

2021 ANNUAL REPORT

CPH CAPITAL

Fondsmæglerselskab A/S

CVR nr: 34 60 65 44

CPH CAPITAL

TABLE OF CONTENTS

	Page
Facts about CPH Capital	1
Statement by Management on the annual report	3
Independent auditor's reports	4
Management commentary	6
Income statement and statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
List of notes to the Financial Statements	11
Notes to the Financial Statements	12

CPH CAPITAL

FACTS ABOUT CPH CAPITAL

FULL NAME AND ADDRESS

CPH Capital Fondsmæglerselskab A/S (the "Company")
Lautrupsgade 7, 6
2100 Copenhagen Ø, Denmark
Phone: +45 69 14 81 99
Fax: +45 69 14 81 80

FOUNDATION AND RESIDENCE

The Company was founded on 2 July 2012 and the Company's municipality of residence is Gentofte.

OBJECTIVE

The Company's objective is to serve as an investment manager and to provide investment related services in accordance with the Danish Financial Business Act and the licence obtained from the Danish FSA.

FINANCIAL YEAR

The Company's financial year is 1 January to 31 December.

BOARD OF DIRECTORS

The directors of the Company who were in office during the year and up to the date of signing of the financial statements are as follows:

David Michael Lesser, Chairman
Christopher Edward George Hogbin
Roland Hedley Spurr

BOARD OF MANAGEMENT

Mark Randall Manley
Jamie Hammond, Chief Executive Officer (resigned 21 January 2021)
Ian Christian Foster, Chief Executive Officer (appointed 21 January 2021)

CPH CAPITAL

FACTS ABOUT CPH CAPITAL (continued)

AUDITORS

PriceWaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup, Denmark

Benny Voss, State Authorised Public Accountant
Michael E. Jacobsen, State Authorised Public Accountant

BANKERS

The company has several banks in Denmark, of which the key bank is:
Nordea Bank
Grønjordsvej 10
2300 København S, Denmark

SUPERVISORY AUTHORITY

The following public authority supervises Danish financial businesses:
Danish Financial Supervisory Authority
Århusgade 110
2100 Copenhagen Ø, Denmark

REGISTRATION NUMBERS

Central Business Registration Number: 34 60 65 44
Registration number with the FSA: 8310

Adopted at the Company's Annual General Meeting on 22 April 2022

Chairman of the Annual General Meeting

Tobias Linde


CPH CAPITAL

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and the Board of Management present the Company's 2021 Annual Report in accordance with the Danish Financial Business Act, the Danish Executive Order on Financial Reports for Financial Credit Institutions and Investment Companies, as well as guidelines issued by the Danish FSA.

In the Boards' opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of its operations for the financial year 2021.

It is the Boards' view that the Management Commentary contains a fair review of the developments in the Company's activities and finances, profit for the period and of its financial position as well as a description of the principal risks and uncertainties facing the Company.

Hellerup, 6 April 2022

Board of Management

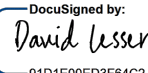
DocuSigned by:


8B4EA5410FBA433...
Ian Christian Foster

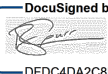
DocuSigned by:

0828BFCC6AB84CF...
Mark Randall Manley

Board of Directors

DocuSigned by:

91D1E00ED3F64C2...
David Michael Lesser
Chairman

DocuSigned by:

C12B2C6EB17D49F...
Christopher Edward George Hogbin

DocuSigned by:

DFDC4DA2C8B1487...
Roland Hedley Spurr

CPH CAPITAL

INDEPENDENT AUDITOR'S REPORT

To the shareholders of CPH Capital 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 December 2021, and of the results of the Company's operations for the financial year 1 January to 31 December 2021 in accordance with the Danish Financial Business Act.

What we have audited

CPH Capital Fondsmæglerselskab A/S' Financial Statements for the financial year 1 January to 31 December 2021 comprise the income statement and statement of comprehensive income, the balance sheet, the statement of changes in equity and the notes to the financial statements, including summary of significant accounting policies (the "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 in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Business 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 Business 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 Business 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.

CPH CAPITAL

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 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 disclosure in the notes, 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, on 6 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31


Benny Voss

State Authorised Public Accountant

Mne15009



Michael E. Jacobsen

State Authorised Public Accountant

mne16655

CPH CAPITAL

MANAGEMENT COMMENTARY

PRINCIPAL ACTIVITIES

The Company's primary activity is to provide investment management services for Global Active Core Equity shares. CPH manages a Luxembourg SICAV sponsored by the AllianceBernstein Group. Furthermore CPH provides investment advice, via a model portfolio which is updated daily, to the Company's former owner Formuepleje.

BUSINESS REVIEW

The Company recorded a profit on ordinary activities before taxation for the financial year of DKK 131,399k (2020: DKK 65,221k) as a result of increased AUM and strong performance. The Company's fee income increased by 83% to DKK 284,284k (2020: DKK 155,729k). Staff costs and administrative expenses increased by 68% to DKK 150,160k (2020: DKK 89,530k).

BALANCE SHEET TOTAL and EQUITY

At 31 December 2021, the Company's balance sheet total is DKK 367,122k (2020: DKK 167,298k). This is comprised of deposits with Danish banks totalling DKK 331,939k, property, plant and equipment of DKK 2,552k, tax receivables of DKK 20,334k, and other assets and prepayments of DKK 12,297k. The Company's equity totals DKK 165,019k at 31 December 2021 (2020: DKK 112,266k).

KEY PERFORMANCE INDICATORS (KPIs) and RISKS

Assets under management ("AUM") amounted to DKK 113.4bn (2020: DKK 82.1bn) and assets under advisory ("AUA") amounted to DKK 23.4bn (2020: DKK 23.4bn) at 31 December 2021. The Company's financial results and long-term business are influenced by the team's ability to produce additional returns as compared to the world share index. In the short run, results will be affected by general share price fluctuations.

CAPITAL ADEQUACY and SOLVENCY REQUIREMENTS

From 26 June 2021, the Company is subject to capital and solvency requirements of the new Stockbroking Act ("Fondsmæglerloven") transposing the Investment Firm Directive ("IFD") and Investment Firm Regulation ("IFR") into Danish national law. The Company is sufficiently capitalized with the "Own funds capital ratio" of 158.6% at 31 December 2021.

MANAGEMENT and OWNERSHIP

The Board of Management consists of Mark Manley and Ian Foster. The Company's A shares and B shares are 100% owned by AllianceBernstein L.P. (the "ABLP").

FUTURE DEVELOPMENTS and OUTLOOKS

The intention for 2022 is to maintain a stable business platform, grow AUM and seek to maximize client returns at minimum risk levels in the current market.

CPH CAPITAL

MANAGEMENT COMMENTARY (continued)

RESPONSE TO COVID-19

AB has prioritized our employees' health and welfare throughout the COVID-19 pandemic while ensuring that our firm has continued to meet our fiduciary obligations and provide exceptional client service and thoughtful investment advice. Furthermore, COVID-19 is a prominent theme in engagement: it not only impacts business models but also highlights corporate ESG practices. We are advocating that issuers be responsible corporate citizens, and we are working to better understand opportunities and threats, including supply chain disruptions and inflationary pressures, fueled by the pandemic.

RUSSIA-UKRAINE

The current situation in Ukraine is very volatile and events are changing rapidly. In response to the conflict, the EU, US, and UK along with other countries have updated their sanctions regimes relating to Russia and persons linked to Russia. AB is closely monitoring these updates from the respective agencies responsible for sanctions as well as various news sources, industry group calls and data providers.

OTHER DIRECTORSHIPS HELD BY MEMBERS OF BOARD OF DIRECTORS

David Michael Lesser is also a Member of the Board of Directors of:

- AllianceBernstein Investments, Inc.
- AllianceBernstein Investor Services, Inc.
- AB Private Client Investors LLC
- AllianceBernstein International LLC
- AllianceBernstein Oceanic Corporation
- AllianceBernstein Corporation of Delaware
- AllianceBernstein Custom Alternative Solutions LLC
- AllianceBernstein Preferred Limited
- AllianceBernstein Real Estate Investments LLC
- WPS Advisors, LLC

Roland Hedley Spurr is also a Member of the Board of Directors of:

- AllianceBernstein Ltd

Christopher Edward George Hogbin is not a member of any other Board of Directors.

CPH CAPITAL

INCOME STATEMENT & STATEMENT OF COMPREHENSIVE INCOME

	note	Years Ended December 31,	
		2021	2020
		(in thousands DKK)	
Fee income and net interest			
Fee income	4	284,284	155,729
Interest expense	3	(1,921)	(698)
		282,363	155,031
Expenses			
Staff costs and administrative expenses	5	(150,160)	(89,530)
Amortisation, depreciation and impairment losses...			
... on intangible assets and property, plant and equipment	6	(609)	(617)
Transaction adjustments		(195)	337
		(150,964)	(89,810)
Profit before tax		131,399	65,221
Income tax	7	(28,646)	(12,599)
Profit for the year		102,753	52,622
Available for distribution:			
Profit for the year		102,753	52,622
Proposed distribution of profit:			
Ordinary dividend		(50,000)	(30,000)
Dividend distributed over the year		-	-
Retained earnings		94,766	72,144
		147,519	94,766
STATEMENT OF COMPREHENSIVE INCOME			
Profit for the year		102,753	52,622
Other comprehensive income		-	-
Tax on other comprehensive income		-	-
Total comprehensive income		102,753	52,622

Notes 1 to 19 form an integral part of the Financial Statements.

CPH CAPITAL

BALANCE SHEET

	note	As at December 31,	
		2021	2020
		(in thousands DKK)	
ASSETS			
Receivable from credit institutions	8	331,939	140,702
Other property, plant and equipment	9	2,552	35
Deferred tax assets	12	20,334	9,641
Other assets	10	12,281	16,904
Prepayments		16	16
TOTAL ASSETS		367,122	167,298
LIABILITIES and EQUITY			
Liabilities			
Current tax liabilities		35,626	13,739
Other liabilities	11	166,477	41,293
		202,103	55,032
Equity			
Share capital	13	5,500	5,500
Share premium account		12,000	12,000
Retained earnings		147,519	94,766
		165,019	112,266
TOTAL LIABILITIES and EQUITY		367,122	167,298
OFF BALANCE SHEET ITEMS			
Guarantee:			
Danish Guarantee Fund for Depositors and Investors		125	133

Notes 1 to 19 form an integral part of the Financial Statements.

CPH CAPITAL

STATEMENTS OF CHANGES IN EQUITY

	Year Ended December 31, 2021			
	(in thousands DKK)			
	Share capital	Share pre-mium	Retained earnings	Total
Equity at January 1, 2021	5,500	12,000	94,766	112,266
Profit for the year	-	-	102,753	102,753
Comprehensive income for the year	-	-	-	-
Dividends distributed	-	-	(50,000)	(50,000)
Equity at December 31, 2021	5,500	12,000	147,519	165,019

	Year Ended December 31, 2020			
	(in thousands DKK)			
	Share capital	Share pre-mium	Retained earnings	Total
Equity at January 1, 2020	5,500	12,000	72,144	89,644
Profit for the year	-	-	52,622	52,622
Comprehensive income for the year	-	-	-	-
Dividends distributed	-	-	(30,000)	(30,000)
Equity at December 31, 2020	5,500	12,000	94,766	112,266

CPH CAPITAL

LIST OF NOTES TO THE FINANCIAL STATEMENTS

Note #	Note name
1	Accounting policies
2	Financial highlights
3	Interest expenses
4	Fee income and net interest
5	Staff costs and administrative expenses
6	Depreciation of property, plan and equipment
7	Income tax
8	Receivable from credit institutions
9	Other property, plant and equipment
10	Other assets
11	Other liabilities
12	Provision for deferred tax
13	Share capital
14	Audit fees
15	Capital Structure and Solvency
16	Ownership and related parties
17	Consolidation
18	Contingent liabilities
19	Financial risks and risk management

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Danish Financial Business Act, the Danish Executive Order on Financial Reports for Financial Credit Institutions and Investment Companies, etc as well as guidelines issued by the Danish Financial Supervisory Authority. The financial statements are presented in Danish Kroner, rounded to the nearest thousand.

Summary of significant accounting policies:

Recognition and measurement

Income is recognised in the income statement when earned, including recognition of value adjustments of financial assets and liabilities. All costs, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when 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 fair value. However, intangible assets and property, plant and equipment are measured at cost at the time of the initial recognition. Subsequently, assets and liabilities are measured as described for each financial statement item below.

Income statement

Interest, fees and commission

Interest, fees and commission are accounted for on an accruals basis with the financial reporting period.

Income tax

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

Provisions for deferred tax are measured in accordance with the balance-sheet liability method including all temporary differences between the carrying amount and tax-based value of assets and liabilities.

Balance Sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs of provisions for bad debts.

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Other property, plant and equipment

Property, plant and equipment are measured at cost less straight-line depreciation calculated on the estimated useful lives of the assets.

Leasehold improvements	6 years
Fixtures and fittings etc	3-5 years

The company has applied the update to 'IFRS 16 Leases' The new standard requires lessees to recognise nearly all leases on the balance sheet which will reflect their right to use an asset for a period of time and the associated liability for payments. This has resulted in an increase in reported property plant and equipment and can be found in note 9.

Other assets

Other assets include assets that have not been included in other asset items.

Prepayments/deferred income

Prepayments/deferred income include income/expenses for subsequent financial reporting periods.

Current tax and deferred tax

Current tax payable or receivable is recognised in the balance sheet as tax computed on this year's taxable income, adjusted for prior years' taxable income and prepaid tax.

Deferred tax is measured based on the tax regulations and tax rates that will be in effect, using the laws at the balance sheet date, when the deferred tax is estimated to crystallise as current tax. For this period, the tax rate applied is 22%. Deferred tax is computed on all temporary differences between the carrying amount and tax-based value of assets.

Deferred tax assets are recognised at their estimated utilisable value, either as elimination against tax on future earnings or as set-off against deferred tax liabilities.

Provisions

Provisions are recognised when the Company has a constructive obligation as a result of an event occurring on the balance sheet date at the latest, and it is probable that future economic benefits will flow out of the Company to meet this obligation. Provisions for deferred tax are specified in the section dealing with tax payable and deferred tax.

Liabilities other than provisions

Liabilities other than provisions which comprise amounts payable to creditors etc. are measured at amortised costs, usually equaling nominal value.

Dividend

Dividend, if proposed, is recognised as a liability at the time of adoption at the general meeting. If a Dividend is proposed and paid in the financial year it is disclosed as a separate item in equity.

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Financial highlights

The financial highlights are defined in accordance with the requirements of the Danish Executive Order on the Presentation of Financial Statements and with the recommendations issued by the Danish Society of Financial Analysts. The new Stockbroking Act has modified the calculation of the capital ratios from 2021 as follows: "Own funds capital ratio": Own funds / own funds requirement (must exceed 100%), "Tier 1 capital ratio": Tier 1 capital / own funds requirement (must exceed 75%), and "Common equity ratio": Common equity capital / own funds requirement (must exceed 56%). The own funds requirement is the highest of (i) the permanent minimum capital, (ii) 25% of fixed costs, and (iii) the K-factor requirement.

2. FINANCIAL HIGHLIGHTS

	Years Ended December 31,				
	2021	2020	2019	2018	2017
	(in thousands DKK)				
Income statement					
Net interest and fee income	282,363	155,031	150,562	99,527	81,713
Transaction adjustments	(195)	337	(413)	43	0
Staff costs and admin. expenses	(150,160)	(89,530)	(97,343)	(63,551)	(51,235)
Profit for the period	102,753	52,622	43,078	27,949	23,527
Balance sheet					
Equity	165,019	112,266	89,644	101,566	73,617
Total assets	367,122	167,298	131,216	114,112	85,939
Key ratios					
Own funds capital ratio (>100%)	158.6%	189.4 %	513.1%	458.4%	480.7%
Tier 1 capital ratio (>75%)	158.6%	n.a.	n.a.	n.a.	n.a.
Common equity ratio (>56%)	158.6%	n.a.	n.a.	n.a.	n.a.
Return on equity before tax	94.8%	64.6%	54.6%	40.9%	48.8%
Return on equity after tax	74.1%	52.1%	45.1%	31.9%	38.0%
Income/cost ratio	1.9	1.7	1.5	1.6	1.6

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. INTEREST EXPENSES

	2021	2020
	(in thousands DKK)	
Credit institutions	(1,921)	(698)
Total interest expenses	(1,921)	(698)

4. FEE INCOME AND NET INTEREST

The Company has not broken down fee income and net interest by activity. No material differences have been considered to exist between the Company's activities and geographical areas, for which reason no segment information is provided.

5. STAFF COSTS AND ADMINISTRATIVE EXPENSES

	2021	2020
	(in thousands DKK)	
Salaries to the staff	117,196	63,099
Social security costs	187	55
Levies calculated on the basis of the number of employees on payroll	11,469	6,998
Other administrative expenses	21,308	19,378
Total staff costs and administrative expenses	150,160	89,530
Average number of full time employees	8	5
Number of Directors	3	3

No Director received fixed or variable remuneration from the Company during 2021. And no pension obligations have been undertaken for Management or other staff. This disclosure pursuant to Section 77d(3) of the Danish Financial Business Act: Total remuneration earned in their capacity as member of the Group' Executive Board or Board of Directors, paid during the financial year:

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. DEPRECIATION OF PROPERTY, PLAN AND EQUIPMENT

	2021	2020
	(in thousands DKK)	
Depreciation of property and leasehold improvements	595	601
Depreciation of machinery, equipment and fixtures and fittings	14	16
Total depreciation of property, plant and equipment	609	617

7. INCOME TAX

	2021	2020
	(in thousands DKK)	
Estimated tax on income for the year	38,968	18,253
Change in deferred tax	(11,129)	(4,556)
Adjustment of tax estimated for previous years	371	(3,683)
Adjustment of deferred tax for previous years	436	2,585
Total tax on profit for the year	28,646	12,599

EFFECTIVE TAX RATES:

Current tax rate	22.00%	22.00%
Adjustment of tax estimated for previous years	0.28%	-5.65%
Adjustment of deferred tax for previous years	0.33%	3.96%
Tax rate for permanent differences	-0.81%	-1.00%
Effective tax rate	21.80%	19.32%

8. RECEIVABLE FROM CREDIT INSTITUTIONS

	2021	2020
	(in thousands DKK)	
Demand deposits with credit institutions	331,939	140,702
Receivable from credit institutions	331,939	140,702

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. PROPERTY, PLANT AND EQUIPMENT

	2021	2020
	(in thousands DKK)	
MACHINERY, FIXTURES AND FITTINGS		
Cost, at January 1	1,145	1,110
Additions for the year	155	35
Cost, at December 31	1,300	1,145
Depreciation, at January 1	(1,110)	(1,094)
Depreciation for the year	(14)	(16)
Depreciation of assets held, at December 31	(1,124)	(1,110)
Carrying amount, at December 31	176	35
PROPERTY AND LEASEHOLD IMPROVEMENTS		
Cost, at January 1	1,811	1,800
Additions for the year	2,970	11
Cost, at December 31	4,781	1,811
Depreciation, at January 1	(1,810)	(1,209)
Depreciation for the year	(595)	(601)
Depreciation of assets held, at December 31	(2,405)	(1,810)
Carrying amount, at December 31	2,376	1
TOTAL PROPERTY, PLANT AND EQUIPMENT, at December 31	2,552	35

10. OTHER ASSETS

	2021	2020
	(in thousands DKK)	
Other receivables	12,281	12,293
Intercompany receivables	-	4,611
Total other assets	12,281	16,904

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. OTHER LIABILITIES

	2021	2020
	(in thousands DKK)	
Taxes payable	8,115	6,632
Other payables	107,512	32,356
Intercompany payables	50,850	2,305
Total other liabilities	166,477	41,293

12. PROVISIONS FOR DEFERRED TAX

	2021	2020
	(in thousands DKK)	
The basis underlying deferred tax calculation:		
Intangible assets	234	285
Property, plant and equipment	436	529
Deferred cash award	1,538	-
Short-term debt	91,166	43,010
Finance lease	(46)	-
Mortgage amortisation	(899)	-
Total provisions for deferred tax	92,429	43,824
Tax value thereof 22%	20,334	9,641

13. SHARE CAPITAL

The share capital consists of 4,125,000 A shares at DKK 1 and 1,375,025 B shares at DKK 1.

14. AUDIT FEES

	2021	2020
	(in thousands DKK)	
Statutory audit	194	156
Non-audit services	-	-
Total fees to auditors	194	156

The statutory audit is performed by PricewaterhouseCoopers (the "PWC") appointed by the Company's shareholders in the annual general meeting.

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. CAPITAL STRUCTURE AND SOLVENCY

	2021	2020
	(in thousands DKK)	
CAPITAL STRUCTURE		
Equity	165,019	112,266
<i>less</i> Deferred tax assets	(20,334)	(9,641)
Common Equity Tier	144,685	102,625
Core capital	144,685	102,625
Capital base	144,685	102,625
RISK EXPOSURE		
Credit risk	15,250	20,250
Market risk	10,940	6,144
Threshold due to fixed costs	239,999	306,254
RATIOS		
		in %
Common Equity Tier %	17.5%	16.3%
Core Capital %	17.5%	16.3%
Capital Base %	17.5%	16.3%

16. OWNERSHIP AND RELATED PARTIES

Name	Basis of influence
ABPL	Principal Shareholder with Controlling Interest
Ian Foster	CEO, Executive Board Member
Mark Manley	Executive Board Member
Christopher Hogbin	Member of the Board of Directors
David Lesser	Member of the Board of Directors
Roland Spurr	Member of the Board of Directors

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. OWNERSHIP AND RELATED PARTIES (CONTINUED)

The Company's ultimate parent is AllianceBernstein L.P. (the "ABLP"), Delaware limited partnership, from which the Company also receives an allocation of the investment management residual profits, reported in the Financial Statements hereto as 'fee income'. The Company is further related to AllianceBernstein Limited (the "ABL"), and the ABL's subsidiary AllianceBernstein Services Limited (the "ABSL"), which are both also ultimate subsidiaries of ABLP. ABL provides the Company with investment management services, like trading or portfolio implementation. ABSL provides the Company with corporate and fiduciary services, for example, human resources, finance function, legal and compliance services and information technology services.

17. CONSOLIDATION

The Company's immediate parent is AllianceBernstein Preferred Limited (the "ABPL"), a company registered in England and Wales, however the Company's results are included into the consolidated financial statements of ABLP (the "Consolidated Financial Statements"). The Consolidated Financial Statements can be obtained from AllianceBernstein. L.P. 1345 Avenue of Americas, New York, USA. Equitable Holdings, Inc., a financial services company based in New York, N.Y., USA, is the ultimate holding company of ABLP.

18. CONTINGENT LIABILITIES

The Company has entered into the below rental lease, for which the non-termination period ends on December 31, 2025, amounting to a contingent liability of DKK 2,645k.

CPH Capital Fondsmæglerselskab A/S
Lautrupsgade 7, 6
2100 Copenhagen Ø, Denmark

CPH CAPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. FINANCIAL RISKS AND RISK MANAGEMENT

The Company is primarily exposed to operational, credit, market and concentration risks. The overall risk management objectives and framework are established by the Board of Directors. The Board of Management is in charge of day-to-day compliance therewith and regularly reports on compliance to the Board of Directors.

Operational risk refers to the risk of unforeseen losses resulting from internal procedure and control weaknesses. Operational risk is inherent in an investment company. Asset management, provision of advisory services and administration by the Company is dependent on well-working IT systems, competent staff and a strong control environment, among other elements, for which reason the Company focuses on monitoring and control and has established procedures for crisis management.

Credit risk refers to the risk of loss resulting from counterparties not meeting their payment obligations to the Company, either in whole or in part. The Company is mostly exposed to Danish credit institutions, other group companies and collective investment schemes. The Company considers such risk to be low since no loss has been recorded for those counterparties.

Market risk refers to the risk of the market value of a financial liability increasing or decreasing due to fluctuations in share prices, interest rates and exchange rates. The Company is only exposed to market risk if invoices are settled in foreign currency.

Concentration risk refers to the risk of a considerable share of the Company's earnings centering on a single product, investor or a distributor. The Company's earnings are very sensitive and will be affected if the product is discontinued, or a major investor cashes in their investment.

Particular risks

Excess liquidity is held as cash, for which reason the Company's financial exposure is limited. The Company's principal business risk relates to the development of assets managed, the development in customer intake as well as portfolio returns and the concentration risk exposure to customers, distributors and products.