

Polaris Management A/S

**Malmøgade 3, 1.
2100 Copenhagen
Business Registration No. 28 50 17 65**

Annual report 2025

The Annual General Meeting adopted the annual report on 17.02.2026

Chairman of the General Meeting

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Entity details

Entity

Polaris Management A/S

Malmøgade 3, 1.

Copenhagen Ø

Business Registration No. (CVR): 28 50 17 65

Founded: 08.02.2005

Registered in: Copenhagen

Financial year: 01.01.2025 – 31.12.2025

Website: www.polarisequity.dk

E-mail: polaris@polarisequity.dk

Board of Directors

Anne Holm Rannaleet, Chairperson

Bertil Villard

Peter Høltermand

Executive Board

Jan Johan Kühl

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report for the financial year 01.01.2025 – 31.12.2025.

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 financial statements give a true and fair view of the Entity's financial position at 31.12.2025 and of the results of its operations for the financial year 01.01.2025 - 31.12.2025.

Further, in our opinion, the management commentary gives a fair review of the development in the Entity's operations and financial matters and the results of the Entity's operations and financial position.

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

Copenhagen, 29.01.2026

Executive Board

Jan Johan Kühl

Board of Directors

Anne Holm Rannaleet

Bertil Villard

Peter Høltermand

Independent auditor's report

Opinion

We have audited the financial statements of Polaris Management A/S for the financial year 01.01.2025 - 31.12.2025, which comprise the 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 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 financial statements give a true and fair view of the Entity's financial position at 31.12.2025 and of the results of its operations for the financial year 01.01.2025 - 31.12.2025 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers, and the 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 financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations or has no realistic alternative but to do so.

Independent auditor's report (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

Independent auditor's report (continued)

- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. 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 financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

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

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

Copenhagen, 29.01.2026

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. (CVR) 33963556

Michael Thorø Larsen
State-Authorised Public Accountant
Identification No (MNE) mne35823

Rasmus Grynderup Kiær Steffensen
State-Authorised Public Accountant
Identification No (MNE) mne44143

Management commentary

Primary activities

Polaris Management A/S is fund manager (advisor and administration company) for Polaris Private Equity, Polaris Flexible Capital, Polaris Public Equity and Polaris CS.

Polaris Private Equity I was established in 1998 with a total capital commitment of DKK 1.6 billion and was fully realised with the last exit in 2008. Polaris Private Equity II was established in 2006 with a total capital commitment of DKK 2.0 billion and was fully realised with the last exit in 2021. Polaris III was established in 2009 with a total capital commitment of DKK 2.3 billion and was fully realised with the last exit in 2021.

Funds under management include (all subject to the Danish Alternative Investment Fund Managers, etc., Act):

- Polaris Private Equity IV, established 2016, capital commitment DKK 3.3 billion, investment period started during 2015, transitioned into its realisation period at the end of 2020.
- Polaris Private Equity V, established 2020, capital commitment DKK 4.9 billion, investment period started during 2021.
- Polaris Flexible Capital I, established 2021, capital commitment DKK 0.9 billion, investment period started during 2022.
- Polaris Public Equity, established 2023 as an evergreen fund, capital commitment DKK 0.4 billion, investment activities started during 2023.
- Polaris CS Fund I, established 2022, fund management role taken over by Polaris Management A/S in March 2025, capital commitment DKK 2.2 billion.

Polaris Private Equity invests in well-established companies with a strong market position and sound earnings. Usually, the companies are based in the Nordic countries, primarily Denmark and Sweden, and have a potential for profitable growth. Through capital and active ownership, Polaris contributes to this profitable growth. Polaris aims to achieve controlling shareholdings, alone or together with other financial investors, including the Management and Board of the company and the company's former owners.

Polaris Flexible Capital has a flexible and complementary investment focus investing in junior loans, mezzanine, preferred equity and minority equity. The companies will be based in the Nordic countries.

Polaris Public Equity is an evergreen fund and invests in listed Nordic small and mid-size public companies. The Investment horizon is 3 to 5 years in ownership positions, often between 5% and 10%.

Polaris has in March 2025 taken over the fund management of investments and activities in Core Sustainability Capital, now Polaris CS Capital, which was initially established by Velliv to promote sustainable development through investment in and lending to Nordic companies within renewable energy and energy optimization, resource efficiency and social balance.

The funds are organised as Danish limited partnerships and each fund has a wide range of Danish and international investors. Further information about Polaris is available at our website, www.polarisequity.dk.

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

Management commentary

Uncertainty relating to recognition and measurement

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

Development in activities and finances

During 2025, as fund manager, Polaris Management A/S has participated in successful execution of new investments and contributed further to the continued development of the portfolio companies and investments in funds under management.

In March 2025, Polaris Management A/S successfully closed the business transfer agreement with Velliv, Pension og Livsforsikring A/S concerning the takeover of the management of the alternative investment fund, Core Sustainability Fund I, now Polaris CS Fund I.

In 2025, Polaris Management A/S realised a profit of DKK 10,296 thousand (2024: profit of DKK 10,193 thousand), which is in line with Management's expectations. At 31 December 2025, the equity amounted to DKK 66,669 thousand (31 December 2024: DKK 48,369 thousand) of total assets of DKK 102,964 thousand (31 December 2024: 72,930 thousand).

Sustainability

Polaris has a responsibility towards our many stakeholders, and we are committed to promoting sustainability throughout Polaris to honour this responsibility. We work with sustainability because it is the right thing to do and an integrated part of long-term value creation.

Our commitment to sustainability is executed broadly throughout Polaris and impacts all our activities through our:

- Approach to sustainability: our rationale, definitions, standards and focus areas
- Deal selection: our investment criteria which defines what we are willing to invest in
- Investment process: how we evaluate investments and conduct sustainability due diligence
- Portfolio management process: how we work together with our portfolio companies
- Own actions: what we do at Polaris Management A/S

Operating review

Our objective is to continuously improve, both in Polaris Management A/S and in our portfolio companies. We also commit to promoting sustainability, together with our partners, throughout the investment industry we are active in. Within sustainability, Polaris Management A/S has chosen to put specific emphasis on three key areas:

- Promoting actions to mitigate climate change
- Supporting gender equality
- Ensuring a good working environment

Management commentary

Actions are continuously planned and taken to improve on our sustainability performance in general and within the three focus areas in particular. Our work with sustainability is aligned with the UN Guiding Principles and /OECD guidelines on Responsible Business Conduct, and we also strive to follow other internationally accepted standards and frameworks for sustainability. Furthermore, we are members of the UN Global Compact and PRI – Principles of Responsible Investment.

Developments during 2025

During the year, we have continued to deliver on our sustainability commitments and support our investors with their sustainability efforts:

- 1) For the fourth year, we gathered an extensive set of sustainability indicators from our private equity portfolio companies that enabled us to meet many of our investors' specific reporting requirements as well as fulfilling our regulatory reporting requirements.
- 2) Polaris' near-term science-based targets were approved by the SBTi in September 2025. This includes 100% of the private equity portfolio and 50% of the public equity portfolio to have science-based targets approved by the SBTi by 2030. In addition, we commit Polaris Management A/S to source 100% renewable energy for our own electricity and heating by 2030.
- 3) The EU Omnibus package has had a large impact on our portfolio companies as most of our companies are no longer in scope of the Corporate Sustainability Reporting Directive (CSRD) requirements. Regardless, we continue to ask our portfolio companies to identify their material impacts, risks and opportunities, to manage and mitigate these, to track KPIs and report on their progress, which enables them to work with sustainability in a strategic and value adding way.
- 4) We continued our many external sustainability commitments: UN PRI, UN Global Compact, Level 20, Kvinder i Finans and ICI. In Denmark, we continued our role as co-chair of the Level 20 Denmark Committee and member of both the Nordic and International Committees.
- 5) We continue to work explicitly and systematically with the UN Guiding Principles and OECD Guidelines on Responsible Business Conduct. We encourage all portfolio companies to implement this standard and to track their impacts in a dedicated cloud-based system.

Management commentary

Promoting actions to mitigate climate change

During the year, we continued to support our portfolio companies in developing and updating their greenhouse gas (GHG) emissions inventories according to the GHG protocol, with support from external experts. We also measured our own GHG emissions by following the same process. As highlighted above, Polaris' science-based targets were approved in 2025 and we are working closely with our portfolio companies to support them in developing and submitting targets to the SBTi no later than 2030.

Supporting gender equality

During 2025, we continued our work to support gender diversity in the private equity sector in Denmark, the Nordics and throughout Europe as we co-chaired the Danish Committee of Level 20. We continue to track our performance and aim to improve the gender distribution at both the management team and board level in our portfolio companies.

Ensuring a good working environment

At Polaris, we want to ensure that the working environment in our portfolio companies, as well as in Polaris Management A/S, is well managed and continuously improved. We monitor portfolio company performance by collecting data related to employee turnover, satisfaction, absenteeism and injuries. In Polaris Management A/S, we continue to regularly measure employee satisfaction to guide our internal work to address our working environment.

Proposed dividend

The Board of Directors proposes that the company pays a dividend of DKK 10 million for the financial year 2025.

Events after the balance sheet date

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

Outlook

Management expects profits in 2026 from its ordinary business activities as fund manager of DKK 30-35 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.

Management commentary

Knowledge resources

Polaris Management A/S employed 57 people at 31 December 2025 (31 December 2024: 56 people).

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

As described above, it is the Company's policy to maintain a competitive remuneration policy and to develop and reward the employees who contribute to the profitable growth of Polaris Management A/S, while maintaining and promoting sound and effective risk management and avoiding excessive risk-taking.

Business and financial risks

Polaris Management A/S' management fee income from investment funds under management is calculated as a percentage of committed capital in the individual investment funds during the investment period and as a percentage of unrealised investments cost during the realisation period. Accordingly, the income of the Company is dependent on the number, size and classification of investment funds under management as well as the Company's ability to attract investors from whom it may raise new investment funds from time to time as the current investment funds are being invested and realised.

Management discusses and monitors the financial position of the Company and relevant risks as a whole on an ongoing basis, most recently at the Board of Directors' meeting held on 11 December 2025.

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 the risk management function.

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 Polaris staff and no substitutes are engaged in time.

Management commentary

Group structure and organisation

Polaris is indirectly, through PM Holding 2005 ApS, held by six Equity Partners, led by Managing Partner, Jan Johan Kühl. The Board of Directors, as from January 1, 2026, consists of Anne Holm Rannaleet (Chairperson), Bertil Villard (Board Member) and Peter Høltermand (Board Member). Managerial posts held by the Managing Partner and members of the Board of Directors are listed on the following pages.

At the end of 2024, Polaris hired a Head of Risk Management & Compliance, making the compliance function a fully independent function within Polaris.

Polaris Management A/S is based in Copenhagen. Polaris has during 2025 established a subsidiary in Stockholm (PM Advisory Services AB). The activity is expected to begin in Q1 2026 following the approval from the Swedish Financial Supervisory Authority.

Polaris Management is organised in teams which span investor relations, investments, finance, legal, risk management & compliance, sustainability and support.

Remuneration

Remuneration of Management during 2025 as well as details on the remuneration policy are disclosed in note 3 to the financial statements.

Remuneration policy

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

Partnerships

Polaris is a member of Active Owners Denmark, and Swedish Private Equity & Venture Capital association ("SVCA").

Management commentary

Managerial posts of members of the Board of Directors' and Executive Board

Jan Johan Kühl

Executive Board	Chair, Board of Directors	Member, Board of Directors
• Polaris Management A/S	• Polaris V Invest Fonden	• Inter Primo A/S
• Business Synergy Group ApS	• P-Cepheo A/S	• Vikingbus Danmark A/S
• P-Sinful 2021 A/S	• P-Holding A af 17. januar 2023 A/S	• Vikingbus A/S
• Polaris CS Fund I GP ApS	• Holding A af 17. januar 2023	• Vikingbus Gruppen A/S
• P-Salpharm Animal Health 2024 A/S	• A/S	• P-Link 2019 A/S
• CSF-I 2 GP ApS	• BidCo A af 17. Januar 2023 A/S	• P-Esoft 2022 A/S
• CSF-I 3 GP ApS	• A/S	• P-Vikingbus 2021 A/S
• CSF-I 5 ApS	• CSF-I 1 SPV P/S	• P-Sinful 2021 A/S
• Polaris VI Invest GP ApS	• P-Holding B af 17. januar 2023 A/S	• P-G&O 2021 A/S
• Komplementarselskabet af 28. April 2025 ApS	• A/S	• Vikingbus Finans A/S
• NF SPV GP ApS	• P-Gaia A/S	• ADVANTAGE Investment Partners A/S
• CSF-I 1 GP ApS		• P-Awardit AB (LE)
		• P-Awardit HoldCo AB (LE)

Management commentary

Managerial posts of members of the Board of Directors' and Executive Board

Bertil Villard

Executive Board

Chair, Board of Directors

Member, Board of Directors

- Bertil Villard Holding AB (LE)
- iCoat Medical AB (LE)
- Hamiltonska Stiftelsen
- Polaris Management A/S
- Tengroth & Co AB (SU)
- PPRD Nordic AB (SU)

Management commentary

Managerial posts of members of the Board of Directors' and Executive Board

Anne Holm Rannaleet

Executive Board

Chair, Board of Directors

- Kalexa Förvaltning AB (OF)
- Kalexa Advisory AB (OF)

Member, Board of Directors

- Helekask Advisory AB
- Insamlingsföreningen Kinondo Support
- Auticon Holding GmbH
- Polaris Management A/S

Management commentary

Managerial posts of members of the Board of Directors' and Executive Board

Peter Høltermand

Executive Board

- PFC I – Debt ApS
- Castaway Holding ApS

Chair, Board of Directors

- Kirstein Holding A/S
- Asgard Asset
- Management A/S
- Polaris Flexible Invest I ApS
- Agat Ejendomme A/S
- Secure Capital A/S
- Alternative Equity Partners A/S
- Secure Spectrum Fonds-mæglerselskab A/S

Member, Board of Directors

- Ejendomsaktieselskabet Skovgårdsvej
- Polaris Management A/S
- Den Sociale Investeringsfond

Income statement and statement of comprehensive income for the year ended 31.12.2025

	Note	2025 DKK'000	2024 DKK'000
Fees and commission income	2	133,420	130,941
Net fees and commission income		133,420	130,941
Other operating income		5,534	0
Staff costs and administrative expenses	3, 4	(123,085)	(111,167)
Amortisation, depreciation and impairment losses on intangible assets and property, plant and equipment		(1,928)	(510)
Earnings before financial income/expenses		13,941	19,264
Financial income	5	336	1,346
Financial expenses	6	(361)	(6,451)
Income from investments in subsidiaries	9	71	44
Foreign exchange profit/loss, net		159	(35)
Profit/loss before tax		14,146	14,168
Tax on profit/loss before tax	7	(3,850)	(3,975)
Profit/loss for the year		10,296	10,193

	Note	2025 DKK'000	2024 DKK'000
Other comprehensive income		0	0
Other comprehensive income for the year		0	0
Total comprehensive income		10,296	10,193

Balance sheet at 31.12.2025

Assets

	Note	2025 DKK'000	2024 DKK'000
Intangible assets	13	11,429	0
Total intangible assets		11,429	0
Other Property, Plant and Equipment	8	911	959
Property, plant and equipment		911	959
Receivables from funds under management	10	22,833	18,768
Deferred tax asset	7	11	122
Current tax receivable		0	1,161
Other receivables		4,313	2,074
Prepayments		7,834	7,049
Total receivables		34,991	29,174
Investment in subsidiaries	9	344	134
Total other investments		344	134
Cash and cash equivalents		55,289	42,663
Total assets		102,964	72,930

Balance sheet at 31.12.2025

Equity and liabilities

	Note	2025 DKK'000	2024 DKK'000
Share capital	11	500	500
Reserve for net revaluation according to equity method		165	94
Retained earnings		66,000	47,775
Total equity		66,665	48,369
Current tax liabilities	7	300	0
Other debt	12	24,636	24,515
Deferred income		11,363	46
Short term liabilities		36,299	24,561
Total liabilities other than provisions		36,299	24,561
Total equity and liabilities		102,964	72,930

Statement of changes in equity for 2025

DKK'000	Share capital	Other Reserves	Retained earnings	Proposed Dividend	Total
Equity at 01.01.2025	500	94	47,775	0	48,369
Profit/(loss) for the year	0	71	225	10,000	10,296
Ordinary dividend paid	0	0	0	0	0
Group contributions	0	0	8,000	0	8,000
Equity at 31.12.2025	500	165	56,000	10,000	66,665

DKK'000	Share capital	Other Reserves	Retained earnings	Proposed Dividend	Total
Equity at 01.01.2024	500	50	37,626	35,000	73,176
Profit/(loss) for the year	0	44	10,149	0	10,193
Ordinary dividend paid	0	0	0	(35,000)	(35,000)
Equity at 31.12.2024	500	94	47,775	0	48,369

Notes to the financial statements

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14. Contingent assets and contingent liabilities
15. Related parties
16. Financial risks
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Notes to the financial statements

1. Events after the balance sheet date

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

2. Fees and commission income

	2025	2024
	DKK'000	DKK'000
Polaris Private Equity III K/S	0	0
Polaris Private Equity IV K/S	22,660	27,681
Polaris Private Equity V	89,818	89,818
Polaris Flexible Capital I K/S	11,756	11,756
Polaris CS Fund I K/S	6,855	0
Polaris PPU Fund LLP	2,331	1,686
Total	133,420	130,941

3. Staff costs and administrative expenses

	2025	2024
	DKK'000	DKK'000
Staff costs	92,852	78,044
Administrative expenses	30,233	33,123
Total staff costs and administrative expenses	123,085	111,167

	2025	2024
	DKK'000	DKK'000
Salaries and wages	70,691	59,134
Pension	7,651	6,374
Other social security costs	525	331
Other staff related costs	13,985	12,205
Total staff costs	92,852	78,044

Average number of employees	47	42
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Notes to the financial statements

3. Staff costs and administrative expenses (continued)

Remuneration of management

The Board of Directors and Executive Board have received the following remuneration as part of their employment with the Entity.

	2025	2024
	DKK'000	DKK'000
Executive Board	0	0
Board of Directors	1,750	1,750
Total remuneration	1,750	1,750

The Board of Directors consists of 4 members (2024: 4). The Executive Board consists of 1 member (2024: 1).

No variable directors' remuneration has been paid in the period 2024-2025 to members of the Board of Directors. No variable remuneration has been paid in the period 2024-2025 to members of the Executive Board.

According to Section 22(3) in the Danish Alternative Investment Fund Managers etc. Act, the Entity is required to disclose remuneration to each of the management members. The individual remuneration to the Executive Board and the Board of Directors is published on the Entity's website: <https://polarisequity.dk/wp-content/uploads/2026/01/Appendix-to-the-financial-statements-2025-Remuneration.pdf>

Employees able to exert significant influence on the risk profile (risk takers)

	2025	2024
	DKK'000	DKK'000
Fixed remuneration	32,112	24,405
Variable remuneration	0	0
Total remuneration	32,112	24,405

The group of risk takers consists of 12 persons (2024: 11)

Notes to the financial statements

3. Staff costs and administrative expenses (continued)

Remuneration policy

Polaris Management A/S' remuneration policy aims at attracting, retaining, developing and rewarding employees who contribute to the profitable growth of the Entity. The policy ensures that remuneration is credible, effective and fair, that the ratio of fixed and variable salary is adequate, proportional and balanced and that the overall remuneration is aligned with sound and efficient risk management principles and does not encourage excessive risk-taking. The policy has not been changed during the year.

Members of the Board of Directors are compensated individually and on a fixed remuneration basis only.

All other employees are compensated individually and primarily on a fixed salary basis but may in addition hereto receive a component of cash based variable salary based on the remuneration policy. A bonus model applies for the investment team, which is designed to create coherence between the investor's longterm perspective and the performance of the individual employees. Employees in controlling functions do not participate in this model, but may receive variable salary based on individual performance, which is not linked in any way to the outcome of the actual controlling or business performance, but instead based on the achievement of the objectives of the risk management function.

4. Fees paid to auditors appointed by the annual general meeting

	2025	2024
	DKK'000	DKK'000
Fee for statutory audit services	183	195
Tax assistance	10	135
Other assistance	77	339
Total fee	270	669

In 2025 Deloitte was elected as auditors. Fee for statutory audit services related to EY comprise 104 DKK'000 (2024: 195 DKK'000).

5. Financial income

	2025	2024
	DKK'000	DKK'000
Other interest income	282	512
Receivables from credit institutions and central banks	54	834
Total financial income	336	1,346

Notes to the financial statements

6. Financial expenses

	2025	2024
	DKK'000	DKK'000
Other financial expenses	361	692
Write-down of receivables from a former portfolio company in Polaris Private Equity V	0	5,759
Total financial expenses	361	6,451

7. Tax on profit/loss for the year

	2025	2024
	DKK'000	DKK'000
Profit/loss before tax	14,146	14,168
Current tax	3,754	3,941
Change in deferred tax	110	34
Adjustment concerning previous years	(14)	0
Tax on profit/loss for the year	3,850	3,975
Effective tax rate	26,5%	27,8%

8. Other property, plant and equipment

	2025	2024
	DKK'000	DKK'000
Cost, beginning of year	7,756	7,324
Additions for the year	494	490
Disposals for the year	(262)	(58)
Cost, end of year	7,988	7,756
Depreciation and impairment losses, beginning of year	6,797	6,346
Depreciation for the year	516	503
Reversal regarding disposals	(236)	(52)
Depreciation, end of year	7,077	6,797
Carrying amount, end of year	911	959

Notes to the financial statements

9. Investments in subsidiaries

	2025	2024
	DKK'000	DKK'000
Cost, beginning of year	40	40
Additions for the year	139	0
Disposals for the year	0	0
Cost end of year	179	40
Revaluations, beginning of year	94	50
Share of profit/loss for the year	71	44
Dividend	0	0
Revaluations, end of year	165	94
Carrying amount, end of year	344	134

Name and registered office	Activity	Ownership %	Equity DKK'000*	Profit for the year DKK'000*
Komplementarselskabet af 28. April 2025 ApS, Copenhagen	General Partner	100%	62	2
NF SPV GP ApS, Copenhagen	General Partner	100%	22	2
Polaris CS Fund I GP ApS, Copenhagen	General Partner	100%	43	3
Polaris Flexible Invest I ApS, Copenhagen	General Partner	100%	197	64
Polaris VI Invest GP ApS, Copenhagen	General Partner	100%	20	0
Total			344	71

* Based on latest available reporting

Notes to the financial statements

10. Receivables from investment funds under management

Receivables primarily consist of receivables from the Polaris Private Equity investment funds under management. As per 31 December 2025, receivables from investment funds under management amounts to DKK 22,833 thousand (31 December 2024: DKK 18,768 thousand).

Historically, no losses on receivables from investment funds under management have been realised. Therefore, no provisions for expected credit losses have been recognised in the financial statements.

11. Share capital

The share capital consists of shares of DKK 1 each or multiples hereof. There have not been any changes in the share capital.

12. Other debt

	2025	2024
	DKK'000	DKK'000
Distribution of remaining maturities:		
On demand	0	0
0-3 months	24,636	24,515
3-12 months	0	0
1-5 years	0	0
More than 5 years	0	0
Total other debt	24,636	24,515

Other debt to be paid within the 0-3 months consists primarily of short-term debt to different creditors, payroll taxes, holiday payment & bonuses.

Notes to the financial statements

13. Intangible assets

	2025	2025
	DKK'000	DKK'000
Cost beginning of year	0	0
Additions	12,840	0
Disposals	0	0
Cost end of year	12,840	0
Depreciation and impairment losses, beginning of year	0	0
Depreciation for the year	(1,411)	0
Reversal regarding disposals	0	0
Depreciation, end of year	(1,411)	0
Carrying amount, end of year	11,429	0

14. Contingent assets and contingent liabilities

The Entity's rental and lease commitments total DKK 1,904 thousand (2024: DKK 1,226 thousand) related to short term lease contracts, which fall due for payment within one year.

Administration Company

The Entity is jointly taxed with the Danish subsidiaries and the parent company. As a wholly owned subsidiary, the Entity is unlimited and severally liable with the other companies in the joint taxation regarding payment of Danish corporation taxes and Danish withholding taxes on dividends, interests and royalties in the joint taxation.

15. Related parties

Polaris Management A/S' related parties comprise the following:

Parties exercising control

- PM HOLDING 2005 ApS, Malmøgade 3, 1., 2100 Copenhagen holds the majority of shares in the Entity.

Ownership

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

Name of shareholder	Address	Ownership
PM HOLDING 2005 ApS	Malmøgade 3, 1., 2100 Copenhagen	100%

Notes to the financial statements

15. Related parties

The funds under management are also considered related parties and comprise the following:

Fund name	Business registration no.	Relationship
PFC I - Debt ApS	42946419	Fund manager
Polaris CS Fund I K/S	43063707	Fund manager
Polaris Flexible Capital I K/S	42267627	Fund manager
Polaris PPU Feeder Fund ICAV	C508046	Fund manager
Polaris PPU Fund ILP	C511623	Fund manager
Polaris PPU Master Fund ICAV	C508045	Fund manager
Polaris Private Equity IV K/S	36486597	Fund manager
Polaris Private Equity V K/S	37013633	Fund manager
Polaris Private Equity VI K/S	45553639	Fund manager
Polaris V F&F Co-Invest K/S	37015725	Fund manager
Polaris VI F&F Co-Invest K/S	45719774	Fund manager

Other related parties

Name of other related party	Address	Relationship
Komplementarselskabet af 28. april 2025 ApS	Malmøgade 3, 1., 2100 Copenhagen	Subsidiary
NF SPV GP ApS	Malmøgade 3, 1., 2100 Copenhagen	Subsidiary
Polaris CS Fund I GP ApS	Malmøgade 3, 1., 2100 Copenhagen	Subsidiary
Polaris Flexible Invest I ApS	Malmøgade 3, 1., 2100 Copenhagen	Subsidiary
Polaris VI Invest GP ApS	Malmøgade 3, 1., 2100 Copenhagen	Subsidiary
Executive Board	-	Management and ownership
Board of Directors	-	Management

Transactions with related parties in the financial year

Transactions between Polaris Management A/S and related parties during the year:

Name of related party	Basis for influence	Type and volume of transactions
Executive Board	Management and ownership	Remuneration disclosed in note 3
Board of Directors	Management	Remuneration disclosed in note 3
Polaris Private Equity III K/S	Fees and commission income	Management fee disclosed in note 2
Polaris Private Equity IV K/S	Fees and commission income	Management fee disclosed in note 2
Polaris Private Equity V	Fees and commission income	Management fee disclosed in note 2
Polaris Flexible Capital I K/S	Fees and commission income	Management fee disclosed in note 2
Polaris CS Fund I K/S	Fees and commission income	Management fee disclosed in note 2
Polaris PPU Fund LLP	Fees and commission income	Management fee disclosed in note 2
General Partner	Joint taxation	Join-taxation disclosed in note 7

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

Notes to the financial statements

16. Financial risks

The Entity must describe its financial risks and its policies and objectives for the management of financial risks. We refer to the management commentary section "Business and financial risks" for more information.

17. Key financial figures and financial ratios

	2025	2024	2023	2022	2021
	DKKm	DKKm	DKKm	DKKm	DKKm
Key financial figures and financial ratios					
Net fees and commission income	133	131	138	135	123
Staff costs and administrative expenses	(123)	(111)	(86)	(94)	(82)
Earnings before financial income/expenses	14	19	52	41	40
Profit/loss for the year	10	10	41	31	31
Equity	67	48	73	58	51
Total assets	103	73	102	85	78
Financial ratios					
Solvency ratio*	179%	147%	312%	247%	286%
Return on equity before tax (%)	25%	23%	83%	74%	91%
Return on equity after tax (%)	18%	17%	62%	58%	71%
Average number of full-time employees	47	42	40	34	31
Number of funds under management	11	10	10	7	5
Number of divisions in funds under management	11	10	10	7	5
Capital/assets under administration (DKKm)	8,272	6,410	6,088	4,143	3,912

The key figures and financial ratios are defined in the Danish FSA's Executive Order on Financial Reports for Credit Institutions and Investment Companies and with recommendations issued by CFA Society Denmark.

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

There is difference between Common Equity Tier 1 capital and capital base due to adjustments made in accordance with AIFM legislation.

Accounting policies

The annual report of Polaris Management A/S for 2025 has been prepared in accordance with the Danish Alternative Investment Fund Managers etc. Act, the Danish FSA's Executive Order on general rules for financial statements and audit of Alternative Investment Fund Managers and the Danish FSA's Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

In March 2025, Polaris Management A/S successfully closed the business transfer agreement with Velliv, Pension og Livsforsikring A/S (entered into on 23 December 2024) concerning the takeover of the management of the alternative investment fund, Core Sustainability Fund I, now Polaris CS Fund I. As part of the transfer, Polaris Management A/S has on a provisional basis recognised intangible assets related to the transaction and directly attributable costs in the amount of DKK 13 million, which are amortised over 7 years. No employees were taken over as part of the agreement.

Other than the above accounting policies are unchanged compared to those applied in the Annual Report 2024. Reference is made to note 1 in the Annual Report for 2024, which contains a full description of the accounting policies.

The financial statements are presented in Danish kroner, rounded to the nearest thousand.

Consolidated financial statements

Pursuant to section 163 of the Executive Order on Financial Reporting by Credit Institutions and Investment Companies, etc., consolidated financial statements have not been prepared. The parent company, PM Holding 2005 ApS, Malmøgade 3, 2100 København Ø (registration no. 28 48 15 35), prepares consolidated financial statements in which Polaris Management A/S and its subsidiaries are included.

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 Entity, and the value of the assets can be measured reliably. The assets must be a result of prior events and be under the Entity's control.

Liabilities are recognised in the balance sheet when the Entity 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 Entity, 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.

Accounting policies

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 Entity 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.

Other operating income

Other operating income comprises income of a nature secondary to the Entity's activities.

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.

Accounting policies

Amortisation, depreciation and impairment losses on intangible assets and property, plant and equipment

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

Financial income and expenses

Financial income and expenses comprise interest income and expense, realised and unrealised exchange gains and losses on payables and transactions denominated in foreign currencies, write-down of financial assets as well as surcharges and refunds under the on-account tax scheme, etc.

Income from investments in subsidiaries

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

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

The Entity is jointly taxed with the parent company, PM Holding 2005 ApS, and other Danish group companies. Tax for the year comprises current tax for the year (joint taxation contributions) and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement.

Surcharges, premiums, and refunds in relation to the tax payment are included in financial income and expenses.

Balance sheet

Intangible assets

Intangible assets are measured at cost less accumulated depreciation and impairment losses. Cost comprises expenses related to the acquisition of the rights to manage Core Sustainability Fund I, now Polaris CS Fund I, which were transferred from Velliv, Pension og Livsforsikring A/S to Polaris Management A/S in May 2025. The depreciation period for the management rights to Polaris CS Fund I is based on the expected useful life, which management has assessed to be the remaining lifetime in accordance with the Limited Partnership Agreement.

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

Intangible assets

7 years

Accounting policies

Other property, plant, and equipment

On initial recognition, property, plant and equipment are measured at cost. Cost comprises the 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, however, the life may not exceed the term of the lease

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.

Gains or losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as part of depreciation.

Deferred tax asset

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable

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

Other receivables

Receivables relate to the Entity'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.

Prepayments (assets)

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

Accounting policies

Investments in subsidiaries

Investments in subsidiaries are measured using the equity method at the proportionate share of the subsidiaries' net asset values calculated in accordance with the Entity's accounting policies.

Net revaluation of investments in subsidiaries is recognised in the reserve for net revaluation in equity under the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries which are expected to be adopted before the approval of the annual report of Polaris Management A/S are not included in the reserve for net revaluation.

Cash

Cash comprises amounts owed by other credit institutions as well as time deposits with central banks. Cash is measured at fair value.

Equity

Share capital

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

Share premium

Share premium represents the difference between the par value of the shares issued and the subscription or issue price. The share premium is a statutory reserve and is non-distributable.

Statutory reserves

Revaluation reserves comprise revaluation of investments in 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.

Other debt

Other debt is measured at net realisable value.

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.