



Axcel Management A/S

Sankt Annæ Plads 10

1250 Copenhagen K

Denmark

Business Registration No. 28 30 18 55

Annual Report for 2024

The Annual General Meeting adopted the annual report on 4 February 2025

Chairman of the Annual General Meeting

Jesper Frydensberg Rasmussen

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Company details

Company

Axcel Management A/S

Sankt Annæ Plads 10

1250 Copenhagen K, Denmark

Business Registration No.: 28 30 18 55

Danish FSA Registration No.: 23101

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Board of Directors

Povl Christian Lütken Frigast (chairman)

Caroline Sundorph Pontoppidan

Johanne Daugaard Risbjerg

Executive Board

Christian Gymos Schmidt-Jacobsen

Company auditor

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 København S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report for the financial year 01.01.2024 - 31.12.2024.

The annual report is prepared in compliance with the legal requirements, including 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 Danish FSA's Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the group's and the parent company's financial position at 31 December 2024 and of the results of the group's and the parent company's operations for the financial year 2024.

Further, in our opinion, the management commentary gives a fair review of the development in the group and parent company's operations and financial matters and the results of the group and parent company's operations and financial position and describes the significant risks and uncertainty factors that may affect the group and the parent company.

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

Copenhagen, 4 February 2025

Executive Board



Christian Gyms Schmidt-Jacobsen
Chief Executive Officer

Board of Directors



Povl Christian Lütken Frigast
Chairman



Caroline Sundorph Rontoppidan



Johanne Daugaard Risbjerg

Independent auditor's report

To the shareholders of Axcel Management A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Axcel Management A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent. The consolidated financial statements and the parent 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 Danish FSA's Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024, and of the results of their operations for the financial year 01.01.2024 - 31.12.2024 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 Danish FSA's 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of the consolidated financial statements and parent 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 Danish FSA's 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 consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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, 4 February 2025

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56



Bill Haudal Pedersen
State-Authorised Public Accountant
Identification No. mne30131



Michael Thorø Larsen
State-Authorised Public Accountant
Identification No. mne35823

Management commentary

Primary activities

Founded in 1994, Axcel Management A/S ("Axcel") is a leading private equity manager investing across Northern Europe, with a focus on four sectors: Technology, Business Services & Industrials, Healthcare and Consumer. Axcel has raised seven funds with committed capital totalling EUR 4.1 billion. Over time, funds under management have made 72 platform investments, more than 375 add-on investments, and 53 exits.

The funds are organised as Danish limited partnerships and each fund have a wide range of Danish and international investors.

Axcel holds a license from the Danish Financial Supervisory Authority to operate as a fund manager of alternative investment funds. Axcel is therefore subject to supervision and inspection by the Danish FSA.

Governance

Axcel is owned by seven equity partners, led by CEO and Managing Partner Christian Schmidt-Jacobsen. The Board of Directors consists of Christian Frigast (Chairman), Caroline Sundorph Pontoppidan, and Johanne Daugaard Risbjerg who joined the Board of Directors on 2 January 2025, replacing Lars Rebien Sørensen who resigned from the Board during April 2024. Managerial posts held by the CEO and members of the Board of Directors are listed on page 16.

During 2024, Axcel hired a head of compliance and legal making the compliance function a fully independent function within Axcel.

Group structure and organisation

Axcel Management A/S is based in Copenhagen with wholly owned subsidiaries in Stockholm (Axcel Advisory AB) and in Frankfurt (Axcel Advisory GmbH). The German subsidiary was established in October 2024 and is managed by the German partner Jan-Nicolas Garbe.

Axcel Management is organised in teams which span investor relations, investments, finance and accounting, ESG, compliance, people and culture, communication and administration.

The investment team evaluates new investment opportunities, monitors existing portfolio companies and suggests exit timing. The investment process is comprehensive and involves, for example, performing a thorough due diligence of a target company. Once an investment opportunity is identified and evaluated, the investment team prepares an investment proposal to Axcel's internal Investment Committee for approval.

Investor relations, finance and accounting, ESG and communication teams collectively ensure transparency on fund performance via investor reporting, meetings and other types of communication. For a more detailed description of Axcel and an overview of Axcel's employees, please refer to www.axcel.dk.

Knowledge resources

The Axcel partners are of particular importance for the future earnings of Axcel Management A/S as profitable investments is the groundwork for Axcel's ability to gain access to capital from investors. Management agreements with funds under management are generally contingent on that the partners continue to work for Axcel during the investment period.

At year-end, Axcel had 49 employees (of which 8 are partners) compared to 47 employees (7 partners) last year. The office in Copenhagen employs 31, whereas the subsidiaries in Stockholm and Frankfurt employ 17 employees and 1 employee respectively.

Corporate social responsibility

It is the mission of Axcel to generate returns for its investors by acquiring, developing, improving and selling medium-sized Nordic companies. Working towards this mission, Axcel believes that companies with robust Environmental, Social and Governance ("ESG") management capabilities are more valuable. Axcel furthermore believes that as active owners, Axcel has an important role to play in contributing to the transition to a more sustainable economy. For these reasons, Axcel has integrated sustainability considerations into its investment process and its own operations

Commitments

Axcel has been a signatory to the UN Global Compact since 2010 and the Principles for Responsible Investment ("PRI") since 2014. As signatories to the United Nations Global Compact and the PRI, Axcel is committed to the objectives of the Paris Agreement and the UN Sustainable Development Goals. Axcel is also a member of various Nordic industry associations, including Active Owners Denmark, Swedish Private Equity & Venture Capital Association ("SVCA"), Finnish Venture Capital Association ("FVCA"), Norwegian Venture Capital & Private Equity Association ("NVCA") and is committed to following their guidelines.

Policies and Procedures

Axcel's commitment to sustainability is underpinned by its policies and procedures, which include a Code of Conduct, Compliance Policy, Sustainability Policy, Investment and Due Diligence Policy, Personal Data Policy, and Diversity Policies for the Axcel Board and Axcel Management whereby Axcel commits to seeking to ensure both genders are represented in all functions.

Axcel has not adopted a policy for data ethics, because Axcel does not process large amounts of data itself or make use of algorithms for data analysis. The investments owned by the funds Axcel manages have differing business areas and can therefore process data to an extent where it is advisable to adopt a data policy. The

data policies of investments are published in their consolidated accounts or on their website. All Axcel policies are approved by Axcel's Board of Directors.

The Head of Sustainability is responsible for developing and implementing Axcel's sustainability strategy, overseen by Axcel's partners and the Board of Directors. This work includes ensuring appropriate risk management of ESG factors, including risks related to climate change. In portfolio companies, sustainability efforts are led by Executive Management and are overseen by the company's Board of Directors, where Axcel is always represented. Axcel requires that the boards of directors of the portfolio companies follow up on all ESG matters which may emerge during i) due diligence, ii) in the course of audits, iii) in the regular risk reporting cycle, iv) during self-assessments or v) in the course of the day-to-day business. Progress on sustainability matters in the portfolio is monitored through quarterly reporting to Axcel and an annual review by the company's Board of Directors.

The Sustainability Policy makes specific reference to Axcel's commitment to respect human and labour rights, in line with its commitment to the United Nations Global Compact. Considerations and actions to address human rights risks and opportunities are described in the investment process and social performance sections. Axcel's Sustainability Policy highlights Axcel's commitment to undertake initiatives to promote greater environmental responsibility as part of its commitment to the United Nations Global Compact. Axcel is committed to the Science Based Target initiative and has set ambitious climate targets in line with its methodology. Considerations and actions to address environmental risks and opportunities are described in the investment process and environmental performance sections. Axcel's Sustainability Policy highlights Axcel's commitment to work against all forms of corruption as part of its commitment to the United Nations Global Compact. Considerations and actions to prevent corruption are described in the investment process and governance performance sections. Prioritisation of issues and actions is achieved through an impact assessment conducted according to the OECD Guidelines.

Investment process

Axcel integrates sustainability considerations in all stages of its investment process, from sourcing and due diligence, through active ownership and exit.

Sourcing and Due Diligence

When screening new investment opportunities, Axcel incorporates relevant ESG factors into the general evaluation criteria. Axcel conducts a thorough ESG due diligence ahead of any new investment with support from external specialists. The due diligence identifies and assesses ESG impacts, including principal adverse impacts as defined by the SFDR, as well as ESG risks and opportunities by considering the company's business model, industry, and geographic footprint. Climate-related risks and opportunities are assessed using the recommendations from the Taskforce on Climate-related Financial Disclosures ("TCFD"). The due diligence focuses on those impacts, risks and opportunities that are deemed most relevant taking into account the probability of occurrence and the severity of impacts including their potentially irremediable character.

The assessment relies on quantitative data where available, as well as qualitative data in the form of documentation and interviews with company management. The maturity of the target's responses to the identified impacts, risks, and opportunities is assessed. The result is a summary of the type and scale of various ESG impacts, risks and opportunities, the maturity of the company's approach to addressing ESG matters, the willingness of management to improve performance on ESG matters, and the resulting net risk score.

The consultant's findings serve as input to the overall assessment of an opportunity and guide the future ESG work with the company to secure a successful exit.

Active ownership

As an active owner, Axcel considers ESG factors not only in strategic decisions, but also in day-to-day business activities to ensure that companies mitigate sustainability-driven risks, capture sustainability-driven opportunities, and improve their impact on society and the environment. Axcel implements a five-step sustainability programme in portfolio companies:

- i. Embed sustainability in policies and management systems: requirements include a) Sustainability policy, b) Code of conduct, c) Supplier code of conduct, d) Data privacy policy, e) Whistleblower scheme f) Commitment to the UN Global Compact, g) ESG priorities linked to the UN Sustainable Development Goals.
- ii. Identify and assess ESG impacts, risks and opportunities: building on the analyses conducted during due diligence, companies are asked to assess their ESG impacts, risks, and opportunities in line with the OECD Guidelines and the UN Guiding Principles. ESG-related risks and opportunities are assessed leveraging stakeholder insights, the SASB materiality finder and findings from the TCFD assessment.
- iii. Prioritise topics and define ESG priorities: topics are mapped on a materiality matrix. Actions are defined to address prioritised ESG topics that are aligned with the UN Sustainable Development Goals.
- iv. Track implementation and results: companies report quarterly on progress on ESG priorities and ESG KPIs aligned with the EU Principal Adverse Impact indicators and the Data Convergence Initiative. Company boards review and approve ESG efforts on an annual basis.
- v. Communicate on progress: companies report publicly on progress in line with UN Global Compact requirements.

Exit

The efforts and achievements of Axcel's companies related to sustainability are highlighted in the exit story. By working with its companies in a comprehensive and structured manner Axcel seeks to ensure that the sustainability efforts are well embedded in the organization and continue to flourish long after exit.

Sustainability targets

Axcel has identified four areas where it can have material and measurable impact across the portfolio: (i) ESG management, (ii) Climate change, (iii) Diversity, equity, & inclusion, and (iv) People & culture:

- i. **Improve ESG Management:**
 - a. Axcel seeks to contribute to UN Sustainable Development Goal 12, Target 12.6: Encourage companies (...) to adopt sustainable practices and to integrate sustainability information into their reporting cycle". Axcel targets 100% implementation of required policies and commitments, and definition of ESG priorities linked to the UN Sustainable Development Goals, within one year of ownership.
- ii. **Mitigate Climate Change:**
 - a. Axcel seeks to contribute to UN Sustainable Development Goal 13: "Take urgent action to combat climate change and its impacts". Axcel has committed to the Science Based Targets initiative. The targets have been developed using the Private Equity Sector Guidance. Axcel committed to sourcing at least 85% renewable electricity. More importantly, Axcel has committed to encouraging its companies to set science-based targets. Axcel targets that 60% of its companies to have set science-based targets by 2025 and for 100% to have done so by 2030.
- iii. **Increase Diversity, Equity, & Inclusion:**
 - a. Axcel seeks to contribute to UN Sustainable Development Goal 5, Target 5.5: "Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life". Axcel is committed to both genders being represented on all boards, with an ongoing target of 40% of independent board members being of the underrepresented gender across all boards established after June 2021. Axcel furthermore targets that 40% of new hires to leadership teams in portfolio companies are of the underrepresented gender during Axcel's ownership period.
- iv. **Support People & Culture:**
 - a. Axcel seeks to contribute to UN Sustainable Development Goal 8, Target 8.8: "Protect labour rights and promote safe and secure working environments for all workers...". Axcel measures the share of companies with employee engagement surveys and collects data on sickness absence and work-related injuries.

Environmental performance

Axcel seeks to identify and mitigate adverse impacts on environmental factors and to increase positive impacts considering its own business activities and the activities of its portfolio companies. Axcel furthermore considers how environmental factors may pose financial risks and opportunities to itself and its portfolio companies.

During 2024, climate change has continued to be a focus area for Axcel. As of 30 September 2024, 75% of Axcel companies measure and report on GHG emissions. Axcel encourages companies to measure their GHG

emissions baselines within 18 months of ownership. 93% of companies owned for more than 18 months measured and reported on GHG emissions in 2024. Furthermore, six companies, representing 46% of invested capital in Axcel V, VI, and VII (in companies owned for more than two years), have set approved science-based targets. In 2024, Axcel sourced 100% renewable energy for its own electricity consumption. Axcel continued to apply the TCFD framework using two climate change scenarios to support the assessment of climate-related risks and opportunities in its companies.

As per the requirements set out in the SFDR PAI template (Table 1 of Annex I of the Regulatory Technical Standards) Axcel monitors impacts on GHG emissions, energy consumption, biodiversity, water, and waste. A PAI report was published on Axcel's website on 30 June 2024, containing results from 2023. The next PAI report will be published by 30 June 2025 with full-year 2024 results.

Social performance

Axcel seeks to identify and mitigate adverse impacts on social factors and to increase positive impacts considering its own business activities and the activities of its portfolio companies. Axcel furthermore considers how social factors may pose financial risks and opportunities to itself and its portfolio companies. Axcel and its companies seek to identify, prevent, and mitigate actual and potential adverse human rights impacts by defining ESG action plans based on double materiality assessments. Not doing so could pose a risk to the reputation of Axcel and/or its companies and would not meet Axcel's commitment to implement Responsible Business Conduct ("RBC"). No severe actual human rights impacts have been identified during the financial year. Focus areas during 2024 have included diversity, employee wellbeing, and employee safety. Focus on these matters will continue in 2025.

During 2024 diversity, equity, & inclusion continued to be a focus area for Axcel. Axcel seeks to improve gender diversity in its own organization, in its boards, and in the leadership teams of its portfolio companies.

To improve gender diversity in its own organization, Axcel is an active sponsor of the organization Kvinder i Finans (Women in Finance) and is a member of the Level 20 Nordic Executive Committee. Through these organizations, Axcel seeks to increase interest and awareness of private equity careers amongst women and to support women in entering and succeeding in the private equity industry. During 2024, several events and programmes were held including the Nordic Female Private Equity Summit, the Private Equity Female Academy Alumni event, and various networking and coaching opportunities for women working in the private equity industry. As per 31 December 2024, 39% of Axcel employees (comprising Axcel Management A/S, Axcel Advisory AB, and Axcel Advisory GmbH) were women. As per 31 December 2024, Axcel's Board of Directors comprised two members, one of whom is a woman, resulting in 50% of Board members being women.

Axcel is committed to both genders being represented on all boards of the companies invested in by the funds it manages, with an ongoing target of 40% of independent board members being of the underrepresented gender across all boards established after June 2021. As of 30 September 2024, 35% of independent board members

were women in boards established after June 2021, and 50% of Axcel's companies have both genders represented on the board.

Axcel targets that during its ownership period 40% of persons hired into portfolio company leadership teams will be of the underrepresented gender (measured as the share of women hired into the leadership team, or in the case men are the underrepresented gender, the share of men hired into the leadership team). The target applies from January 2022 onwards.

As per 30 September 2024:

- 30% of Axcel companies have met the target of 40% of additions to leadership teams being of the underrepresented gender
- 55% of Axcel companies have not met the target of 40% of additions to leadership teams being of the underrepresented gender
- 0% of Axcel companies have not made additions to the leadership team
- 15% of Axcel companies did not report on additions to the leadership team, as they have been owned for less than one year
- 15% of Axcel companies have a 60/40 gender split in leadership team
- 70% of Axcel companies have not achieved a 60/40 gender split in leadership team
- 15% of Axcel companies did not report on gender split in leadership team, as they have been owned for less than one year

Leadership teams are defined as the CEO, direct reports to the CEO (L1), and direct reports to L1 (L2). Only employees who have others reporting to them are included. Additions are defined as persons promoted or hired into the leadership team. Focus on improving gender diversity will continue in 2025.

During 2024, people & culture continued to be a focus area for Axcel. Axcel monitors whether companies implement employee engagement surveys and if they have targets on survey results. As per 30 September 2024, 94% of Axcel companies owned for more than one year conduct an employee satisfaction survey. Focus on employee matters will continue in 2025. Axcel furthermore monitors sickness absence and work-related injuries in portfolio companies.

As per the requirements set out in the SFDR PAI template (Table 1 of Annex I of the Regulatory Technical Standards) Axcel monitors compliance with the OECD Guidelines, the UN Global Compact, unadjusted gender pay gap, board gender diversity, and exposure to controversial weapons.

Governance performance

Axcel seeks to identify and mitigate adverse impacts on governance factors and to increase positive impacts considering its own business activities and the activities of its portfolio companies. Axcel furthermore considers how governance factors may pose financial risks and opportunities to itself and its portfolio companies. Corrupt

practices can put the reputation of our firm at risk and undermine future investment opportunities as well as erode the value of existing portfolio companies.

Axcel therefore targets 100% implementation of required policies and commitments, and definition of ESG priorities linked to the UN Sustainable Development Goals, within one year of ownership. This target applies to companies in Axcel VI and Axcel VII.

As per 30 September 2024 of the companies in scope of the one-year target:

- 83% of Axcel companies had implemented Axcel required ESG policies, commitments, and processes within one year of ownership
- 17% of Axcel companies did not meet the deadline but have subsequently met all requirements
- The companies not in scope were either owned for more than one year when the target was defined and meet all requirements or have not yet been owned for one year

Axcel's Sustainability Policy commits to working against all forms of corruption as a signatory to the UN Global Compact. Axcel's Code of Conduct includes restrictions on giving and receiving business gifts. The Code of Conduct furthermore prohibits the exchange of gifts with government officials as well as making political contributions in line with the Foreign Corrupt Practices Act. All Restricted Persons must certify that they have read and understood the Code of Conduct through a signed acknowledgement. Compliance is overseen by the Compliance Officer. Portfolio companies are required to commit to the UN Global Compact and thereby work against all forms of corruption. Anti-corruption is addressed in portfolio company policies. Axcel has not encountered any cases of corruption during the financial year and will continue to focus on the matter going forward.

As signatories to the UN Global Compact and in accordance with the requirements set out in the SFDR PAI template (Table 1 of Annex I of the Regulatory Technical Standards), Axcel monitors ESG incidents in its portfolio companies. All companies are required to implement a whistleblower system and report incidents to Axcel. During 2024 no significant incidents occurred. Monitoring of ESG incidents and the implementation of required policies and procedures will continue in 2025.

Business and financial risks

Risk management

The Board of Directors determines the overall risk management policy and regularly receives risk management reports. The daily risk management is conducted by a risk manager.

Business risks

Special situations may occur which can cause a management agreement with a fund to be terminated or altered significantly. For example, if a certain number of key persons are no longer on Axcel's staff and no substitutes are engaged in time.

Financial risks and other relevant risks are commented on in note 3.

Development in activities and finances

Profit for the year is DKK 239,181 thousand is significantly higher than last year's profit of DKK 76,078 thousand. Management finds the result for the year to be satisfactory. The increase in earnings is attributed to new income from investments in associates and increased management fee income from Axcel VII.

During 2024, certain partners and key employees of the Axcel group made an equity contribution to Axcel of their shares in alternative funds managed by Axcel. The shares contributed generated income of DKK 125,424 thousand which is presented as "Income from investments in associates" in the financial statements. The income is based on changes to the fair market value of the alternative investment funds underlying investments. The increase in earnings can also be attributed to the successful fundraising of Axcel VII which ended in February 2024, and from which management fee of DKK 192,273 thousand was derived in 2024 compared to DKK 111,734 in 2023.

On 31 December 2024, equity amounts to DKK 803,180 thousand, compared to DKK 131,647 thousand on 31 December 2023.

Uncertainty related to recognition and measurement

Investments in associates consist of investments in unlisted investment funds managed by Axcel. Investment in associates are measured at equity value, which is subject to uncertainty as the valuation depends on the performance of the underlying portfolio companies and macroeconomic conditions.

Management believes that no other material uncertainty is related to recognition and measurement of any of the assets or liabilities on the balance sheet.

Unusual circumstances

As described above, certain partners and key employees of the Axcel group have for the first time made an equity contribution to Axcel of their shares in alternative funds managed by Axcel. Management has not identified other unusual circumstances that might have affected recognition or measurement in the financial statements.

Events after the balance sheet date

No events have occurred after the balance sheet date which would influence the annual report.

Outlook and other forward-looking statements

Management expects profits in 2025 from its ordinary business activities as fund manager of DKK 65-75 million. The forecast is based on expectations for management fee income and operating costs. All funds under management have a termination period which is longer than 12 months. Income from investments in associates in 2025 will depend on performance of the underlying portfolio companies and macroeconomic conditions in the unlisted investment funds. The manager does not provide forward looking statements for funds under management and consequently also not for investments in associates.

The Board of Directors' proposed dividend

The Board of Directors proposes that the Company pays a dividend of DKK 245,794,629 for the financial year 2024.

The Board of Directors' managerial posts

The members of the Company's Management hold the following managerial posts in other commercial enterprises:

Povl Christian Lütken Frigast

Chairman of the Board of Directors	Board member	Executive officer
Active Owners Denmark	Danish Ship Finance	Frigast A/S
Axcel Management A/S	Ejendomsselskabet Langelinie	Frigast Funds ApS
Erhvervslivets tænketank	Allé 35 ApS	
Board Leadership Society in Denmark		
Pandora A/S (Deputy Chairman)		
PostNord (Deputy Chairman)		

Caroline Sundorph Pontoppidan

Managerial posts
Maersk A/S, Director (and managerial posts in 15 subsidiaries)
Danmark-Amerika Fondet (Deputy Chairman)
Dansk Industri (Executive Committee member)
Danish Shipping (Vice Chair)

Johanne Daugaard Risbjerg

None

Christian Gymos Schmidt-Jacobsen*Company (number of subsidiaries)*

Chairman of the Board of Directors	Board member	Executive officer
Axcel Management Holding ApS	Ax VI INV5 Holding III ApS (3)	Axcel Management Holding ApS
Axcel Advisory AB	Ax VI INV6 Holding III ApS (3)	Axcel GP Fonden (4)
Axcel GP Fonden (4)	Ax VI itm8 Holding III ApS (2)	Ax VII Util II AB
Ax VI Edda Group Holding III ApS (2)	emagine Holding III A/S	Elcor Holding III ApS (2)
Ax VI INV8 Holding III ApS	Elcor Holding II ApS (2)	Spero Invest ApS
Edda Group ApS (1)	Erhvervslivets tænketank	Spero Family ApS (1)
(Deputy Chairman)		

Please refer to note 6 for an overview of Axcel's remuneration policy and remuneration paid to the Board of Directors and the Executive Board.

Income statement and statement of comprehensive income

Parent				Group	
2024	2023		Note	2024	2023
DKK'000	DKK'000			DKK'000	DKK'000
302,992	225,154	Fees and commission income	5	302,992	225,154
302,992	225,154	Net fees and commission income		302,992	225,154
(180,104)	(149,424)	Staff costs and administrative expenses	6,7	(146,293)	(115,229)
(3,981)	(5,136)	Amortisation, depreciation of and impairment losses on intangible assets and property, plan and equipment	8	(6,293)	(7,498)
0	(25)	Other operating expenses		0	(25)
118,907	70,569	Earnings before financial income/expenses		150,406	102,402
125,424	0	Income from investments in associates		125,424	0
24,047	24,636	Income from investments in subsidiaries		0	0
3,225	785	Financial income	9	3,227	787
(1,181)	(868)	Financial expenses	10	(2,017)	(1,410)
1,223	(1,144)	Foreign exchange profit/loss, net	11	1,222	(1,344)
271,645	93,978	Profit before tax		278,262	100,435
(32,464)	(17,900)	Tax on profit for the year	12	(39,081)	(24,357)
239,181	76,078	Profit for the year		239,181	76,078
		Comprehensive income			
243,884	77,693	Profit for the year (adj. for change in tax rate)		243,884	77,693
(1,119)	885	Other comprehensive income		(1,119)	885
(4,703)	(1,615)	Effect of change in tax rate		(4,703)	(1,615)
238,062	76,963	Total comprehensive income		238,062	76,963

Balance sheet

Assets

Parent				Group	
31.12.24	31.12.23		Note	31.12.24	31.12.23
DKK'000	DKK'000			DKK'000	DKK'000
		Owner-occupied property (Right-of-use-asset)	13	20,933	21,595
9,727	12,969				
5,384	5,359	Other property, plant and equipment	14	10,285	6,363
15,111	18,328	Total property, plant and equipment		31,218	27,958
		Receivables from funds under management		93,397	155,472
93,283	155,282				
18,297	5,157	Receivables from group enterprises		19,216	5,157
0	0	Deferred tax assets	15	22	22
8,762	7,119	Other receivables		11,617	8,052
26,383	21,026	Prepayments		27,177	21,657
146,725	188,584	Total receivables		151,429	190,360
		Investments in associates	16	512,269	0
512,269	0	Investments in subsidiaries	17	0	0
56,773	33,760				
569,042	33,760	Total other investments		512,269	0
221,286	25,620	Cash and cash equivalents		224,202	26,290
937,053	247,964	Current assets		887,900	216,650
952,164	266,292	Total assets		919,118	244,608

Balance sheet

Equity and liabilities

Parent				Group	
31.12.24	31.12.23		Note	31.12.24	31.12.23
DKK'000	DKK'000			DKK'000	DKK'000
569	500	Share capital	18	569	500
527,402	0	Surplus paid-in capital		527,402	0
167,151	33,677	Equity method reserves		0	0
(137,737)	3,470	Retained earnings		275,209	131,147
245,795	94,000	Proposed dividend		0	0
803,180	131,647	Total equity		803,180	131,647
7,339	5,572	Provisions for deferred tax	15	7,803	5,572
7,339	5,572	Total provisions		7,803	5,572
23,599	23,831	Debt to funds under management		23,599	23,831
61,647	45,565	Debt to group enterprises		0	0
0	12,426	Debt to credit institutions		0	12,426
31,069	12,933	Current tax liabilities		39,952	20,784
25,330	34,318	Other debt	19	44,584	50,348
141,645	129,073	Total liabilities other than provisions		108,135	107,389
952,164	266,292	Total equity and liabilities		919,118	244,608

Other notes

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Statement of changes in equity

	Group			
	Share capital DKK'000	Surplus paid-in DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of 2024	500	0	131,147	131,647
Profit for the year			239,181	239,181
Other comprehensive income			(1,119)	(1,119)
Capital increase during the year	69	527,402		527,471
Ordinary dividend paid			(94,000)	(94,000)
Equity end of 2024	569	527,402	275,209	803,180
Equity beginning of 2023	500	0	54,184	54,684
Profit for the year			76,078	76,078
Other comprehensive income			885	885
Equity end of 2023	500	0	131,147	131,647

	Parent					
	Share capital DKK'000	Surplus paid-in DKK'000	Equity method reserves DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of 2024	500	0	33,677	3,470	94,000	131,647
Ordinary dividend distributed					(94,000)	(94,000)
Capital increase during the year	69	527,402				527,471
Profit for the year			147,678	(154,292)	245,795	239,181
Dividend proposed in subsidiaries			(13,084)	13,084		0
Other comprehensive income			(1,119)			(1,119)
Equity end of 2024	569	527,402	167,151	(137,737)	245,795	803,180
Equity beginning of 2023	500	0	8,158	46,026	0	54,684
Profit for the year			24,634	(42,556)	94,000	76,078
Other comprehensive income			885			885
Equity end of 2023	500	0	33,677	3,470	94,000	131,647

Proposed dividends from subsidiaries and allocation to equity method reserves according to the equity method are conducted in accordance with the principle of simultaneity. The principle of simultaneity is deemed fulfilled, as the dividends proposed have been approved at the general meeting of subsidiaries prior to the approval of the company's annual report.

Notes

1. Summary of significant accounting policies

The consolidated financial statements and the parent financial statements have been 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 Danish FSA's Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

The consolidated financial statements and the parent financial statements are presented in English and in Danish kroner (DKK), rounded to the nearest thousand.

During 2024, certain partners and key employees contributed their investments in funds managed by Axcel. At initial recognition, the shares contributed are recognised at fair value, and the difference between the nominal value and fair value injected is treated as a premium and presented as surplus paid-in equity. Subsequent adjustments to equity value (in Danish "*indre værdi*") are recognised in the income statement, and revaluations are tied to equity method reserves under equity.

Other than the addition as described above and a general update of the wording, the accounting policies applied are consistent with those applied last year.

Basis of 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 assets can be measured reliably. The assets must be a result of prior events and be under the company's control.

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 fair value. However, intangible assets and property, plant and equipment are measured at cost at the time of initial recognition. Measurement subsequent to initial recognition is affected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the financial statements 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 and statement of comprehensive income when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the closing exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the balance sheet date, are recognised in the income statement as translation adjustments.

Income statement

Fees and commission income

Fees and commission income comprise management fees excl. expenses incurred regarding the financial year for the management of the investments in the funds under management.

Management fee is recognised in the income statement when the company has delivered their investment management services (performance obligations) to the investment funds at an amount that corresponds to amounts agreed upon by the two parties in accordance with IFRS 15. The Entity's performance obligations under IFRS 15 are fulfilled over the funds' lifecycle by setting up the funds, preparing the investment strategy, management selections, ongoing risk management, monitoring of underlying investments, etc. As a rule, management fee is therefore recognised yearly when it falls due according to the Limited Partnership Agreement.

Staff costs and administrative expenses

Staff costs and administrative expenses include all costs related to staff, rent, IT, placement agents, legal and audit fees, and other administrative expenses. Costs for payments and benefits for employees are recognised concurrently with the employees' performance of such services as entitle them to receive the payments and benefits concerned.

Costs for incentive programmes (variable remuneration) are recognised in profit or loss in the financial year to which the cost is related and in which such remuneration is earned by the employees.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortization and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

In addition, depreciation includes depreciation of owner-occupied properties, which are depreciated on a straight-line basis over the term of the lease period corresponding to 5 years.

Other operating income and expenses

Other operating income and expenses comprise income and expenses of a nature secondary to the Company's activities.

Income from investments in associates and subsidiaries

Profit/loss of associates and subsidiaries comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intercompany profits or losses and dividends received.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts attributable to this financial year. These items comprise interest, realised as well as unrealised foreign exchange gains and losses on receivables, debt and transactions denominated in foreign currencies, and tax surcharges and tax relief under the Danish Tax Prepayment Scheme.

Foreign exchange profit/loss, net

Foreign exchange profit/loss, net comprises net translation adjustments of transactions denominated in foreign currencies.

Tax on profit/loss for the year

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 the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Owner-Occupied property**

The company assesses whether a contract is or contains a lease at inception of the contract. The company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases on low-value assets (such as tablets and personal computers, small items of office furniture and telephones).

Owner-occupied properties are measured at present value on initial recognition. Present value is measured based on the lease commitment, including expenses and prepayments. All lease contracts are handled equally and are measured at the lessee as a leased asset which represents the right to use the asset.

Straight-line depreciation is made on the basis of the lease period of the asset:

Owner-occupied property 5 years

The lease commitment is measured at the present value of the lease payments that have not been made at the balance sheet date.

Property, plant, and equipment

Property, plant and equipment are measured at cost on initial recognition. Cost comprises acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation.

Straight-line depreciation is made on the basis of the estimated useful lives of the other assets:

Other fixtures and fittings, tools and equipment	3 to 5 years
Leasehold improvements	5 years
Art objects	No depreciation

Property, plant and equipment are tested for impairment when there is any indication of impairment, and they are written down to recoverable amount which is the higher of net realisable value and value in use.

Investments in associates and subsidiaries

Investments in associates and subsidiaries are recognised and measured at the enterprises' equity value. Such value is calculated using the reporting entity's own accounting policies.

The associated companies are alternative investment funds, who primarily invest in unquoted portfolio companies and value its investments at fair value. The alternative investment funds own a share class in each investment, which has certain preferential rights, and the fair value is affected by these preferential rights. The equity value of associates is subject to uncertainty as the associates' investments will not always be liquid and different market conditions may influence the fair market value.

The carrying amount of investments associates and subsidiaries are revalued or written down by the share of the enterprise's profit or loss and movements in capital. An amount corresponding to the total net revaluation is tied to equity method reserve under equity.

Receivables

Receivables relate to the company's ordinary business activities.

Receivables are measured at amortised cost, usually equalling nominal value. The value is reduced by write-downs for expected losses based on generally accepted models under IFRS 9, including the Entity's historical experience with credit losses etc.

Management has assessed that the value of other receivables corresponds to fair value. Therefore, no separate information has been provided on the comparison between carrying amount and fair value of other receivables.

Prepayments (assets)

Prepayments recognised under assets comprise costs incurred that relate to subsequent financial years. Prepayments are measured at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and placement of capital in fixed-term deposits in accordance with section 16 of the Danish Alternative Investment Funds Act.

Other financial liabilities

Other financial liabilities are measured at amortised cost which usually corresponds to nominal value.

Equity*Share capital*

Share capital represents the nominal (par) value of shares that have been issued.

Surplus paid-in capital

Share premium in equity represents surplus paid-in capital.

Equity method reserves

Equity method reserves comprise revaluation of investments in associates and subsidiaries according to the equity method.

Proposed dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Dividend proposed for the financial year is disclosed as a separate item in equity.

Provisions for liabilities

Provisions for liabilities contain obligations that are uncertain in terms of amount or timing of settlement are recognised as provisions when it is probable that the obligation will result in an out-flow of economic resources and the obligation can be measured reliably. The liability is measured at the present value of the costs necessary to settle the liability.

Other debt

Other debt is measured at net realizable value. Other debt consists of lease commitments, payables to creditors, debt relating to payroll costs and VAT.

Lease commitments are initially measured at the present value of the lease payments that have not been paid at the inception date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate.

Deferred income (liabilities)

Deferred income comprises income received before the balance sheet date but relating to a subsequent reporting period, including interest and commission received in advance. Deferred income is measured at cost.

Financial highlights

Financial highlights are defined in accordance with the requirements of the Executive Order on Financial Reports and with the recommendations issued by CFA Society Denmark.

Assets under management are calculated as the total amount of equity in private equity funds under management.

2. Significant judgements and estimates, assumptions and uncertainties

The consolidated financial statements and the parent financial statements are prepared based on specific assumptions which involve the use of accounting estimates. These estimates are made by the Company's Management in accordance with the accounting policies and based on historical experience, and assumptions which Management considers reasonable and realistic. Management believes that there are no significant uncertainties related to recognition and measurement of the individual financial statement items.

3. Financial risks and financial risk management policies and objectives

The Company continuously develops its tools to identify and manage risks affecting its business daily. The Board of Directors have approved a risk management policy and regularly receives risk management reports for funds under management and the managers activities. The daily risk management is conducted by the risk manager.

Capital adequacy requirements

The Company's capital must always be adequate and comply with the capital adequacy requirements of the Danish Alternative Investment Fund Managers Act for a management company. The capital available depends on the Company's earnings which are derived from income from management fees and investments in associates. The CEO monitors that the capital adequacy requirements are met.

Liquidity risks

The cash resources are determined with the objective of securing sufficient and stable cash resources. The Company's liquidity is not subject to great risk since management fees are received in advance on a semi-annual basis from the funds under management. Surplus liquidity is placed in fixed-term deposits with banks that have been assigned at least an A rating or invested in high-grade bonds.

Interest rate risks

The Company has an overdraft facility of DKK 25 million which carries a floating interest rate. Any increase in the interest rate level may therefore have an adverse effect on the Company's future financial performance. Management does not consider it appropriate to hedge interest because the amounts drawn on the overdraft facility vary considerably and because the interest rate must increase heavily before this will have a material effect on the Company's financial performance.

Currency risks

Management fees are charged and paid in EUR or DKK whereas a large share of the Company's expenses are incurred in SEK. It is company policy to hedge the expected purchases of SEK for the coming year. Management fees received in EUR are not hedged.

Credit risks

Axcel regularly incurs expenses for and regularly provides other relevant services to the funds under management and companies owned by the funds. Management monitors credit risks on a current basis, however, these are generally considered very low since the funds' outstanding balances are usually covered by capital committed by the investors.

4. Five-year financial highlights of the Group

	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000
Financial highlights					
Income statement					
Net fees and commission income	302,992	225,154	149,403	197,965	126,676
Staff costs and administrative expenses	146,293	115,229	104,426	88,539	73,459
Earnings before financial income/expenses	150,406	102,402	37,751	101,517	45,652
Profit for the year	239,181	76,078	29,341	78,708	35,353
Balance sheet					
Equity	803,180	131,647	54,684	128,822	74,152
Total assets	919,118	244,608	126,410	169,961	166,244
Financial ratios					
Capital adequacy ratio	87.4%	53.8%	43.3%	75.8%	44.6%
Return on equity before tax	59.5%	107.8%	41.0%	99.4%	80.4%
Return on equity after tax	51.2%	81.7%	32.0%	77.6%	62.6%
Average headcount	48	47	43	37	36
Number of AIFs under management	12	12	11	11	11
Number of investments in the funds	19	20	19	18	15
Assets under management (DKK'm)	14,096	12,767	10,577	10,614	6,783

Parent			Group	
2024	2023		2024	2023
DKK'000	DKK'000		DKK'000	DKK'000
5. Net fees and commission income				
26,138	28,252	Axcel V	26,138	28,252
84,581	85,168	Axcel VI	84,581	85,168
192,273	111,734	Axcel VII	192,273	111,734
302,992	225,154	Total net fees and commission income	302,992	225,154
6. Staff costs and administrative expenses				
46,112	41,134	Staff costs	70,004	57,928
133,992	108,290	Administrative expenses	76,289	57,301
180,104	149,424	Total staff costs and administrative expenses	146,293	115,229

Depository expenses

Axcel Management A/S has not incurred any expenses for fund depositaries. Such expenses are incurred directly by the funds under management.

		Staff costs		
44,885	40,978	Salaries and wages	62,953	53,714
1,075	73	Pension	1,084	88
152	83	Other social security costs	5,967	4,126
46,112	41,134	Total staff costs	70,004	57,928
Average number of employees converted into full-time employees				
31	31		48	47

Staff costs are not allocated to the individual AIFs under management.

		Group	
		2024	2023
		DKK'000	DKK'000
Remuneration of employees able to exert significant influence on the risk profile (risk takers)			
Fixed remuneration		18,793	18,193
Variable remuneration		966	686
Total remuneration		19,759	18,879
Average number of risk takers converted into full-time employees			
		8	7

Remuneration policy

Axcel has adopted a written remuneration policy covering management and other employees whose activities have a significant impact on Axcel's risk profile or the risk profile of the alternative investment funds under management. The purpose of the remuneration policy is to promote sound and efficient risk management. Among the elements of the remuneration policy are that up to 60% of the variable pay must be deferred for up to three years and that payment of the deferred bonus can only take place if the criteria applicable at the vesting date still apply. The remuneration policy also includes other restrictions, for instance, that the Board of Directors is precluded from receiving variable pay and that the variable pay element for employees in control functions may solely be based on the actual work performed by such employees and not on the general financial development of the fund manager or the funds.

Management and other employees' co-investments in funds under management

Management and other current or former employees of Axcel co-invest in companies owned by the alternative investment funds under management. The investments are made both on the same terms as the investors (although no management fee is paid) and in a special share class which holds certain rights to obtain a preferential return (carried interest) if certain criteria are met. This will be met when the alternative investment fund has repaid all capital contributed by the investors plus a pre-arranged return on the contributed capital. If carried interest is realised, a portion hereof shall be retained in escrow until further requirements are fulfilled. Any realised carried interest may be recalled (reclaimed) until the relevant fund is terminated.

Wages and remuneration to management

Total remuneration to the Board of Directors in 2024 was DKK 0.9 million (2023: DKK 1.1 million). As of 31 December, 2024, the Board of Directors consists of 2 persons (2023: 3). The Executive Board consists of 1 person (2023: 1).

No variable board was paid during the accounting years 2023 and 2024 to members of the Executive Board or to the Board of Directors.

According to Section 22(3) in the Danish Alternative Investment Fund Managers etc. Act, Axcel is required to disclose wages and remuneration to each of the management members. The individual remuneration to the Executive Board and the Board of Directors is published on Axcel's website: <https://axcel.com/wp-content/uploads/2025/01/2024-Axcel-Management-AS-Remuneration.pdf>.

Parent			Group	
2024	2023		2024	2023
DKK'000	DKK'000		DKK'000	DKK'000
7. Audit fees				
		Statutory audit of consolidated financial statements and parent financial statements		
115	118		260	204
444	34	Tax advisory services	444	34
575	1,478	Other services	575	1,478
1,134	1,630	Total audit fees	1,279	1,716
Other services is comprised of KYC, compliance and ESG related services.				
8. Amortisation, depreciation of and impairment losses on intangible assets and property, plant and equipment				
3,242	3,242	Depreciation of owner-occupied property	5,052	5,327
798	1,911	Depreciation of other fixtures and fittings, tools and equipment	1,344	2,190
(59)	(17)	Loss/profit on sale of other fixtures and fittings, tools and equipment	(103)	(19)
3,981	5,136	Amortisation, depreciation of and impairment losses on intangible assets and property, plant and equipment	6,293	7,498
9. Financial income				
184	0	Interest income from receivables	184	0
3,041	785	Other interest income	3,043	787
3,225	785	Total financial income	3,227	787
10. Financial expenses				
612	747	Interest expense, leasing	1,123	1,228
569	121	Other interest expenses	969	182
1,181	868	Total financial expenses	2,092	1,410
11. Foreign currency translation adjustments				
1,223	(1,144)	Foreign currency	1,222	(1,344)
1,223	(1,144)	Total foreign currency translation adjustments	1,222	(1,344)

Parent			Group	
2024	2023		2024	2023
DKK'000	DKK'000		DKK'000	DKK'000
12. Income tax				
30,670	12,933	Tax payable	36,878	19,498
1,767	4,952	Change in deferred tax	2,231	4,845
27	15	Adjustment regarding previous years	(28)	14
32,464	17,900	Tax on profit for the year	39,081	24,357
70,608	23,682	Calculated tax using the current tax rate*	70,705	22,096
(38,844)	(6,208)	Tax on profit from investments in group enterprises and associates	(32,610)	0
572	416	Tax base of non-deductible expenses and non-taxable income	1,014	2,247
101	85	Effect of lower tax credit on losses from group companies	0	0
27	15	Adjustment of tax payable for previous years	(28)	14
32,464	17,900	Tax on profit for the year	39,081	24,357
*/ The current income tax for the financial year is computed on the basis of a tax rate of 26.0% for Danish enterprises (2023: 25.2%). Deferred tax is calculated using a tax rate of 26%. For the subsidiaries the following corporate tax rates are used: Sweden 20.6%, Germany 32%.				
26.6%	25.9%	Effective tax rate	25.6%	24.3%
13. Owner-occupied property				
24,510	24,510	Cost beginning of year	40,555	40,555
0	0	Additions for the year	5,103	0
0	0	Foreign currency translation adjustment	(1,340)	0
24,510	24,510	Cost end of year	44,318	40,555
(11,541)	(8,299)	Depreciation and impairment losses beginning of year	(18,960)	(13,612)
0	0	Foreign currency translation adjustment	627	(21)
(3,242)	(3,242)	Depreciation for the year	(5,052)	(5,327)
(14,783)	(11,541)	losses end of year	(23,385)	(18,960)
9,727	12,969	Carrying amount end of year	20,933	21,595

Parent			Group	
2024	2023		2024	2023
DKK'000	DKK'000		DKK'000	DKK'000
		14. Other fixtures and fittings, tools and equipment		
21,867	21,202	Cost beginning of year	26,042	24,991
0	0	Foreign currency translation adjustment	(861)	18
823	665	Additions for the year	5,477	1,033
22,690	21,867	Cost end of year	30,658	26,042
		Depreciation and impairment losses beginning of year	(19,679)	(17,477)
(16,508)	(14,597)	Foreign currency translation adjustment	650	(12)
0	0	Depreciation for the year	(1,344)	(2,190)
(798)	(1,911)	Depreciation and impairment losses end of year	(20,373)	(19,679)
(17,306)	(16,508)			
5,384	5,359	Carrying amount end of year	10,285	6,363
		15. Deferred tax assets and provisions for deferred tax		
		Owner-occupied property and related debt	210	(232)
(232)	(152)	Other fixtures and fittings, tools and equipment	778	417
778	359	Prepayments	6,793	5,365
6,793	5,365	Total deferred tax	7,781	5,550
7,339	5,572			

**/ Deferred tax is calculated using a tax rate of 26% for the parent company. For the subsidiaries the following corporate tax rates are used: Sweden 20.6%, Germany 32%.*

Parent	
2024	
DKK'000	
0	16. Investments in associates
527,470	Cost beginning of year
527,470	Equity value of shares contributed
	Cost end of year
0	Revaluations beginning year
116	Foreign currency translation adjustment
(140,741)	Dividends received
125,424	Share of net profit for the year
(15,201)	Net revaluations end of year
512,269	Carrying amount end of year

Investments in associates are investments funds located in Denmark:

	Owner-ship	Result 07.06.24- 31.12.24	Equity 31.12.24
Ax Management Invest K/S, cvr. 32906672 (in DKK'000)	24.91%	6,403	101,119
Ax V Management Invest K/S, cvr. 38556088 (in EUR'000)	24.23%	75	85,288
Ax VI Management Invest K/S, cvr. 40754466 (in EUR'000)	26.92%	47,526	151,703
Ax VII Management Invest K/S, cvr. 43657496 (in EUR'000)	26.32%	14,388	14,403

		17. Investments in subsidiaries
82	82	Cost beginning of year
202	0	Addition during the year
284	82	Cost end of year
33,678	8,157	Revaluations and write-downs beginning of year
(1,236)	885	Foreign currency translation adjustments
24,047	24,636	Share of net profit for the year
56,489	33,678	Revaluations and write-ups end of year
56,773	33,760	Carrying amount end of year

Investments in subsidiaries are investment service advisory firms:

	Owner-ship	Result 2024	Equity 31.12.24
Axcel Advisory AB*, Sweden, org. no. 559480-9666 (in SEK'000)	100%	20,145	20,170
Axcel Management AB**, Sweden, org. no. 556702-7361 (in SEK'000)	100%	13,756	64,144
Axcel Advisory GmbH***, Germany, HRB 295130 (in EUR'000)	100%	23	48

* / for the period 10.04-31.12.24

** / the company is undergoing liquidation.

*** / for the period 01.11-31.12.24

18. Share capital

The share capital is nominally DKK 568,736.52. Each share has a value of nominal DKK 0.01.

The share capital is divided into (in nominal DKK):

2024	2023	
10,056.38	0	Class A-IV-M Ordinary Shares
12,386.22	0	Class A-V-M Ordinary Shares
18,015.14	0	Class A-VI-M Ordinary Shares
28,278.78	0	Class A-VII-M Ordinary Shares
500,000.00	500,000	Class B Shares
568,736.52	500,000	Nominal share capital

Parent		Group	
2024	2023	2024	2023
<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
19. Other debt			
141,645	129,073	Other payables falling due within one year	108,135 107,389

20. Contingent liabilities

The Company participates in a Danish joint taxation arrangement with Axcel Management Holding ApS serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes and for obligations relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

As of 31 December 2024, the Company has total of undrawn investment commitments to associates of EUR 3,416,509. The Company has received back-to-back equity commitments from its shareholders to cover the undrawn investment commitments to associates.

The Company has not recorded any other obligations regarding consolidated companies.

21. Related parties and shareholder information

All related party transactions have been conducted on an arm's length basis.

Related parties with a controlling interest in the Company

Axcel Management Holding ApS, Copenhagen, Denmark, whole owner.

Related party transactions in the financial year

The Company has had the following transactions with related parties in the financial year:

Name	Basis of influence	Nature and scope of transactions
Christian Frigast	Chairman of the Board of Directors Deputy Chairman of Axcel's Advisory during 1 January to 30 June 2024.	Directors' fees Fee for participating in boards of directors of companies owned by funds managed by Axcel Consultancy fee
Caroline Sundorph Pontoppidan	Board member	Directors' fees
Lars Rebien Sørensen	Deputy Chairman of the Board of Directors 1 January to 30 April 2024 Chairman of Axcel's Advisory Board 1 January to 30 June 2024	Directors' fees Consultancy fee
Christian Schmidt-Jacobsen	Executive officer, Managing Partner and equity partner	Salary
Name	Basis of influence	Nature and scope of transactions
Asbjørn Mosgaard Hyldgaard	Equity partner	Salary
Björn Larsson	Equity partner	Salary
Christian Bamberger Bro	Equity partner	Salary
Christoffer Arthur Müller	Equity partner	Salary
Lars Cordt	Equity partner	Salary
Thomas Blomqvist	Equity partner	Salary
Jan Nicolas-Garbe	Partner and CEO of Axcel Advisory GmbH	Salary

During 2024, certain partners and key employees of the Axcel group made an equity contribution to Axcel of their shares in alternative funds managed by Axcel. The shares in the alternative investment funds are presented as investments in associates. The total equity contribution amounted to DKK 527,470 thousand. The shares contributed generated income of DKK 125,424 thousand which is presented as "Income from investments in associates" in the financial statements.

During the financial year subsidiaries have invoiced investment advisory fees of:

Axcel Management AB: SEK 40,606 thousand (2023: SEK 96,689 thousand)

Axcel Advisory AB: SEK 54,955 thousand (2023: 0)

Axcel Advisory GmbH: EUR 365 thousand (2023: 0)

The amounts are included in the parent financial statement item "Staff costs and administrative expenses". For specification of management fee refer to note 5.