GLOBAL EVOLUTION FONDSMÆGLER-SELSKAB A/S ANNUAL REPORT

CVR No.: 30 60 21 53

Buen 11 2.sal, 6000 Kolding

01.01 2022 - 31.12 2022

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5YK6-PJQM2-QA2CG

GlobalEvolution

Table of Contents

Company Details	3
Statement by the Board of Directors and the Board of Management	4
Independent Auditors' Report	5 – 7
Management's Review	8 – 10
Income Statement	11
Balance Sheet	12- 13
Statement of Changes in Equity	14
Notes	15 – 30

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

Company Details

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CVR No.: 30 60 21 53
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Board of Directors

Linwood Earle Bradford Jr., Chair of the Board
Jung Won Lee
Hans-Christian Ohrt
Søren Rump

Board of Management

Morten Bugge
Torben Schytt

Auditors

EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg

Bankers

Nordea Bank AB
Rendebanen 13
6000 Kolding

Jyske Bank A/S
Jernbanegade 5
6000 Kolding

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6000 Kolding

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STATEMENT BY THE BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT

The Board of Directors and the Board of Management have today discussed and approved the annual report of Global Evolution Fondsmæglerselskab A/S for the financial year 1 January - 31 December 2022.

The Annual Report has been prepared in accordance with the Danish Investment Firms and Investment Services and Activities Act, and the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc.

In our opinion the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

In our opinion the Management's Review contains a fair review of the circumstances, the Review includes, and a description of the significant risks and uncertainties by which the Company can be influenced.

We recommend that the report be approved at the annual general meeting.

Kolding, 28 March 2023

Board of Management:

Morten Bugge	Torben Schytt

Board of Directors:

Linwood Earle Bradford Jr. Chair of the Board	Jung Won Lee	Hans-Christian Ohrt	Søren Rump

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INDEPENDENT AUDITORS' REPORT

To the shareholders of Global Evolution Fondsmæglerselskab A/S

Opinion

We have audited the financial statements of Global Evolution Fondsmæglerselskab A/S for the financial year 1 January – 31 December 2022, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Investment Firms and Investment Services and Activities Act, and the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Investment Firms and Investment Services and Activities Act, and the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 Investment Firms and Investment Services and Activities Act, and the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc. and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the the Danish Investment Firms and Investment Services and Activities Act, 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's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Investment Firms and Investment Services and Activities Act, and the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc. We did not identify any material misstatement of the Management's review.

Copenhagen, 28 March 2023

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Morten Østergaard Koch
State Authorized Public Accountant
mne35420

Anders Hoberg Hedegaard
State Authorized Public Accountant
mne45895

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

MANAGEMENT'S REVIEW

Business activities

The Company offers services to institutional and professional investors based on investments in emerging markets. At the end of 2022, the Company had a total of 49 employees.

Global Evolution Fondsmæglerselskab A/S's vision is to become one of the leading global asset management companies within its business area.

Management of Directorship

For a specification of the Board of Directors and Board of Management, Management and Directorship see the annual Disclosure requirement of capital and risk report available at https://www.globalevolution.com/disclosure-reports/.

Recognition and measurement uncertainties

There are no recognition and measurement uncertainties, just as no exceptional circumstances affecting the recognition and measurement occurred during the period.

Developments in the Company's business activities and financial situation

The Company's income statement for the year shows a profit of t.DKK 70,545 which is below the expected profit and notable lower that the profit of the previous year. The Profit of 2021 was significantly impacted by performance fees compared to the profit of 2022. The Company's balance sheet as of 31 December 2022 shows an equity of t.DKK 81,016.

In 2022 asset under management in USD-terms decreased by 3.0 bn dollars, mainly due to the headwind in the financial markets and a risk-off mindset among investors originating from the financial effects of the War in Ukraine. Expenses were in line with expectations while earnings declined more than expected due to the AuM development.

Earnings have declined significantly compared to 2021 and a less than budgeted. The overall result is regarded as satisfactory given the market conditions.

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Post balance sheet events

No post balance sheet events have occurred which have a significant influence on the evaluation of the annual report.

Outlook for 2023

The Company expect to continue its expansion of clients globally. The Company expect this expanded reach to lead to a continued growth in assets under management in 2023, despite the war in Ukraine.

The overall 2023 net result is expected to be in the range of DKK 50m to DKK 75m.

Climate

Global Evolution's 2022 climate (TCFD) report had the overarching theme of *Transition Risk* in Emerging and Frontier Markets. Decarbonization is a cornerstone in the sustainable development of the world. Emerging and frontier markets play a crucial role in the transition, and both risks and opportunities should also be recognized. This year's climate report[1] is aiming to provide new insights to inform the debate and improve the integration efforts into emerging and frontier market debt investing. Three key messages that we want to convey are: (i) Emerging markets possess resources from which they significantly benefit as the world transitions towards a global low-carbon economy. (ii) An investment rather than divestment approach is needed to support and help close the funding gap for emerging markets' low-carbon transition. (iii) With growing expectations for emerging markets to decouple their economic growth from increasing carbon emissions it is important to take into consideration the concept of a relatively 'fair´transition where emerging markets do not need to sacrifice growth prospects to pursue the industrialization levels that developed countries currently enjoy.

Knowledge resources

The Company's business is based on management of investments in Emerging Markets, which requires a high level of knowledge and competences in the organisation. The staff is therefore characterised by being highly qualified and educated within the financial markets.

Special risks

In note 19, the Company describes the special risks which may affect the Company.

[1] Climate report "Transition risk in emerging and frontier markets", https://www.globalevolution.com/impact-investing/

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

Research and development activities

The Company has developed its own portfolio management systems and continuously develops and optimises the individual product and distribution platforms. The expenses incurred in this respect are expensed as they are incurred.

Subsidiary abroad

The Company has a subsidiary in the United States and Singapore and a branch in United Kingdom.

Board of Directors, proposed dividend

Board of Directors propose a dividend of t.DKK 30,000 at the company's general meeting.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

INCOME STATEMENT

Notes		2022 1,000 DKK	2021 1,000 DKK
3	Interest income	0	171
4	Interest expenses	-2,187	-1,351
	Net interest income	**-2,187**	**-1,180**
	Fees and commissions income	285,192	432,052
	Paid fees and commissions expenses	-397	-421
5	**Net interest and fee income**	**282,608**	**430,451**
6	Value adjustments	1,167	3,632
7	Staff costs and administrative expenses	-189,142	-170,169
	Depreciation and impairment of property, plant and equipment	-4,560	-5,691
	Income from equity investments in subsidiaries	1,592	1,245
	Result before tax	**91,665**	**259,468**
8	Taxes	-21,120	-60,589
	Result for the year	**70,545**	**198,879**
	Other comprehensive income	384	299
	Comprehensive income for the period	**70,929**	**199,178**

Allocation of the result

Proposed dividend	30,000	190,000
Paid, interim dividend	50,000	35,000
Revaluation reserve according to the equity method	2,717	2,306
Accumulated result	-11,788	-28,128
Total allocation	**70,929**	**199,178**

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BALANCE SHEET

Notes		31 December 2022 1,000 DKK	31 December 2021 1,000 DKK
	ASSETS		
	Cash in hand and demand deposits with central banks	4	4
9	Receivables from credit institutions and central banks	72,900	79,884
10	Investment in subsidiary	8,480	5,763
11	Other property, plant and equipment	10,919	16,975
12	Deferred tax assets	274	64
	Other assets	83,210	256,614
	Prepayments	9,246	6,785
	Total assets	**185,033**	**366,089**

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

BALANCE SHEET

Notes		31 December 2022 1,000 DKK	31 December 2021 1,000 DKK
	LIABILITIES & EQUITY		
13	Debt to credit institutions and central banks	4	4
	Tax liabilities	21,132	38,990
	Other liabilities	82,881	92,696
	Total liabilities	**104,017**	**131,690**
14	Share capital	4,576	4,576
	Revaluation reserve according to the equity method	7,248	4,531
	Retained earnings	39,192	35,292
	Proposed dividend	30,000	190,000
	Total equity	**81,016**	**234,399**
	Total liabilities & equity	**185,033**	**366,089**

15 Contingent liabilities
16 Related parties
17 Capital adequacy requirements
18 Solvency
19 Special risks

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

STATEMENT OF CHANGES IN EQUITY

1,000 DKK	Share capital	Revaluation reserve according to the equity method	Retained earnings	Proposed dividend	Total
Equity at 01.01.21	4,576	2,225	42,207	40,000	89,008
Comprehensive income for the period	0	2,306	-28,128	225,000	199,178
Change in equity for the period:					
Distribution to owners, dividend 2020	0	0	0	-40,000	-40,000
Interim dividend	0	0	0	-35,000	-35,000
Issue of stock awards	0	0	21,213	0	21,213
Equity at 31.12.21	**4,576**	**4,531**	**35,292**	**190,000**	**234,399**
Equity at 01.01.22	4,576	4,531	35,292	190,000	234,399
Comprehensive income for the period	0	2,717	-11,788	80,000	70,929
Change in equity for the period:					
Distribution to owners, dividend 2021	0	0	0	-190,000	-190,000
Interim dividend	0	0	0	-50,000	-50,000
Issue of stock awards	0	0	15,688	0	15,688
Equity at 31.12.22	**4,576**	**7,248**	**39,192**	**30,000**	**81,016**

The company has a Long Term Incentive Program. The parent company will issue Restricted Stock Units (RSU's) as bonus awards to the bonus receivers in the company.

Each RSU represents a promise to deliver one share in the parent company. Parts of the bonus awards are deferred in up to 5 years, and the RSU's will vest at fair market value.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

NOTES

1. Accounting Policies

The Annual Report has been presented in accordance with the the Danish Investment Firms and Investment Services and Activities Act, and the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc.

The Accounting policies have applied consistently with latest Annual Report.

Intra-group business combinations

Intra-group business combinations are accounted for using the book value method. The assets and liabilities are considered to be transferred when the Company gains control of the acquired entity. When using this method no changes are made to book values in the amalgamated companies.

Comparative figures are not adjusted.

Recognition and measurement in general

In the income statement, income is recognised as earned, including value adjustments of financial assets and liabilities. In the income statement, all expenses, including depreciation and impairment losses, are recognised as well.

In the balance sheet, assets are recognised when the economic benefits are likely to be realised and when the asset value can be measured in a reliable manner. Liabilities are recognised when they are likely to be realised and when they can be measured in a reliable manner. On subsequent recognition, financial assets and liabilities are measured as described below for each specific entry.

For purposes of recognition and measurement, predictable losses and risks which occur before the interim report is presented are taken into consideration.

Reporting currency

The Annual Report is presented in Danish kroner.

Foreign currency translation

Transactions in foreign currency are translated into Danish kroner using the exchange rate ruling on the date of the transaction.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

Monetary items denominated in foreign currency are translated into Danish kroner at the exchange rates at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement under value adjustments.

On recognition of foreign subsidiaries and associates which are independent entities, the income statements are recognised at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are recognised at the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arisen at the conversion of equity at the beginning of the year and income statements at the exchange rates applicable at the balance sheet date are recognised in other comprehensive income.

Translation adjustments of intercompany balances with independent foreign subsidiaries and associates which are considered part of the overall investment are recognised other comprehensive income.

INCOME STATEMENT

Interest income and fee income

Interest income consists of interest and similar income and will be accrued over the specific periods to which they relate and they will be recognised in the income statement with the amount related to the specific financial reporting period.

Fee income includes income related to fees paid by clients for portfolio management and advisory services provided by the Company.

Performance fees are recognised as income when the Company obtains definitive rights to the Fee.

Performance fee and fixed fee income is recognised as a net fee with all rebates deducted. Rebates contains an estimation element upon first recognition and is subsequently recalculated when all parameters are certain.

Value adjustments

Realized and unrealized capital gains and losses are recognised in the income statement, including any value adjustment of assets and liabilities measured at fair value.

Staff costs and administrative expenses

This includes expenses to staff, management and administration, including expenses related to office rental.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

Employees of the Company receive remuneration in the form of share-based payments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognized in employee benefits expense together with a corresponding increase in equity (other capital reserves) over the years in which the service, and, where applicable, the performance conditions, are fulfilled (the vesting period).

Depreciation and impairment

The item includes depreciation and impairment of property, plant and equipment. Fixed assets are depreciated using the straight-line method, based on the cost, measured by reference to the below assessment of the useful life of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Cars	3-5 years

The scrap value for cars is estimated at 14,2%-17,5% of cost.

Gains or losses on the sale of fixed assets are recognised in the income statement under 'Depreciation and impairment'.

Tax

Tax for the year comprises current tax and changes in deferred tax for the year. Tax relating to the profit/loss for the year is recognised in the income statement, and the tax relating to amounts directly recognised in equity is recognised directly in equity.

In connection with the settlement of joint taxation contributions the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable income. This means that the enterprises with a tax loss receive joint taxation contributions from the enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Receivables

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes receivables and receivables related to fees for portfolio management.

The Company recognises an allowance for expected credit losses (ECLs) for all financial assets measured at amortised cost.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial assets

Investments in subsidiaries are recognized in the balance sheet at the proportionate ownership of the companies adjusted for the remaining goodwill and unrealized Company internal gains and losses (equity method).

The subsidiaries are recognized in the income statement in proportion to the ownership corresponding to the investments.
Newly acquired or newly established companies are recognized in the financial statements from the acquisition date. Companies disposed of are recognized up to the date of disposal.

Gains or losses on disposal of subsidiaries are calculated as the difference between the sales price and the carrying value of net assets at the date of disposal including unamortized goodwill and estimated costs to sell. Gains and losses are recognized in the Income Statement under investments in associated companies and subsidiaries.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements and other fixtures, fittings, tools and equipment. Property, plant and equipment are measured at cost less accumulated depreciation and impairment.

Leased property, plant and equipment qualifying for recognition as assets held under finance leases are treated as acquired assets.

The cost of assets held under finance leases is measured at the lower of cost according to the lease and the net present value of the lease payments, calculated by reference to the interest rate implicit in the lease.

Leases

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.
When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in Property, plant and equipment and Lease liabilities as a separate line in the statement of financial position.

Impairment of assets

The carrying amount of non-current assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation/amortisation.

If there are indications of impairment, an impairment test is conducted of individual assets or Companys of assets. The assets or Companys of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or Company of assets as well as expected net cash flows from the disposal of the asset or Company of assets after the expiry of their useful lives.

Prepayments

Prepayments recognised under assets includes incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Shareholders' equity

Dividends proposed for the reporting period are presented as a separate item under 'Shareholders' equity'.

Premiums for stock awards and the redemption of stock awards on the company's share are recognized as a change in equity in retained earnings.

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

Income taxes

Current tax charges are recognised in the balance sheet as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior years' taxable income and tax paid in advance.

Provisions for deferred tax are calculated of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred tax liabilities.

Financial liabilities

Financial liabilities are recognised on the raising of loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Other debt is subsequently measured at amortised cost, corresponding to the nominal unpaid debt.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Financial highlights

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

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

NOTES

2. Key Figures and Financial Ratios

1,000 DKK	2022	2021	2020	2019	2018
KEY FIGURES					
Income Statement					
Net interest income and fee income	282,608	430,451	251,676	286,955	230,853
Value adjustments	1,167	3,632	-3,708	893	1,141
Staff costs and administrative expenses	189,142	170,169	143,657	121,277	90,215
Income from equity investments	1,592	1,245	818	544	270
Result for the year	70,545	198,879	76,400	122,564	110,452

1,000 DKK	31.12.22	31.12.21	31.12.20	31.12.19	31.12.18
Balance Sheet					
Equity	81,016	234,399	89,008	158,649	93,230
Total assets	185,033	366,089	186,881	268,386	146,176
FINANCIAL RATIOS					
Base capital in relation to minimum capital requirement	1.30	1.33	2.07	2.27	1.34
Capital ratio*	130.3%*	132.9%*	16.6%	12.5%	10.7%
Core capital ratio*	130.3%*	132.9%*	16.6%	12.5%	10.7%
Return on equity before tax	58.1%	160.5%	81.3%	130.1%	157.9%
Return on equity after tax	44.7%	123.0%	61.7%	97.3%	123.1%
Income/cost ratio	1.47	2.47	1.67	2.31	2.56

* The capital ratios and core-capital ratios are calculated in accordance with new rules. The new rules have led to a different method of calculation, which is why this has led to an expected increase in financial ratios. The figures are therefore not directly comparable with the previous period.

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NOTES

	2022 1,000 DKK	2021 1,000 DKK

3. Interest income

Other interest income	0	171
Total interest income	0	171

4. Interest expenses

Payables to credit institutions and central banks	712	242
Other interest expenses	1,475	1,109
Total interest expenses	2,187	1,351

5. Net interest and fee income

Net interest, fee income and value adjustments are generated from Denmark.

6. Value adjustments

Currency	1,167	3,632
Total value adjustments	1,167	3,632

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

NOTES

	2022 1,000 DKK	2021 1,000 DKK

7. Staff costs and administrative expenses

Salaries and remuneration to the Board of Directors, the Board of Management and employees with influence on risk:

Board of Directors, only fixed salary	85	138
Board of Management, fixed salary	11,011	11,072
Board of Management, variable salary	5,028	5,016
Risk takers, fixed salary	20,771	28,284
Risk takers, variable salary	22,755	31,991
Salaries and remuneration to the Board of Directors, Board of Management and employees with influence on risk	59,650	76,501
Staff salaries	43,269	28,283
Staff pensions	5,237	4,678
Social security costs	6,131	3,182
Payroll tax	9,554	8,591
Total staff costs	123,841	121,235
Other administrative expenses	65,301	48,934
Total staff costs and administrative expenses	189,142	170,169
Average number of employees in the year	52	51

Number of risktakers:

Board of Directors	4	4
Board of Management	2	2
Staff	11	15
Total	17	21

Remuneration of the Board of Directors and Board of Management of Global Evolution Fondsmæglerselskab A/S are shown in the annual Disclosure requirement of capital and risk report available at https://www.globalevolution.com/disclosure-reports/.

The company has no pension liabilities as the company's plan is a defined contribution plan.

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NOTES

7. Staff costs and administrative expenses – continued -

The company has 9 material risk takers beyond the company's Board of Directors, the members of Board of Management and the Heads of control functions.

The company has a Long Term Incentive Program. The parent company will issue Restricted Stock Units (RSU's) as bonus awards to the bonus receivers in the company. The Participants of the program are the employees, Board of Management and Board of Directors of the company.

Each RSU represents a promise to deliver one share in Global Evolution Financial ApS. Parts of the RSU's are deferred in up to 5 years, and the RSU's will vest at fair market value.

The total granted bonus award was DKK 34.2 million (2021: DKK 44.3 million), wherein the Fair Market Value of the RSU's was DKK 16.8 million (2021: DKK 21.9 million). The Fair Market Value of all granted unvested RSU's during the lifetime of the program was 35.8 million at 31 December 2022.

	2022 1,000 DKK	2021 1,000 DKK
8. Taxes		
Estimated tax charge for the period	21,259	59,905
Change in deferred tax	-210	-151
Adjustment of tax in respect of previous years	49	-53
Other taxes	22	888
Total taxes	21,120	60,589
Tax Reconciliation		
Tax rate	22.0%	22.0%
Non-taxable items	1.0%	1.1%
Average effective tax rate	23.0%	23.1%

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

NOTES

	31.12.2022 1,000 DKK	31.12.2021 1,000 DKK

9. Receivables from credit institutions and central banks

Receivables from credit institutions, on demand	72,900	79,880
Total receivables from credit institutions and central banks	72,900	79,880

10. Investments in subsidiaries

Cost as at 31.12.21	1,232	1,232
Cost as at 31.12.22	1,232	1,232
Revaluations as at 31.12.21	4,531	2,225
Revaluations in the year	1,592	1,245
Currency adjustments	384	299
Equity movement	741	762
Revaluations as at 31.12.22	7,248	4,531
Carrying amount as at 31.12.22	8,480	5,763

Name	Registered office	Ownership interest	Equity 1,000 DKK	Result for the year 1,000 DKK
Global Evolution Fund Management Singapore Pte. Ltd	Singapore	100%	5,306	1,216
Global Evolution USA LLC	New York, USA	100%	3,174	376

Penneo document key: Q4Q5J-GM40Z-W0MZX-T5XK6-PJOM2-OA2CG

NOTES

	31.12.2022 1,000 DKK	31.12.2021 1,000 DKK

11. Other property, plant and equipment

Total cost as at 31.12.21	28,970	31,282
Additions in the year	11	243
Disposal in the year	-3,236	-2,555
Total cost as at 31.12.22	25,745	28,970
Depreciation as at 31.12.21	11,995	8,860
Depreciation in the year	4,718	5,690
Reversal of depreciation on disposals	-1,887	-2,555
Depreciation as at 31.12.22	14,826	11,995
Carrying amount as at 31.12.22	10,919	16,975

Leasing assets amount to t.DKK 7,692 as per 31 December 2022 and t.DKK 11,718 as per December 2021.

12. Deferred tax

Deferred tax assets and provisions relate to temporary differences between tax values and carrying amounts.

	31.12.2022 1,000 DKK	31.12.2021 1,000 DKK

13. Debt to credit institutions and central banks

Debt to credit institutions, on demand	4	4
Total debt to credit institutions and central banks	4	4

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NOTES

14. Share capital

The share capital consists of 1,224,502 shares of EUR 0.5 nominal value each.

15. Contingent liabilities, other financial obligations

	31.12.2022 1,000 DKK	31.12.2021 1,000 DKK
The Guarantee Fund for Depositors and Investors	273	218

The company is taxed jointly with the other Danish companies in the group and is liable for income taxes on a pro rata basis for the jointly taxed companies. The maximum liability totals an amount corresponding to the share of the capital in the company which is owned directly or indirectly by the ultimate parent. The total tax liability for the jointly taxed companies at the balance sheet date has not yet been determined. For further information, please see the financial statements of the management company Global Evolution Holding ApS.

16. Related parties

Ownership:

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

- Global Evolution Financial ApS, Kolding

The ultimate parent (shareholder) is Cathay Financial Holding Co. Ltd., Taiwan.

The company is included in the consolidated financial statements of the parent Global Evolution Holding ApS, Kolding

Transactions with the subsidiary Global Evolution USA LLC and Global Evolution Fund Management Singapore Pte Ltd include miscellaneous recharges of administrative expenses and staff costs. All transactions are made on market terms and in accordance with the companies transfer pricing policy.

The annual Disclosure requirement of capital and risk report is available at https://www.globalevolution.com/disclosure-reports/.

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NOTES

	31.12.2022 1,000 DKK	31.12.2021 1,000 DKK

17. Capital adequacy requirements

Capital adequacy requirements according to article 11 of Regulation (EU) 2019/2033:		
Solvency K-factor	1,466	968
Minimum capital EUR 0.075m (EUR 0.05m)	558	558
Capital adequacy requirements according to article 13 of Regulation (EU) 2019/2033:		
Total fixed expenses prior year	129,778	116,090
Capital adequacy requirements, 25% thereof	32,445	29,023
Fulfillment of above capital requirements by 31 December (own Funds)	42,262	38,572

18. Solvency

Shareholders' equity	81,016	234,399
Proposed dividend	-30,000	-190,000
Investment in subsidiary	-8,480	-5,763
Deferred tax asset	-274	-64
Core capital after deduction	42,262	38,572
Own Funds	42,262	38,572
Capital ratio	130.3%	132.9%
Core capital ratio	130.3%	132.9%

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NOTES

19. Special risks

Business risks

Earnings are considerably affected by the assets under management and the management fee. The size of the assets depends partly on changes in the price of the underlying portfolio, partly on the general demand for asset management within emerging markets. Therefore, it is important to the Company to attract new investors, while at the same time providing competitive returns and products.

Financial risks

Financial risks are managed in accordance with the Board of Directors' instructions to the Board of Management. The company has only limited credit risk exposure as receivables is mainly against systemic important Danish credit institutions and financially strong investment service clients. Liquidity is managed to secure adequate and stabile liquidity to fulfill the Company's obligations.

Foreign exchange risk

The Company is exposed to exchange rate risks. Foreign exchange exposure relating to future transactions is evaluated and hedged by instruments such as forward exchange contracts. The management of foreign exchange risks is based on policies approved by the Board of Directors. The company is not exposed to other market risks since it does not have a trading book.

Significant risk and uncertainties

Business risks is considered as the most significant risk factor.

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