

ADVANTAGE Investment Partners A/S
Sundkrogsgade 7
2100 Copenhagen
Business Registration No.
39573334
Annual report 2021

The Annual General Meeting adopted the annual report on 10 February 2022

Chairman of the General Meeting

Anders Stubkjær Dalhoff

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Company details

Company details

ADVANTAGE Investment Partners A/S
Sundkrogsgade 7
2100 Copenhagen

Business Registration No (CVR): 39573334
Founded: 16.05.2018
Registered in: Copenhagen
Financial year: 01.01.2021 – 31.12.2021

Executive Board

Anders Stubkjær Dalhoff

Board of Directors

Jens Peter Due Olsen
Jesper Rangvid
Per Klitgård Poulsen
Frank Halborg Jensen
Lars Leo Thylander
Jørgen Rugholm Jensen
Jan Johan Kühl

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of ADVANTAGE Investment Partners A/S for the financial year 1 January to 31 December 2021.

The annual report is presented in accordance with the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of its financial performance for the financial year 1 January to 31 December 2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 27.01.2022

Executive Board

Anders Stubkjær Dalhoff

Board of Directors

Jens Peter Due Olsen

Jesper Rangvid

Per Klitgård Poulsen

Frank Halborg Jensen

Lars Leo Thylander

Jørgen Rugholm Jensen

Jan Johan Kühl

Independent auditor's report

To the shareholders of ADVANTAGE Investment Partners A/S

Opinion

We have audited the financial statements of ADVANTAGE Investment Partners A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, comprehensive income, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc., and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc. We did not identify any material misstatement of the management commentary.

Copenhagen, 27.01.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No (CVR) 33963556

Michael Thorø Larsen
State-Authorised Public Accountant
Identification No (MNE) 35823

Management commentary

Primary activities

ADVANTAGE Investment Partners A/S is a fund manager of primarily US private equity buyout and infrastructure fund-of-funds (also “investor club structures”) and licensed by the Danish Financial Supervisory Authority to operate as a fund manager in accordance with the Danish Alternative Investment Fund Managers Act.

Furthermore, ADVANTAGE Investment Partners A/S is the parent Company of 4 companies with the activity of being general partner in the structures managed by ADVANTAGE Investment Partners A/S.

Currently, ADVANTAGE Investment Partners A/S has 18 investor club structures under management. A description of the Company and group companies’ management structure and organization is found on the Company’s website www.advantageinvestmentpartners.com.

Development in activities

During 2021, ADVANTAGE Investment Partners A/S has successfully raised several new investor club structures within the strategies US private equity buyout and global infrastructure, thereby accelerating capital under management to well above USD 1.2 billion. The growth is driven by successful partnership models with Nordic pension funds and Nordic banks first and foremost, as well as a significant number of private investors having joined the platform of the Company. As of 31 December 2021, more than 500 investors collaborate in one or more investor club structures managed by the Company.

Development in finances

In 2021, ADVANTAGE Investment Partners A/S realized a profit of DKK 4,005 thousand, which is in line with Management’s expectations.

As of 31 December 2021, the equity amounted to DKK 9,974 thousand of total assets of DKK 15,734 thousand and the equity ratio was 63% (including subordinated loan 84%). Proposed dividend for the year amounts to DKK 0.

Outlook

In the course of 2022, ADVANTAGE Investment Partners A/S will continue to deploy its successful strategies across US private equity buyout and global infrastructure and will introduce additional opportunities for partners and investors to collaborate around on the Company’s platform. In particular, the Company will continue to seek and facilitate opportunities with documented ESG-merits.

Hence, for 2022 a profit is expected at the same level or slightly higher than 2021 due to an expected increase in both management fee income and expenses, as the Company move to new premises early 2022 and the employee base continues to expand throughout the year to secure the successful execution on the Company’s strategy.

However, this expectation is subject to the continuing successful fundraising of new investor club structures and is furthermore sensitive to the timing of same.

Particular risks

ADVANTAGE Investment Partners A/S' management fee income from investment funds under management is calculated as a percentage of committed capital in the individual investment funds during the investment period and as a percentage of unrealized investments during the realization period. The income is accordingly dependent on the number, commitment size and classification of the investment funds under management as well as the ability to attract investors to raise new investment funds from time to time, as the current investment funds are being invested and realized.

Financial risks

ADVANTAGE Investment Partners A/S' management fee income from investment funds under management is depending on the commitment to investment funds, as well as decrease in the value of the portfolio due to realizations and changes in valuation of the unrealized portfolio.

Management discusses and monitors the financial position of ADVANTAGE Investment Partners A/S and relevant risks as a whole on an ongoing basis, most recently at the Board of Directors meeting held on 25 November 2021.

Liquidity risk is generally considered low due to the prepayment of management fee from investment funds under management and the long-term commitments of such funds.

Interest rate risk is considered minimal due to the current low interest rate environment.

Currency risk is considered substantial as all management fee agreements are denominated in USD and costs are primarily denominated in DKK.

Remuneration

ADVANTAGE Investment Partners A/S' remuneration policy aims at attracting, retaining, developing, and rewarding employees who contribute to the profitable growth of the Company. The policy ensures that remuneration is credible, effective, and fair, that the ratio of fixed and variable pay is adequate, proportional, and balanced, and the overall remuneration is aligned with sound and efficient risk management principles and does not encourage excessive risk-taking.

Remuneration of Management during 2021 as well as details on the remuneration policy are disclosed in note 4 to the financial statements.

Intellectual capital

ADVANTAGE Investment Partners A/S employed 7 people as of 31 December 2021.

The Company is dependent on its ability to attract and retain employees to service investment funds under management and to comply with existing agreements, as well as attract investors from whom it may raise capital for new investment funds from time to time.

Uncertainty related to recognition and measurement and unusual circumstances

No material uncertainty is related to recognition and measurement regarding the ADVANTAGE Investment Partners A/S' financial statements. Furthermore, no unusual circumstances have affected recognition and measurement.

Events after the balance sheet date

No events have occurred after the balance sheet date that may materially affect the assessment of the annual report.

Management commentary

Management and directorships – Board of Directors and Executive Board

Jens Peter Due Olsen, Chairman

Executive Board

JDO INVEST ApS
JDO INVEST 2 ApS

Chairman, Board of Directors

NKT A/S
NIL TECHNOLOGY ApS
Nilfisk Holding A/S
ADVANTAGE Investment Partners A/S

Member, Board of Directors

KMD Holding ApS (including four 100% owned subsidiaries) (vice chairman)

Jesper Rangvid

Executive Board

JR Invest ApS

Chairman, Board of Directors

Member, Board of Directors

FINANSIEL STABILITET
Grandhood ApS
Copenhagen Business School Handelshøjskolen
ADVANTAGE Investment Partners A/S

Per Klitgård Poulsen

Executive Board

Strandparksvej 28 ApS
Gruts Allé ApS
Søhusvej PE ApS
Søhusvej Ejendomme ApS
Coco ApS
Komplementarselskabet af 17. december ApS

Chairman, Board of Directors

DANSK SMEDE- OG MASKINTEKNIK A/S
FLETCO CARPETS A/S
Fletco Investment A/S
AGROMETER A/S
Agrometer Investment A/S
GASA GROUP DENMARK A/S
IBP H ApS
GASA GROUP HOLDING A/S
GASA Investment A/S
North Risk Holding A/S
North Risk A/S
17. December P/S

Member, Board of Directors

Thylander Gruppen A/S
HANI HOLDING ApS under frivillig likvidation
C Worldwide Holding A/S
C Worldwide Group Holding A/S
Søhusvej A/S
TG Helgolandsgade P/S
Carneo A/B
Thylander Property Fund Holding P/S
ADVANTAGE Investment Partners A/S

Frank Halborg Jensen

Executive Board

TRAPPISTINVEST ApS
Heidrick & Struggles A/S (Partner)
Percipicum ApS

Chairman, Board of Directors

Member, Board of Directors

NOMA AF 2003 ApS
NOMA HOLDING ApS
New Noma Holding ApS
ADVANTAGE Investment Partners A/S

Lars Leo Thylander**Executive Board**

Thylander Gruppen Holding A/S
 KOMPLEMENTARANPARTSSELSKABET
 STRANDVEJEN 195-199
 JØRA INVEST ApS
 TG BERLIN I ApS
 MILA INVEST I ApS
 Esplanadens Komplementarselskab ApS
 Komplementarselskabet TGP VI Holding ApS
 Komplementarselskabet TGP VI ApS
 TGHFKH ApS
 Klejngaard Angels ApS
 Komplementarselskabet S272 ApS
 Komplementarselskabet TPF Holding ApS
 Komplementarselskabet TPF 2 ApS
 Komplementarselskabet 17. december ApS
 Komplementarselskabet TPF 1 ApS
 Build-for-life GP ApS
 Anpartsselskabet 9. december 2021

Chairman, Board of Directors

TG HG21LG22 ApS
 SOPHIENBERG GRUPPEN A/S
 Thylander Gruppen A/S
 TG Nygårdsvej ApS
 ESBJERG STORCENTER A/S
 KOLDING EJENDOMSINVEST A/S
 TANK INVEST ApS
 K/S STRANDVEJEN 195-199
 TG PARTNERS II P/S
 STRANDGADE 108 ApS
 I/S BRENTWOOD MANAGEMENT
 Havnegade Invest ApS
 108 HoldCo ApS
 TG Hauser Plads 28-32 P/S
 Esplanadens Ejendomsselskab P/S
 Burrito Venture Partners A/S
 Power Hall A/S
 TG Nygårdsvej Holding A/S
 TG Partners VI P/S Holding
 TG Partners VI P/S
 TGPVI LH Holding P/S
 TGPVI LH P/S
 Aktieselskabet af 1. maj 2019
 TG Helgolandsgade P/S
 Norse Property Management A/S
 Sophienberg Gruppen Holding ApS
 Thylander Property Fund Holding P/S
 TPF 2 P/S
 Thylander Asset Management ApS
 TPF 1 P/S
 Ejendomsselskabet Smedeland 30 P/S
 22. November 2021 ApS

Member, Board of Directors

Thylander Gruppen Holding A/S
 Falsled Kro A/S
 Danske Boligejendomme P/S
 Klejngaard Safety ApS
 Falsled Kro Holding A/S
 ADVANTAGE Investment Partners A/S
 Klejngaard Angels ApS
 Klejngaard Security ApS
 17. November P/S

Jørgen Rugholm Jensen**Executive Board**

FutureConsumer Invest 3 ApS
 FutureConsumer Invest 2 ApS
 FHR Invest ApS
 FutureConsumer Invest ApS
 BG40-5 A/S
 RUFR Invest ApS
 Cabris ApS

Chairman, Board of Directors

Bactolife ApS
 RUFR Invest 1 K/S

Member, Board of Directors

Danmarks Genopretningsfond A/S
 The Fiddler ApS
 Thylander Gruppen A/S
 FutureConsumer Invest ApS
 ADVANTAGE Investment Partners A/S
 Cabris ApS
 22. November 2021 ApS
 Controlant

Jan Johan Kühl**Executive Board**

Polaris Management A/S
 Business Synergy Group ApS
 P-Sinful 2021 A/S

Chairman, Board of Directors

P-DDM Holding 2019 A/S
 DDM Holding 1 A/S
 DDM Holding 2 A/S
 P-DDM 2014 A/S
 Triax Holding A/S
 Polaris V Invest Fonden

Member, Board of Directors

P-Menu 2018 A/S
 P-Holding RelyOn Nutec A/S
 P-RelyOn Nutec 2018 A/S
 Vikingbus Holding A/S
 Vikingbus Gruppen A/S
 P-Link 2019 A/S
 Inter Primo A/S
 Brøndum Holding A/S
 Brøndum A/S
 PART UNIQUE ApS
 P-Holding af 9. marts 2020 A/S
 Holding af 9. marts 2020 A/S
 P-Vikingbus 2021 A/S
 North Risk Holding A/S
 P-Sinful 2021 A/S
 North Risk A/S
 P-G&O 2021 A/S
 BidCo af 9. Marts 2020 A/S
 Vikingbus Finans A/S
 ADVANTAGE Investment Partners A/S

Anders Stubkjær Dalhoff**Executive Board**

LNFP A Holding ApS
 ADVANTAGE Private Equity Holding ApS
 ADVANTAGE PE 2018 A GP ApS
 ADVANTAGE PE 2019 A GP ApS
 ADVANTAGE PE 2019 Feeder ApS
 ADVANTAGE Private Equity 2020 I GP ApS
 ADVANTAGE Private Equity 2020 I P/S
 ADVANTAGE Private Equity 2020 II A/S
 ICP 2020 GP ApS
 ADVANTAGE Private Equity 2020 III K/S
 ADVANTAGE Infrastruktur 2021 II P/S
 ADVANTAGE Investment Partners A/S

Chairman, Board of Directors**Member, Board of Directors**

ADVANTAGE Private Equity 2020 I P/S
 ADVANTAGE Private Equity 2020 II A/S
 ADVANTAGE Private Equity 2020 III K/S
 ADVANTAGE Infrastruktur 2021 II P/S

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Management fee	3	17,406,481	5,492,416
Staff and administrative expenses	4, 5	<u>(12,197,646)</u>	<u>(5,085,578)</u>
Operating profit before financial income and expenses		5,208,835	406,838
Financial income	6	0	1,912
Financial expenses	7	(239,058)	(121,892)
Profit/loss of subsidiaries		127,211	131,612
Foreign exchange gain/loss, net	8	<u>6,072</u>	<u>45,722</u>
Profit/loss before tax		5,103,060	464,192
Tax on profit/loss for the year	9	<u>(1,097,568)</u>	<u>(76,731)</u>
Profit/loss for the year		<u>4,005,492</u>	<u>387,461</u>
Total comprehensive income		<u>4,005,492</u>	<u>387,461</u>
Proposed profit/loss appropriation			
Retained earnings		<u>4,005,492</u>	<u>387,461</u>
		<u>4,005,492</u>	<u>387,461</u>

Balance sheet at 31.12.2021

	<u>Notes</u>	<u>2021 DKK</u>	<u>2020 DKK</u>
Receivable from managed funds	10	156,649	3,255,006
Other receivables	10	402,655	401,137
Prepayments	10	<u>610,364</u>	<u>324,257</u>
Trade receivables		<u>1,169,668</u>	<u>3,980,400</u>
Investment in subsidiaries	11	<u>428,824</u>	<u>301,612</u>
Securities and equity investments		<u>428,824</u>	<u>301,612</u>
Cash		<u>14,135,924</u>	<u>2,106,413</u>
Assets		<u><u>15,734,416</u></u>	<u><u>6,388,425</u></u>

Balance sheet at 31.12.2021

	<u>Notes</u>	<u>2021 DKK</u>	<u>2020 DKK</u>
Share capital	12	662,870	580,011
Share premium		4,923,380	1,099,989
Reserve for net revaluation according to the equity method		258,823	131,612
Retained earnings		<u>4,128,618</u>	<u>250,337</u>
Equity		<u>9,973,691</u>	<u>2,061,949</u>
Subordinated loan	13	<u>3,192,531</u>	<u>3,040,349</u>
Long-term liabilities		<u>3,192,531</u>	<u>3,040,349</u>
Income tax		0	76,731
Other debt	14	2,014,587	814,277
Prepayments		<u>553,607</u>	<u>395,119</u>
Short-term liabilities		<u>2,568,194</u>	<u>1,286,127</u>
Total liabilities		<u>5,760,725</u>	<u>4,326,476</u>
Total equity and liabilities		<u><u>15,734,416</u></u>	<u><u>6,388,425</u></u>
Accounting policies	1		
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Statement of changes in equity

	Share Capital	Share premium	Retained earnings	Reserve for net revaluation according to the equity method	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 01.01.2021	580,011	1,099,989	250,337	131,612	2,061,949
Capital increase	82,859	3,823,391	0	0	3,906,250
Comprehensive income	0	0	3,878,281	127,211	4,005,492
Equity at 31.12.2021	662,870	4,923,380	4,128,618	258,823	9,973,691

	Share Capital	Share premium	Retained earnings	Reserve for net revaluation according to the equity method	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 01.01.2020	580,006	599,994	(5,512)	0	1,174,488
Capital increase	5	499,995	0	0	500,000
Comprehensive income	0	0	255,849	131,612	387,461
Equity at 31.12.2020	580,011	1,099,989	250,337	131,612	2,061,949

Notes

1. Accounting policies

The annual report of ADVANTAGE Investment Partners A/S for 2021 has been prepared in accordance with the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc.

The accounting policies applied are consistent with last year.

No consolidated financial statements have been prepared as investments in subsidiaries account for less than 3% of total assets and hence not considered significant. Furthermore, such preparation would not provide any new information about the Parent's or the Group's activities or financial position.

The assets, liabilities, revenue and expenses including any disclosed information are not impacted by significant accounting estimates nor assessments.

The income statement and balance sheet and the terms therein have been adapted to the Company's activity as an Alternative Investment Fund Manager.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event, that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Notes

Income statement

Management fees

Management fees comprise management fees for the funds under management.

Staff and administrative expenses

Staff costs comprise salaries and wages and social security costs, pension contributions etc for the Company's staff, and other external expenses including expenses relating to the Company's ordinary activities.

Financial income and expenses

Financial income and expenses comprise interest income and expenses.

Profit/loss of subsidiaries

Profit/loss of subsidiaries comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Foreign exchange profit/loss, net

Foreign exchange profit/loss, net comprises net exchange rate adjustments on transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the period and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value. The Company has entered into forward foreign-exchange contracts in order to hedge cash flows from management fees described below under derivatives. The Company has no further investments in securities or any trading activities.

Receivables relate to the Company's business activities and are mainly outlaid project expenses related to managed funds, as well as rent deposits and foreign exchange contracts described above. Historically, no losses on receivables have been realised, hence no provisions for expected credit losses have been recognised in the financial statement. The risks of the Company are considered limited.

Prepayments

Prepayments comprise incurred costs relating to subsequent interim periods. Prepayments are measured at cost.

Notes

1. Accounting policies (continued)

Investments in subsidiaries

Investments in subsidiaries are measured according to the equity method. This means that investments are measured at the proportionate share of the Company's carrying amount.

Cash

Cash comprises cash in bank deposits.

Equity

Dividend comprise dividend paid in accordance with Danish company law as well as profit allocation between shareholders. Proposed dividend is recognised as a liability at the date when adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item in equity.

Liabilities

Other liabilities are measured at net realisable value.

2. Events after the balance sheet date

No material events have occurred after the reporting date.

3. Management fee

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
ADVANTAGE PE 2018 A K/S	868,932	891,291
ADVANTAGE PE 2019 A K/S	560,163	1,928,737
ADVANTAGE PE Feeder 2019 ApS	103,339	(8,626)
ADVANTAGE PE 2020 I P/S	1,722,872	964,928
ADVANTAGE PE 2020 II A/S	752,254	0
ADVANTAGE PE 2020 III K/S	589,687	337,019
ADVANTAGE PE 2020 A K/S	1,330,812	625,179
ADVANTAGE PE 2020 B K/S	1,867,563	264,031
ADVANTAGE PE 2020 C K/S	498,651	0
ADVANTAGE JB ICP Feeder K/S	1,146,983	0
ADVANTAGE Infrastruktur 2021 I K/S	579,743	0
ADVANTAGE Infrastruktur 2021 II P/S	2,394,891	0
ADVANTAGE PE 2021 A K/S	431,271	0
ICP 2020 I K/S	2,949,833	481,452
ICP 2020 II K/S	1,556,176	8,405
ICP 2021 I K/S	53,311	0
	<u>17,406,481</u>	<u>5,492,416</u>

Notes

	2021	2020
	DKK	DKK
4. Staff and administrative expenses		
Wages and salaries	(6,996,927)	(1,689,129)
Pension costs	0	0
Other social security costs	(958,492)	(262,799)
Other administrative expenses	(4,242,227)	(3,133,650)
	(12,197,646)	(5,085,578)
Average number of employees	7	5

No costs related to the depositary are recognised in administrative expenses, as these are held by the managed funds.

Wages and salaries are not allocated to each of the managed funds as such information does not exist.

Wages and remuneration to Management:

According to Section 22(3) in the Danish Alternative Investment Fund Managers etc. Act, remuneration to Management must be disclosed.

	2021	2020
	DKK	DKK
Jens Peter Due Olsen	493,333	0
Jesper Rangvid	36.111	0
Per Klitgård Poulsen	100,000	0
Frank Halborg Jensen	100,000	0
Lars Leo Thylander	73,333	0
Jørgen Rugholm Jensen	73,333	0
Jan Johan Kühl	100,000	0
Anders Lavesen	26,666	0
Director's fee, fixed fee	1,002,777	0

No variable fee has been paid in the period 2018-2021 to members of the Board of Directors.

Notes

4. Staff and administrative expenses (continued)

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
Anders Stubkjær Dalhoff	12,000	12,000
Jens Henrik Staugaard Johansen	749,500	12,000
Executive Board, fixed fee	<u>761,500</u>	<u>24,000</u>

No variable fee has been paid in the period 2018-2021 to members of the Executive Board.

No performance fee has been paid out in accordance with the principles laid down in Section 20(10) of the Danish Alternative Investment Fund Managers etc. Act.

Remuneration to other significant risk takers:

The Company has identified 5 significant risk takers.

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
Other significant risk takers, fixed fee		
Remuneration	4,371,440	1,440,468
	<u>4,371,440</u>	<u>1,440,468</u>

No variable fee has been paid in the period 2018-2021 to the other significant risk takers.

No performance fee has been paid out in accordance with the principles laid down in Section 20(10) of the Danish Alternative Investment Fund Managers etc. Act.

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
5. Fees paid to auditors appointed at the annual general meeting		
Fee regarding statutory audit	(52,000)	(52,000)
Tax assistance	(3,125)	(3,125)
Other assistance	(69.760)	0
	<u>(124.885)</u>	<u>(55,125)</u>

6. Financial income

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
Other financial income	0	1,912
	<u>0</u>	<u>1,912</u>

Notes

	2021	2020
	DKK	DKK
7. Financial expenses		
Subordinated loan	(152,182)	(91,963)
Other financial expenses	(86,876)	(29,930)
	(239,058)	(121,892)
	2021	2020
	DKK	DKK
8. Foreign exchange profit/loss, net		
Currency	6,072	45,722
	6,072	45,722
	2021	2020
	DKK	DKK
9. Tax on profit/loss for the year		
Profit/loss for the year	5,103,060	464,192
Current tax	(1,097,568)	(76,731)
	4,005,492	387,461
Effective tax rate	21.5%	16.5%
	2021	2020
	DKK	DKK
10. Trade receivables		
Amounts fall due in:		
0-6 months	1,101,236	3,980,400
6-12 months	68,432	0
	1,169,668	3,980,400

The Company has not invested in securities nor had any trading activities. The risks of the Company are considered limited. Historically, no losses on receivables have been realised, hence no provisions for expected credit loss (ECL) have been recognised in the financial statements. The risks of the Company are considered limited.

Notes

11. Investments in subsidiaries

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
Equity value at 01.01	301,612	90,000
Additions	0	80,000
Value adjustment	<u>127,211</u>	<u>131,612</u>
Equity value at 31.12	<u>428,824</u>	<u>301,612</u>

<u>Name and registered office</u>	<u>Activity</u>	<u>Ownership</u>	<u>Equity</u>	<u>Profit/loss</u>
ADVANTAGE PE 2018 A GP ApS, Sundkrogsgade 7, 2100 Copenhagen, Denmark	General Partner in limited partnership	100%	186,086	57,866
ADVANTAGE PE 2019 A GP ApS, Sundkrogsgade 7, 2100 Copenhagen, Denmark	General Partner in limited partnership	100%	123,400	33,889
ADVANTAGE Private Equity 2020 I GP ApS, Sundkrogsgade 7, 2100 Copenhagen, Denmark	General Partner in limited partnership	100%	64,635	24,635
ICP 2020 GP ApS, Sundkrogsgade 7, 2100 Copenhagen, Denmark	General Partner in limited partnership	100%	50,721	10,721

12. Share capital

Share capital consists of 662,870 shares at DKK 1 each. The shares have been divided into classes of A and B shares, with class A shares carrying 100% of the voting rights and class B shares carrying 0% of the voting rights.

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
13. Subordinated loan		
Amounts fall due in:		
0-12 months	0	0
1-5 years	3,192,531	3,040,349
Over 5 years	<u>0</u>	<u>0</u>
	<u>3,192,531</u>	<u>3,040,349</u>

Notes

13. Subordinated loan (continued)

Payment of interest

Interest will be payable on the loan at the rate of 5% per annum from the date of disbursement of the loan and until five years after this date. Interest will be added annually to the loan on 31 December and will be payable together with the repayment amounts agreed on 31 December 2023.

	<u>2021</u> <u>DKK</u>	<u>2020</u> <u>DKK</u>
14. Other debt		
Amounts fall due in:		
0-6 months	2,014,587	814,277
6-12 months	<u>0</u>	<u>0</u>
	<u>2,014,587</u>	<u>814,277</u>

Other debt relates to the Company's ordinary business activities and is primarily staff-related payables, including bonus and remuneration of the Management.

15. Contingent assets and contingent liabilities

The Company has an outstanding lease obligation of DKK 2,309 thousand. As of 31.12.2021 the Company has no other contingent assets or contingent liabilities, which can affect the Company's financial position.

The Company participates in a Danish joint taxation arrangement with ADVANTAGE Private Equity Holding ApS, ADVANTAGE PE 2018 A GP ApS, ADVANTAGE PE 2019 A GP ApS, ADVANTAGE Private Equity 2020 I GP ApS and ICP 2020 GP ApS. ADVANTAGE Private Equity Holding ApS is serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

16. Related party disclosures

ADVANTAGE Investemt Partners A/S' related parties comprise the following:

Parties exercising control

ADVANTAGE Private Equity Holding ApS, Sundkrogsgade 7, 2100 Copenhagen holds the majority of shares in the Company.

Ownership

The following shareholders are registered in the Company's register of shareholders as holding more than 5% of the share capital:

- ADVANTAGE Private Equity Holding ApS
- Thylander Gruppen A/S

Notes

16. Related party disclosures (continued)

Transactions with related parties

There has been the following transaction with related parties:

Name	Transaction	2021
Thylander Gruppen A/S	Subordinated loan, including interest	Note 13
Thylander Gruppen A/S	Administrative expenses	N/A
ADVANTAGE PE 2018 A K/S	Management fee	Note 3
ADVANTAGE PE 2019 A K/S	Management fee	Note 3
ADVANTAGE PE 2019 Feeder ApS	Management fee	Note 3
ADVANTAGE PE 2020 I P/S	Management fee	Note 3
ADVANTAGE PE 2020 II A/S	Management fee	Note 3
ADVANTAGE PE 2020 III K/S	Management fee	Note 3
ADVANTAGE PE 2020 A K/S	Management fee	Note 3
ADVANTAGE PE 2020 B K/S	Management fee	Note 3
ADVANTAGE PE 2020 C K/S	Management fee	Note 3
ADVANTAGE JB ICP Feeder K/S	Management fee	Note 3
ADVANTAGE Infrastruktur 2021 I K/S	Management fee	Note 3
ADVANTAGE Infrastruktur 2021 II P/S	Management fee	Note 3
ADVANTAGE PE 2021 A K/S	Management fee	Note 3
ICP 2020 I K/S	Management fee	Note 3
ICP 2020 II K/S	Management fee	Note 3
ICP 2021 I K/S	Management fee	Note 3
Executive Board	Director's fee and salaries	Note 4
Board of Directors	Director's fee and salaries	Note 4

All transactions and agreements with related parties are conducted on an arm's length basis.

17. Financial risks

The financial risks of the Company are described in the management commentary.

Notes

18. Key figures and financial ratios

	2021	2020	2019
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Management fee	17,406	5,492	6,875
Staff and administrative expenses	12,198	5,086	6,123
Profit/loss from operations before financial income/expenses	5,209	407	753
Profit/loss for the year	4,005	387	576
Equity	9,974	2,062	1,174
Total assets	15,734	6,388	2,990
Solvency ratio (%)*	425%	178%	N/A
Return on equity before tax (%)	85%	23%	63%
Return on equity after tax (%)	67%	19%	49%
Average number of full-time employees	7	5	4
Number of managed funds under administration	18	9	3
Number of divisions in managed funds under administration	18	9	3
Capital/assets under administration	1.368.654	267,751	40,861

The ratios and key figures are defined in the Danish FSA's Executive Order on Financial Reports for Credit Institutions and Investment Companies.

- *) Solvency ratio is calculated as average equity for the period, divided by the capital requirement in accordance with the AIFM legislation.

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Anders Stubkjær Dalhoff

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