effect the business plan. We expect the company to start generating revenue in second half of the year to 31 March 2024.

### Business continuity plan

The business continuity plan is embedded within the Company's Business and Operational Plan. It outlines the Company's assessment of its financial health and management actions available should Company encounter periods of stress in accordance with the Danish Investment Firm and Investment Services and Activities Act.

### Knowledge Resources

The Company's business operations require a high level of knowledge and competency in the organisation. The recruitment, training and development and remuneration policies among other factors have been designed to attract, retain, develop and compensate high performers appropriately. In addition to the fixed and variable remuneration structure in place, the Company pays other benefits and allowances.

### Dividends

The Board of Directors do not propose a dividend to be paid at the company's annual general meeting.



# INCOME AND COMPREHENSIVE INCOME STATEMENT

For the period 19 July 2022 to 31 March 2023

	Note	Period 19 July 2022 to 31 March 2023 DKK'000
Staff costs and administrative expenses	4	(94)
<b>Loss before tax</b>		<b>(94)</b>
Tax	5	-
<b>Loss for the period</b>		<b>(94)</b>
<b>Total comprehensive loss for the period</b>		<b>(94)</b>
<b>Allocation of the result</b>		
Transfer to retained loss		(94)
<b>Total allocation</b>		<b>(94)</b>

**BALANCE SHEET AS AT 31 MARCH 2023**

As at 31 March 2023

As at  
31 March 2023  
DKK'000

<b>ASSETS</b>	Note	
Receivables from credit institutions and central banks	6	<b>8,898</b>
<b>Total assets</b>		<b>8,898</b>
<b>LIABILITIES AND EQUITY</b>		
Other liabilities		<b>51</b>
<b>Total liabilities</b>		<b>51</b>
Ordinary share capital		<b>5,600</b>
Share Premium		<b>3,341</b>
Retained loss		<b>(94)</b>
<b>Total equity</b>		<b>8,847</b>
<b>Total liabilities and equity</b>		<b>8,898</b>

The notes on pages 11-13 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

For the period 19 July 2022 to 31 March 2023

	Ordinary share capital DKK'000	Share Premium DKK'000	Retained loss DKK'000	Company Total DKK'000
<b>Contributed upon formation</b>	<b>400</b>	–	–	<b>400</b>
Loss for the period	–	–	(94)	(94)
Total comprehensive income	–	–	<b>(94)</b>	<b>(94)</b>
Capital increase	5,200	3,341	–	8,541
<b>Balance at 31 March 2023</b>	<b>5,600</b>	<b>3,341</b>	<b>(94)</b>	<b>8,847</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 1 General Information

Peel Hunt Europe Fondsmæglerselskab A/S (the Company) (Peel Hunt Europe) operates as an investment firm in accordance with the Danish Investment Firm and Investment Services and Activities Act and the Company's license from the Danish Financial Supervisory Authority (DFSA). The Company is registered in Copenhagen, Denmark. Its registered office is C/O Zieglers Gaard Office Club, Nybrogade 12, 1203 København K.

The financial statements are presented in DKK and all values are rounded to the nearest thousand Danish Kroner (DKK'000) except where indicated otherwise.

Significant accounting policies applied in the preparation of the financial statements are described below. These policies have been applied consistently throughout the financial period.

## 2 Accounting policies

### 2.1. Basis of preparation

The financial statements have been prepared in accordance with the Danish Investment Firms Act and Investment Services and Activities Act, the Danish Executive Order on Financial reports for Financial Credit Institutions and Investments Companies, as well as guidelines issued by the Danish FSA. The principal accounting policies adopted are set out below.

### 2.3. Recognition and measurement

In the Income Statement, all expenses, are recognized when incurred. In the Balance Sheet, assets are recognized when the economic benefits are likely to be realized and when the asset value can be measured in a reliable manner. Liabilities are recognized when they are likely to be realized and when they can be measured in a reliable manner. On subsequent recognition, financial assets and liabilities are measured as described below for each specific entry.

### 2.4. Foreign currency translation

Transactions in foreign currency are translated into Danish Kroner using the exchange rate ruling on the date of the transaction. Foreign currency assets and liabilities have been translated into Danish Kroner at the exchange rates ruling at the reporting date. All exchange differences are reflected in the Income statement.

### 2.5. Income Statement

#### Staff and administrative Expenses

These include administrative expenses.

#### Tax

Tax for the period comprises current tax and changes in deferred tax for the period. Tax relating to the profit/loss for the period is recognized in the income statement.

### 2.6. Statement of financial position

#### Cash

Cash is represented by cash in hand and deposits held with financial institutions repayable without penalty.

#### Liabilities

Liabilities are made up of accrued expenses and are measured at cost.

#### Financial highlights

The financial highlights have been prepared in accordance with the Danish Financial Supervisory Authority's executive order on financial reports of credit institutions and stockbroker companies.

#### Financial risks and risk management

The Company is faced with risks related to strategic risk, regulatory risk, operational risk, cyber and information security risk, market risk, credit risk, FX risk and liquidity risk when the business becomes operational. These risks are managed by the Company's business procedures, including IT technology systems. A Three Lines Model is applied by the Company to manage all risks in line with the overall Peel Hunt Group policies.

### 3 Key figures and financial ratios summary

	Period 19 July 2022 to 31 March 2023 DKK'000
Staff and administrative costs	94
Loss for the period	94
	Period 19 July 2022 to 31 March 2023 DKK'000
Equity	8,847
Total assets	8,898
	Period 19 July 2022 to 31 March 2023 DKK'000
Own funds in relation to minimum capital requirement <sup>1</sup>	1.58
Solvency ratio <sup>2</sup>	340%
Core capital ratio	340%
Return on equity before tax <sup>3</sup>	(1)%
Return on equity after tax <sup>3</sup>	(1)%
Income/cost ratio	n/a

1. *Own funds/minimum capital requirement = DKK 8.9m/ DKK 5.6m*
2. *Solvency ratio = total shareholders' equity/fixed overheads. Fixed overheads are projected in line with Article 13 of Directive 1093/2010 EU no. 575/2013.*
3. *Return on equity = (net profit before/after tax)/average shareholders' equity*

### 4 Loss from operations

The following items have been included in arriving at loss from operations:

	Period 19 July 2022 to 31 March 2023 DKK'000
Staff costs	-
Other non-staff costs	43
Auditors' remuneration in respect of Company	51
<b>Total staff and administrative expenses</b>	<b>94</b>

No remuneration has been paid to either management or Board of Directors.

The audit fee is shown in the consolidated financial statements of Peel Hunt Limited.

## 5 Tax on profit on ordinary activities

### 5.1. Tax on profits

Since Denmark is the primary tax jurisdiction for the Company the corporation tax is calculated at 22% of the estimated taxable profit for the period. The tax charge per the statement of comprehensive income comprises the following:

	Period 19 July 2022 to 31 March 2023 DKK'000
<b>Current tax:</b>	
Danish corporation tax for the period	0
<b>Total tax charge reported in the statement of comprehensive income</b>	<b>0</b>

## 6 Cash

	31 March 2023 DKK'000
Cash held at bank	8,898
<b>Total receivables from credit institutions and central banks</b>	<b>8,898</b>

## 7 Other liabilities

	31 March 2023 DKK'000
Accrued expenses	51
<b>Total other liabilities</b>	<b>51</b>

## 8 Share Capital and Reserves

	31 March 2023 DKK'000
Ordinary shares: 5,600,000 shares of DKK 1 nominal value per share	5,600
<b>Total equity</b>	<b>5,600</b>

### Share premium

Share premium relates to the premium on the issue of the shares. A premium of DKK 3.3m was made on the issues of shares during the period.

### Retained Earnings

Retained earnings are made up of losses incurred during the period.

## 9 Contingent liabilities

There are no contingent liabilities for the Company as at 31 March 2023.

## 10 Ultimate controlling party

The Company is immediately controlled by Peel Hunt International Limited, incorporated in Guernsey. The results of the Company are consolidated by Peel Hunt Limited, the ultimate controlling party, incorporated in Guernsey. The consolidated financial statements of Peel Hunt Limited can be obtained from Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT. Peel Hunt International Limited's registered address is Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT.