





## HIGHLIGHTS FOR THE PERIOD

### Good investment and exit activity during the year

#### HIGHLIGHTS FOR JAN-DEC 2019 (JAN-DEC 2018)

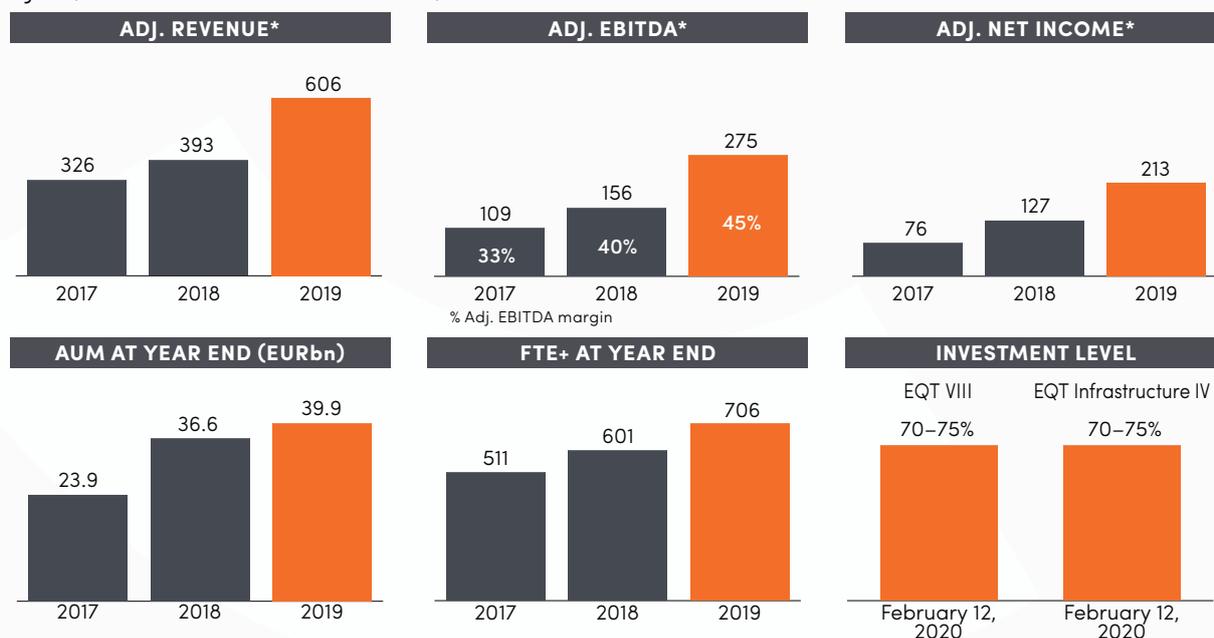
- Good investment activity with total investments by the EQT funds in the period of EUR 11.9bn (EUR 8.6bn) and total gross fund exits of EUR 8.0bn (EUR 5.1bn)
- Fee-generating AUM increased to EUR 39.9bn as of December 31, 2019 (EUR 36.6bn), primarily driven by the final closing of EQT Infrastructure IV
- Number of full-time equivalent employees and on-site consultants (FTE plus) amounted to 706 (601) at the end of the period, of which FTEs amounted to 645 (527)
- Adjusted total revenue of EUR 606m (EUR 393m), corresponding to an increase of 54% compared to 2018. Total revenue of EUR 600m (EUR 393m). The increase in revenue was primarily driven by a full-year effect of management fees from EQT Infrastructure IV and EQT VIII
- Adjusted EBITDA of EUR 275m (EUR 156m), corresponding to a margin of 45% (40%). EBITDA of EUR 208m (EUR 149m), corresponding to a margin of 35% (38%)
- Adjusted net income of EUR 213m (EUR 127m). Net income EUR 160m (EUR 121m)
- Reported basic earnings per share of EUR 0.188 (EUR 0.195). Diluted earnings per share of EUR 0.187 (EUR 0.195)

#### EVENTS AFTER THE REPORTING PERIOD

- Investment level in key funds as of February 12, 2020 were 70–75% in EQT VIII and 70–75% in EQT Infrastructure IV
- The target size for the EQT IX fund has been set at EUR 14.75bn
- Given the pace of investments in EQT Infrastructure IV, work has been initiated to ensure that sufficient capital is available for EQT Infrastructure IV to continue to make investments, either by bridging or extending the existing fund or by using the secondary market
- EQT has initiated a review of strategic options for the business segment Credit
- A one-off provision of EUR 32m has been taken in 2019 due to the VAT ruling announced by the Supreme Administrative Court of Sweden on January 27, 2020. The ruling is not expected to have a material impact on EQT AB Group's future results or its financial position
- Elevated societal ambitions within three dimensions: Transparency & Accountability, Diversity & Upskilling and Clean & Conscious

#### DIVIDEND PROPOSAL

- The Board of Directors proposes a dividend per share of SEK 2.20, to be paid in two installments, SEK 1.10 in June, 2020 and SEK 1.10 in December, 2020



\*The adjusted metrics are alternative performance metrics for the EQT AB Group. For a full reconciliation please refer to page 28 and page 29.

**“As part of the vision ‘to be the most reputable investor and owner’, EQT aims to take the lead in ensuring that investments made today contribute to a cleaner, more inclusive and more resilient tomorrow. We believe that the business community in general and the private equity industry in particular, has a unique ability to drive positive change and thus needs to be part of the solution to the challenges that society is facing.”**

### **A NEW DECADE OF ACTION AND SUSTAINABLE RESULTS**

2019 was a milestone year for EQT: We celebrated 25 years as a firm, marking a quarter-of-a-century of future-proofing companies and making a positive impact. We also listed EQT AB on the Stockholm stock exchange, representing an important step on our journey to continuously improve EQT as a responsible owner, increase transparency and build a foundation for further growth.

As we move into 2020, we enter a new decade in which we believe the private markets industry will be characterized by action to drive sustainable results. In addition to generating returns, we need to focus on ensuring a prosperous future for the EQT funds’ portfolio companies and the societies in which we operate.

We are far from alone in realizing that urgent action is critical, and EQT’s efforts to support the transformation of companies has a long history. Our work on increased transparency and deeper engagement with a variety of stakeholders began with our roots in the Wallenberg family. When EQT was founded in 1994, our motto was “EQT – more than capital” and we have always strived to be just and fair. However, there is scope for EQT and the industry to do much more. As part of the vision “to be the most reputable investor and owner”, EQT aims to take the lead in ensuring that investments made today contribute to a cleaner, more inclusive and more resilient tomorrow. We believe that the business community in general and the private equity industry in particular, has a unique ability to drive positive change and thus needs to be part of the solution to the challenges that society is facing.

We believe EQT’s governance model, talent and network make us well positioned to tackle these challenges by helping drive innovation and create jobs. This is a model that EQT has developed over the past 25 years, and the performance achieved over time in terms of returns to investors demonstrates that it works well.

### **NOURISHING DEEP AND LONG-TERM RELATIONS WITH FUND INVESTORS**

A testament to EQT’s model is the capital that fund investors continue to entrust EQT with. In March 2019, EQT’s largest ever infrastructure fund, EQT Infrastructure IV, was closed at EUR 9 billion. This

was followed by EQT Ventures II, which closed at EUR 620 million in AUM in November. By year end, the total AUM amounted to approximately EUR 40 billion, representing commitments from professional and prominent investors from all over the world. Having deep long-term relations with these investors is essential for us – we work in close partnership together appreciating the responsibility that the fund investors have to create value for their own clients, in many cases pensioners and insurance holders.

### **DRIVING THEMATIC INVESTMENTS**

During 2019, the EQT funds invested around EUR 12 billion across investment strategies in market-leading companies such as Galderma in Switzerland, Zayo in the US, inxio in Germany and Metlifecare in New Zealand – all in line with EQT’s thematic investment strategy. Whilst the market remained competitive, EQT continued to source good companies and generate returns for the fund investors by utilizing EQT’s distinct and proven value creation approach.

At EQT, digitalization and sustainability are becoming fully integrated in the funds’ investment process as well as during the ownership period. In the value creation plans, we are guided by the United Nations’ Sustainable Development Goals, evaluating where alignment exists. Investments are only made in companies that deliver a positive impact, or that have the potential to deliver a positive impact through transformational support from EQT. We believe that this approach leads to superior, stable and more long-term returns for both fund investors and shareholders. In addition, to stay ahead of the curve, the firm has an in-house Digital Business Development team and an Artificial Intelligence team, including the AI platform “Motherbrain”, that work to leverage digital expertise and tools across the entire ownership cycle.

In 2019, the EQT funds delivered a record EUR 8 billion in total gross fund exits, including exits such as Press Ganey and Contanda in the US, as well as AutoStore in Norway; the latter delivering the highest return in the EQT Equity funds in more than ten years. But more importantly, these companies have been developed into stronger and more future-proof businesses creating value for both fund investors and society at large – EQT’s purpose in a nutshell.

**A POSITIVE IMPACT WITH EVERYTHING...**

As we look towards 2020 and beyond, we continue to develop EQT's thematic investment approach and elevate our societal ambitions. We have defined three key dimensions of focus: Transparency & Accountability, Diversity & Upskilling and Clean & Conscious.

Firstly, in Transparency & Accountability, we are committed to publish EQT's key ESG data and link incentive schemes to sustainability objectives.

Secondly, we know that diverse organizations create both more innovation and more stable and long-term returns. Therefore, our current goal is that 65% of the investment professional recruits in 2020 will be female. We also require EQT's advisors, such as commercial, tax, legal and financial advisors, to have teams with at least 25% of the underrepresented gender. On the Boards of Directors within the portfolio companies, at least 25% of the independent board members should be female. Over the long-term, the only goal to aim for is gender balance across the investment professional, management and board levels.

Thirdly, in Clean & Conscious, we have already shifted to targeting 100% renewable energy in all of EQT's offices and, where it is currently not possible to reduce emissions, we ensure they are offset in a positive manner. Importantly, we have decided that all portfolio companies will start a transition to using renewable energy.

A new, engaging initiative is the EQT Foundation, launched in 2019 to coordinate EQT's philanthropic efforts. The EQT Foundation's mission is to help create a more inclusive world and to push the frontiers of societal impact. We hope that the EQT Foundation will become a force in contributing to a brighter future for generations to come.

**DRIVING LONG-TERM GROWTH AND SCALABILITY**

We are operating in a growing industry and believe EQT is well positioned for further growth. There are exciting thematic investment opportunities across EQT's strategies and geographies, and we will continue to nourish the strong relations with the fund investors, as well as invest in the EQT platform, our top-class team and the EQT network. This includes building out the EQT Academy and continuing to grow

our company with the EQT values at the core.

Our industry is becoming more competitive by the day, so we will continue to innovate our approach to ensure that EQT creates superior value for the fund investors over the long-term. We look forward to continuing EQT's development journey and using the balance sheet to further strengthen EQT's position as a leading global investment organization. This means investing in strategies where EQT's differentiators and ability to impact are the main drivers but also ensuring we operate at scale. With initiatives such as capturing the opportunities in the segment between Ventures and Private Equity as well as increasing EQT's presence in APAC with an office recently opened in Sydney, we are well underway.

At the end of the day, we all share the same societal and climate challenges and opportunities on this planet and we should ask ourselves and the entire industry - how can we use the power of the private equity business model to make a positive impact with every investment?

Christian Sinding, CEO





## Key metrics and ratios

### INVESTMENT ACTIVITY BY THE EQT FUNDS

EURbn	H2 2019	H2 2018	2019	2018
Investments by the EQT funds	5.3	5.6	11.9	8.6
Gross fund exits	3.1	2.1	8.0	5.1

### ASSETS UNDER MANAGEMENT

EURbn	H2 2019	H2 2018	2019	2018
AUM (end of period)	39.9	36.6	39.9	36.6
Avg. AUM (during the period)	40.2	33.6	39.6	31.2
Effective management fee rate	1.40%	1.40%	1.40%	1.40%

### PERSONNEL

# OF	H2 2019	H2 2018	2019	2018
FTE (end of period)	645	527	645	527
FTE+ (end of period)	706	601	706	601

### KEY FINANCIALS

EURm	H2 2019	H2 2018	2019	2018
<b>Financials (adjusted)*</b>				
Management fees	294	213	574	384
Adj. carried interest and investment income	13	2	31	9
Adj. total revenue	307	214	606	393
<i>Adj. total revenue growth, %</i>	43%		54%	
Adj. total operating expenses	173	122	331	237
Adj. EBITDA	135	93	275	156
<i>Adj. EBITDA margin, %</i>	44%	43%	45%	40%
Adj. net income	104	77	213	127
<b>Financials (according to IFRS)</b>				
Management fees	294	213	574	384
Carried interest and investment income	10	2	25	9
Total revenue	304	214	600	393
<i>Total revenue growth, %</i>	42%		53%	
Total operating expenses	219	129	392	244
EBITDA	85	85	208	149
<i>EBITDA margin, %</i>	28%	40%	35%	38%
Net income	64	71	160	121

### THE EQT AB SHARE

	H2 2019	H2 2018	2019	2018
Number of shares (m, end of period)	953.0	727.6	953.0	727.6
Number of shares (m, average)	912.9	624.5	851.3	620.9
Number of shares, diluted (m, average)	913.3	624.5	851.7	620.9
Adj. earnings per share, basic (EUR)*	0.114	0.123	0.251	0.204
Adj. earnings per share, diluted (EUR)*	0.114	0.123	0.250	0.204
Earnings per share, basic (EUR)	0.070	0.114	0.188	0.195
Earnings per share, diluted (EUR)	0.070	0.114	0.187	0.195
Proposed dividend per share (SEK)**			2.20	

\*The adjusted metrics are alternative performance metrics for the EQT AB Group. For a full reconciliation please refer to page 28 and page 29.

\*\*Using EUR/SEK rate as of year-end of 10.447, SEK 2.20 per share corresponds to a total amount of approximately EUR 200m



## KEY FIGURES

### Fee-generating assets under management (AUM)

#### DEVELOPMENT IN THE SECOND HALF OF 2019

AUM BY SEGMENT (EURbn)	Private Capital	Real Assets	Credit	Total
<b>At June 30, 2019</b>	<b>22.3</b>	<b>14.5</b>	<b>3.3</b>	<b>40.1</b>
Gross inflows	0.8	0.3	0.8	2.0
Step-downs	–	–	–	–
Exits	(1.1)	(0.9)	(0.2)	(2.2)
FX and other	0.0	0.0	–	0.1
<b>At December 31, 2019</b>	<b>22.0</b>	<b>14.0</b>	<b>3.9</b>	<b>39.9</b>
<i>Since June 30, 2019</i>	<i>-1.3%</i>	<i>-3.6%</i>	<i>19.8%</i>	<i>-0.4%</i>

#### DEVELOPMENT IN THE FINANCIAL YEAR 2019

AUM BY SEGMENT (EURbn)	Private Capital	Real Assets	Credit	Total
<b>At December 31, 2018</b>	<b>22.3</b>	<b>11.0</b>	<b>3.2</b>	<b>36.6</b>
Gross inflows	2.2	4.4	1.1	7.7
Step-downs	(0.3)	(0.1)	–	(0.4)
Exits	(2.3)	(1.3)	(0.4)	(4.0)
FX and other	0.0	0.0	(0.0)	0.0
<b>At December 31, 2019</b>	<b>22.0</b>	<b>14.0</b>	<b>3.9</b>	<b>39.9</b>
<i>Since December 31, 2018</i>	<i>-1.6%</i>	<i>26.9%</i>	<i>23.8%</i>	<i>9.2%</i>

Note: Any investment activity in the above tables (part of gross inflows and/or exits) is included based on its impact on fee-generating AUM. Individual deals in a period are therefore included based on remaining or realized cost, timing of transaction closing and only in funds which are generating fees based on net invested capital.

### Gross investment performance of key EQT funds

(EURbn)	Start date	AUM	Committed capital	Cost of investments			Value of investments			Gross MOIC
				Total	Realized	Remaining	Total	Realized	Remaining	
<b>Private Capital</b>										
EQT VI	Jun-11	1.3	4.8	4.4	3.1	1.3	10.7	8.1	2.6	2.4x
EQT VII	Jul-15	5.0	6.9	6.1	1.1	5.0	11.0	2.8	8.2	1.8x
EQT VIII	May-18	10.9	10.9	7.1	–	7.1	8.0	–	8.0	1.1x
<b>Real Assets</b>										
EQT Infrastructure II	Oct-12	0.7	1.9	1.7	1.0	0.7	3.5	2.7	0.8	2.1x
EQT Infrastructure III	Nov-16	3.3	4.0	3.3	0.0	3.3	4.9	0.1	4.8	1.5x
EQT Infrastructure IV	Nov-18	9.2	9.1	3.8	–	3.8	4.0	–	4.0	1.1x
Other		9.5		10.2			12.8			
<b>Total</b>		<b>39.9</b>		<b>36.5</b>			<b>54.9</b>			

Note: Cost and value of investments reflect only closed transactions as per the reporting date.

	Gross MOIC (December 31, 2018)	Gross MOIC (December 31, 2019)	Expected Gross MOIC	
<b>Private Capital</b>				
EQT VI		2.3x	2.4x	On plan
EQT VII		1.5x	1.8x	On plan
EQT VIII		1.0x	1.1x	On plan
<b>Real Assets</b>				
EQT Infrastructure II		1.9x	2.1x	On plan
EQT Infrastructure III		1.3x	1.5x	Above plan
EQT Infrastructure IV		1.0x	1.1x	On plan

Note: Data for current Gross MOIC reflects only closed investments and realizations. For Private Equity funds (part of segment Private Capital), "On Plan" refers to expected Gross MOIC between 2.0-2.5x. For Infrastructure funds (part of segment Real Assets), "On Plan" refers to expected Gross MOIC between 1.7-2.2x.

## Comments on the business activities in 2019

### INVESTMENT AND EXIT ACTIVITY

Total investments made by the EQT funds amounted to EUR 11.9bn (EUR 8.6bn) during 2019, an increase of 38% compared to 2018. While competition remained strong for high quality assets in 2019, the investment environment for EQT funds was good.

Of the total investments\* made during the period, 41% was invested in Private Capital, 40% in Real Assets and 19% in Credit. While the investment activity may vary between periods, the capital deployed in 2019 exceeded the historical average of 20–25% of a fund's committed capital per year over a cycle.

Total gross fund exits made by the EQT funds amounted to EUR 8.0bn (EUR 5.1bn) during 2019, an increase of 58% compared to 2018. The exit environment in 2019 was good, although buyers were generally selective. Of the total gross fund exits\*, 68% was in Private Capital, 18% in Real Assets and 14% in Credit.

### FUNDRAISING ACTIVITY AND AUM

As of December 31, 2019, AUM amounted to EUR 39.9bn (EUR 36.6bn). The fundraising environment in 2019 was supportive with good fund investor interest in private markets.

During the first half of 2019, EQT successfully closed the latest Infrastructure fund, EQT Infrastructure IV. The final close of EQT Infrastructure IV was held in March with EUR 9.1bn in fee-generating AUM, which represents a EUR 5.1bn increase compared to its predecessor fund (EQT Infrastructure III), driven by good demand from both new and existing investors.

In addition to continuous client relationship management, fundraising activity in the second half of 2019 focused on EQT Real Estate II and EQT Ventures II. EQT Ventures II held its final close in November 2019 at approximately EUR 620m in fee-generating AUM.

### VALUE CREATION

Value creation, measured as Gross MOIC, increased across all key EQT funds in 2019. The expected Gross MOIC developed "On plan" in key EQT funds in Private Capital and Real Assets, except for EQT Infrastructure III which, as per December 31, 2019, continued to develop "Above plan".

### PERSONNEL

The number of employees increased in 2019 across business lines, geographies and central functions. As of December 31, 2019, the number of full-time equivalent employees and on-site consultants (FTE plus) amounted to 706 (601), of which FTEs amounted to 645 (527). The increase was primarily driven by growth in Private Capital and Real Assets, digitalisation initiatives and preparing the organisation for the listing on Nasdaq Stockholm.

### OTHER

EQT expanded its European footprint by opening an office in Milan and performed preparatory work for a new office to be opened in Paris during the first quarter of 2020. EQT also expanded its footprint in APAC, with the opening of an office in Sydney on February 11, 2020.

### EARNINGS FOR THE GROUP

Adjusted total revenue increased by 54% to EUR 606m in 2019 (EUR 393m). The increase was primarily driven by the full-year effect of management fees related to EQT Infrastructure IV and EQT VIII. Management fees in 2019 amounted to EUR 574m (EUR 384m). Adjusted carried interest and investment income also increased during the year to EUR 31m (EUR 9m), driven mainly by carried interest recognition in EQT Infrastructure II and EQT VI.

Personnel expenses, excluding items affecting comparability, amounted to EUR 217m in 2019 (EUR 151m), an increase driven by growth in number of employees and adoption of a new Partner bonus program applied from the beginning of 2019. Other operating expenses, excluding items affecting comparability, amounted to EUR 115m in 2019 (EUR 86m). Items affecting comparability within total operating expenses amounted to EUR 60m (EUR 7m) and were primarily related to a one-off provision due to the VAT ruling announced by the Supreme Administrative Court of Sweden and the Group's restructuring and listing on Nasdaq Stockholm.

Adjusted EBITDA amounted to EUR 275m (EUR 156m), corresponding to a margin of 45% (40%).

Adjusted net income amounted to EUR 213m (EUR 127m).

\*Total investments and total gross fund exits in terms of capital (EUR).



## Private Capital

The business segment Private Capital consists of the business lines Private Equity, Mid Market Asia, Ventures and Public Value

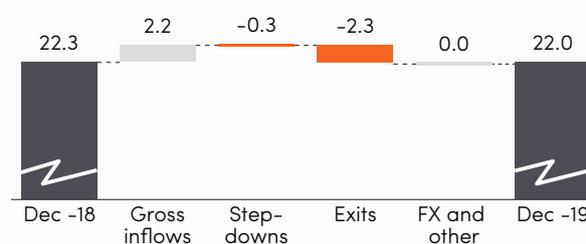
### KEY METRICS

EURbn	H2 2019	H2 2018	2019	2018
Investments by the EQT funds	2.5	3.2	4.9	5.1
Gross fund exits	1.6	1.1	5.5	3.5
Adjusted revenue (EURm)	171	147	331	256
Gross segment result (EURm)	109	103	207	163
Margin, %	64%	70%	63%	64%
AUM	22.0	22.3	22.0	22.3
Avg. AUM	22.1	22.9	22.2	19.6
FTE+ (# of, end of period)	236	226	236	226

### PERFORMANCE OF SELECTED FUNDS

	Gross MOIC		Expected Gross MOIC
	31 Dec 2018	31 Dec 2019	
EQT VI	2.3x	2.4x	On plan
EQT VII	1.5x	1.8x	On plan
EQT VIII	1.0x	1.1x	On plan

### AUM DEVELOPMENT (EURbn)



### COMMENTS ON JAN-DEC 2019 (JAN-DEC 2018)

#### INVESTMENT AND EXIT ACTIVITY

Total investments made by the EQT funds in Private Capital amounted to EUR 4.9bn (EUR 5.1bn). Investments include, among others, Galderma in Europe and Aldevron and Waystar in North America (all in EQT VIII). EQT Ventures and EQT Ventures II continued being active with several new portfolio companies and follow-on investments. EQT Public Value Fund continued investing in listed companies such as Bygghemma during 2019.

Total gross fund exits made by the EQT Funds amounted to EUR 5.5bn (EUR 3.5bn). The increase in exit volume was driven by a good exit environment and good performance in portfolio companies. Exits included IVC in Europe (EQT VI), Press Ganey in North America and AutoStore in Europe (both in EQT VII).

#### FUNDRAISING ACTIVITY AND AUM

AUM was EUR 22.0bn as of 31 December 2019 (EUR 22.3bn). Gross inflows of EUR 2.2bn were primarily related to investment activity in EQT VII, which increased net invested capital, and fundraising of EQT Ventures II. The gross inflows were offset by exits, primarily in EQT VI and EQT VII, which reduced net invested capital by EUR 2.3bn in total. AUM on an average basis increased by 13% in 2019, primarily due to the inclusion of EQT VIII since May 2018.

EQT Ventures II closed in November 2019, with approximately EUR 620m in fee-generating AUM.

The fundraising of EQT Ventures II also resulted in a step-down (management fees generated on net invested capital instead of committed capital) in the predecessor fund EQT Ventures.

#### VALUE CREATION

EQT VI current Gross MOIC increased to 2.4x (2.3x). EQT VII current Gross MOIC increased to 1.8x (1.5x). EQT VIII started to increase in value and was valued at 1.1x as of December 31, 2019.

Expected value creation (Gross MOIC) remains "On Plan" in the key funds in Private Capital per December 31, 2019, which means an expected Gross MOIC between 2.0-2.5x.

#### PERSONNEL

FTE+ at the end of the period amounted to 236 (226). Hirings in 2019 were distributed across investment strategies and regions.

#### RESULT FOR THE SEGMENT

Adjusted revenue amounted to EUR 331m in 2019, corresponding to an increase of 29% compared to EUR 256m in 2018 driven by a full-year effect of management fees from EQT VIII (start date May, 2018).

Gross segment result increased to EUR 207m (EUR 163m).

## Real Assets

The business segment Real Assets consists of the business lines Infrastructure and Real Estate

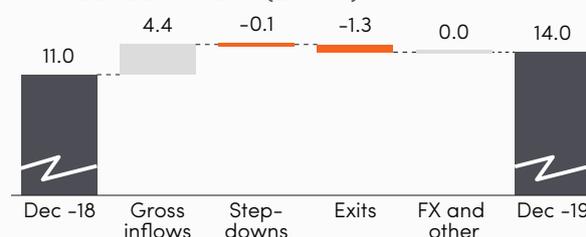
### KEY METRICS

EURbn	H2 2019	H2 2018	2019	2018
Investments by the EQT funds	1.5	1.8	4.7	2.4
Gross fund exits	1.0	0.5	1.4	0.6
Adjusted revenue (EURm)	114	49	231	95
Gross segment result (EURm)	85	29	177	58
Margin, %	75%	60%	77%	61%
AUM	14.0	11.0	14.0	11.0
Avg. AUM	14.5	7.6	13.9	6.4
FTE+ (# of, end of period)	106	86	106	86

### PERFORMANCE OF SELECTED FUNDS

	Gross MOIC		Expected Gross MOIC
	31 Dec 2018	31 Dec 2019	
EQT Infrastructure II	1.9x	2.1x	On plan
EQT Infrastructure III	1.3x	1.5x	Above Plan
EQT Infrastructure IV	1.0x	1.1x	On plan

### AUM DEVELOPMENT (EURbn)



## COMMENTS ON JAN-DEC 2019 (JAN-DEC 2018)

### INVESTMENT AND EXIT ACTIVITY

Total investments made by the EQT funds amounted to EUR 4.7bn (EUR 2.4bn). The increase was driven by a favourable investment climate, a strong deal pipeline and increased committed capital to invest from EQT Infrastructure IV. Investments include, among others, Zayo Group in North America and Parques Reunidos and IP-Only in Europe (all in EQT Infrastructure IV).

Total gross fund exits made by the EQT Funds amounted to EUR 1.4bn (EUR 0.6bn). The increase in exit volumes was driven by a good exit environment and good performance in portfolio companies. Exits include DCLI in North America (EQT Infrastructure II & III), Contanda in North America (EQT Infrastructure II) and Charleston and GB Railfreight in Europe (both in EQT Infrastructure II).

### FUNDRAISING ACTIVITY AND AUM

AUM increased during the year to EUR 14.0bn (EUR 11.0bn). This was primarily driven by EQT Infrastructure IV, of which EUR 3.5bn was closed in 2019 (fund size EUR 9.1bn). Other contributors to gross inflows include additional closings in EQT Real Estate II and add-on acquisitions in EQT Infrastructure III.

The gross inflows were offset by the step-down in EQT Real Estate I (as EQT Real Estate II started to invest) and exits primarily in EQT Infrastructure II and EQT Infrastructure III, reducing the net invested capital with EUR 1.3bn.

### VALUE CREATION

EQT Infrastructure II current Gross MOIC increased to 2.1x (1.9x). EQT Infrastructure III current Gross MOIC increased to 1.5x (1.3x). EQT Infrastructure IV started to increase in value, and was valued at 1.1x as of December 31, 2019.

Expected value creation (Gross MOIC) remains "On Plan" in EQT Infrastructure II and EQT Infrastructure IV, which means an expected Gross Moic between 1.7x-2.2x. EQT Infrastructure III continues to develop "Above plan" per December 31, 2019, which means an expected gross MOIC is >2.2x.

### PERSONNEL

FTE+ at the end of the period amounted to 106 (86). The hirings were distributed across Europe, North America and APAC.

### RESULT FOR THE SEGMENT

Adjusted revenue amounted to EUR 231m, corresponding to an increase of 144% compared to EUR 95m in 2018 driven by a full-year effect of management fees from EQT Infrastructure IV (start date November, 2018).

Gross segment result increased to EUR 177m (EUR 58m).

## Credit

The business segment Credit consists of EQT's credit investment platform focused on Direct Lending, Special Situations and Senior Debt

### KEY METRICS

EURbn	H2 2019	H2 2018	2019	2018
Investments by the EQT funds	1.3	0.6	2.3	1.1
Gross fund exits	0.5	0.5	1.1	1.0
Adjusted revenue (EURm)	19	16	36	35
Gross segment result (EURm)	6	8	12	21
Margin, %	31%	49%	34%	60%
AUM	3.9	3.2	3.9	3.2
Avg. AUM	3.6	3.1	3.5	3.1
FTE+ (# of, end of period)	41	34	41	34

### AUM DEVELOPMENT (EURbn)



### COMMENTS ON JAN-DEC 2019 (JAN-DEC 2018)

#### INVESTMENT AND EXIT ACTIVITY

Total investments made by the EQT funds and related investment vehicles amounted to EUR 2.3bn (EUR 1.1bn). The increase during 2019 was largely driven by EQT Mid-Market Credit II.

The market was characterised by good deal flow across strategies. The EQT funds and related investment vehicles remained cautious and selective, choosing to focus on opportunities where Credit had a clear angle or differentiator.

Total gross fund exits, including realized investments, amortisations and interest payments, made by the EQT funds and related investment vehicles amounted to EUR 1.1bn (EUR 1.0bn).

#### FUNDRAISING ACTIVITY AND AUM

AUM in Credit increased during the year to EUR 3.9bn (EUR 3.2bn). Gross inflows of EUR 1.1bn were primarily a result of increased investments by EQT Mid-Market Credit II, which generates fees on net invested capital, offset by realized investments in Senior Debt and EQT Credit II. Committed capital as per December 31, 2019, was EUR 5.5bn.

During the second half of 2019, Credit initiated the establishment of its CLO platform as an expansion of its Senior Debt strategy.

#### PERSONNEL

The number of FTE+ at the end of the period amounted to 41 (34). The hirings during 2019 have primarily been junior team members.

#### RESULT FOR THE SEGMENT

Adjusted revenue amounted to EUR 36m, an increase of 2% compared to EUR 35m in 2018. The increase of 2% is lower than the growth in average AUM as 2018 adjusted revenue included more revenues from carried interest and investment income.

Gross segment result decreased to EUR 12m (EUR 21m), primarily driven by an expansion of the team, a new compensation model for Partners, establishment costs related to CLOs and a lower amount of carried interest and of investment income compared to 2018.

#### OTHER

As announced in EQT's quarterly announcement on January 23, 2020, EQT has initiated a review of strategic options for the business segment Credit.

## Central

Central consists of management, client relations and capital raising, fund management, EQT Technology and other specialist functions such as HR and finance

### KEY METRICS

EURm	H2 2019	H2 2018	2019	2018
Gross segment result / EBITDA	-66	-47	-122	-86
FTE+ (# of, end of period)	323	256	323	256

### ABOUT CENTRAL

Central provide services to the business segments such as capital raising, sustainability, fund management, technology and digitalisation, HR, risk management, compliance and finance. Items reported under Central have not been allocated to the business segments. Central external revenue arises from services provided to fund managers of EQT funds raised before 2012, as well as to certain other non-consolidated entities.

### COMMENTS ON JAN-DEC 2019 (JAN-DEC 2018)

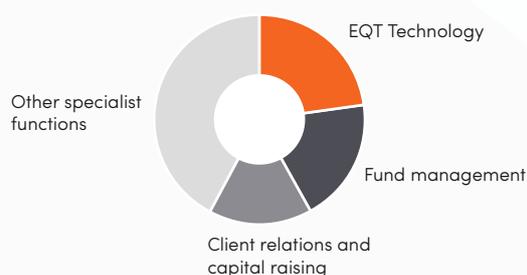
#### PERSONNEL

FTE+ at the end of the period amounted to 323 (256). The hirings were distributed across several areas and were related to general growth of operations, preparing the organisation for the listing on Nasdaq Stockholm and investments in digitalization.

#### RESULT FOR CENTRAL

The result for the period decreased to EUR -122m in 2019 from EUR -86m in 2018. This was primarily driven by the initiatives mentioned above.

### FTE+ OVERVIEW



**INFORMATION ON THE CONSOLIDATED INCOME STATEMENT**

**Revenues** for the period increased to EUR 600m (EUR 393m), of which management fees accounted for 96%. The increase in revenues has been driven by the significant increase in AUM primarily driven by EQT Infrastructure IV (Nov-18) and full year effect of EQT VIII (May-18). **Adjusted revenues** of EUR 606m (EUR 393m) were adjusted by removing fair value adjustment of acquired contractual rights to carried interest.

**Total operating expenses** during the year amounted to EUR 392m (EUR 244m) driven by further expansion and build-out of the operating platform, mainly through an overall growth of employees.

**EBITDA** increased by EUR 59m to EUR 208m (EUR 149m) corresponding to a margin of 35% (38%).

**Adjusted EBITDA** was EUR 275m (EUR 156m) corresponding to a margin of 45% (40%).

**Depreciation and amortization** amounted to EUR 30m (EUR 19m), primarily related to facility lease agreements. The current year depreciation also includes effects from the new offices in Stockholm and Milan.

**Net financial income and expenses** amounted to EUR -6m (EUR -2m). This is comprised of financial income of EUR 3m (EUR 5m) primarily related to currency translation differences and financial expenses of EUR -8m (EUR -7m) related to both currency translation differences and lease agreements according to IFRS 16.

**Income taxes** amounted to EUR 13m (EUR 8m) primarily driven by an increased profit before tax.

**Net income** increased to EUR 160m (EUR 121m). Adjustment items affecting net income, including tax effects, amounted to EUR 54m (EUR 6m). **Adjusted net income** was EUR 213m (EUR 127m).

**Earnings per share** before and after dilution amounted to EUR 0.188 (EUR 0.195) and EUR 0.187 (EUR 0.195), respectively. **Adjusted earnings per share** before and after dilution amounted to EUR 0.251 (EUR 0.204) and EUR 0.250 (EUR 0.204), respectively.

**Adjustment items affecting EBITDA** amounted to EUR 67m (EUR 7m), of which EUR 28m (EUR 7m) were items affecting comparability related to the reorganization of EQT's corporate structure, preparations for the IPO as well as bonuses in relation to the IPO and EUR 6m (EUR 0m) related to adjustment of revenue due to different accounting treatment of the acquired entitlement to carried interest in April 2019. In addition to the above, EUR 15m directly attributable to the issue of new shares in connection with the IPO has been recorded in equity. Items affecting comparability also include a one-off provision of EUR 32m that has been taken in 2019 due to the VAT ruling announced by the Supreme Administrative Court of Sweden on January 27, 2020.

**FINANCIAL POSITION**

**Goodwill and Other intangible assets** amounted to EUR 37m (EUR 29m). The increase in intangible assets primarily relates to the acquisition of entitlement to management fee surplus in EQT VI GP in April 2019, which is amortized linearly over three years.

**Property, plant and equipment** of EUR 113m (EUR 57m) increased mainly due to new facility lease agreement assets in Stockholm but also the new office in Milan.

**Financial investments** increased by EUR 53m to EUR 71m (EUR 18m) primarily driven by additional investments from EQT AB Group into EQT funds, acquisition of increased revenue entitlement from selected EQT funds in April 2019 and revaluation of existing interests in the EQT funds.

**Current assets** amounted to EUR 1,193m (EUR 413m), where an increase in cash and cash equivalents contributed EUR 644m mainly related to the IPO. Cash and cash equivalents at the end of the 2019 was EUR 909m (EUR 264m).

**Equity** increased to EUR 1,082m (EUR 331m). The increase is primarily related to the new share issue in conjunction with the listing but also related to activities to simplify the EQT AB Group's ownership structure and increase in total income.

**Non-current liabilities** of EUR 78m (EUR 42m) has increased mainly due to new facility lease agreement liabilities.

**Current liabilities** of EUR 269m (EUR 153m) increased due to increased accrued expenses related to personnel.

**PARENT COMPANY**

The parent company's profit before tax increased to SEK 1,603m, mainly due to increased dividends from subsidiaries.

A decision to set up a separate treasury entity was taken during the period. In conjunction with this initiative a shareholder's contribution of EUR 800m has been performed during the year, to be settled in cash during 2020.

**SIGNIFICANT EVENTS DURING THE PERIOD***Significant events and transactions*

Christian Sinding was appointed CEO and Managing Partner of EQT AB and Caspar Callerström was appointed deputy CEO, both with effect from January 1, 2019. Thomas von Koch was appointed Chairperson of Asia-Pacific and Deputy Managing Partner.

On September 24, 2019, EQT AB's ordinary shares were listed on Nasdaq Stockholm under the symbol "EQT". The price in the IPO was set at SEK 67 per share. The IPO attracted strong interest from both Swedish and international institutional investors as well as the general public in Sweden. The IPO was more than 10 times over-subscribed.

All Partners (who in total owned approximately 74% of EQT AB ("the Company") immediately before the Offering) have, with certain exemptions, agreed not to transfer or dispose of their respective shares for a period of five years after the first day of trading, without prior written consent from the Company, except if the employment within the EQT AB Group has not been terminated, the lock-up undertakings will expire with respect to 25% of the shares subject to lock-up after three years and an additional 25% after four years.

Investor AB and related entities as well as the members of the board of directors and executive management who are not Partners and shareholders in the Company also agreed in conjunction with the listing, with certain exceptions, for a period of one year after the first day of trading, not to transfer or dispose of their respective holdings in the Company, without prior written consent.

*Equity related resolutions adopted at different shareholder meetings during the period*

In December 2018, it was resolved to carry out a reorganization with the main purpose of establishing EQT AB as the ultimate parent company in the EQT AB Group, simplify the ownership interest in the Company as well as prepare for the listing of the Company on Nasdaq Stockholm.

During the first half of 2019 the reorganization continued, including the below events and transactions:

- In accordance with a resolution adopted at the extraordinary shareholders meeting in December 2018 a directed share issue of 404,376 ordinary shares, SEK 495m corresponding to EUR 44m, took place and was duly paid and registered during April 2019
- Directed dividends of EUR 30m, constituting of EUR 21m to the preference shareholder of EQT AB and EUR 9m to one shareholder
- A bonus issue of SEK 87m, corresponding to EUR 8m, affecting unrestricted equity and share capital in equal amounts
- Redemption of 6,200 preference shares outstanding in EQT AB in accordance with the articles of association, corresponding to EUR 93m
- A share split of 1:100

At the annual shareholders meeting held on June 27, 2019, it was resolved to implement a share program for the EQT AB Group employees. In accordance with this the board of directors was authorized to issue convertible and redeemable class C shares in order to transfer these to the participants in the EQT Share Program. During the second half of 2019 a new share issue of 8,663,490 class C shares was carried out at quota value, corresponding to a value of SEK 0.8m.

*Acquisition of entitlement to revenue*

In April 2019, EQT AB Group, through re-negotiations of existing contracts, acquired the contractual right to management fee surplus of EQT VI GP, i.e. management fees reduced by operating and financial expenses (if any) of EQT VI GP.

The acquisition of entitlement to management fee surplus in EQT VI GP was based on fair market value assessed through a discounted cash flow valuation. Revenue from the acquired management fee surplus will be recognized in full and the intangible asset will be linearly amortized over three years with no residual value.

At the same time EQT AB Group, also through re-negotiations of existing contracts, increased its share of carried interest entitlements in a number of EQT funds, and also acquired 5.73% of the contractual rights to carried interest and investment income generated by the EQT VI fund. The acquisitions of contractual rights to carried interest entitlement were based on net asset value, (i.e. the full contingent mark-to-market value) which is higher than accrued revenue if the acquired contractual right had been valued in accordance with IFRS 15 and the, by the Group, applied discounts. Revenues from carried interest will be recognized once IFRS 15 accrued revenues exceed the fair market value (i.e. deal value).

Following these transactions the EQT AB Group will continue to provide investment advisory services and support services but with a modified compensation model.

Payments for the aforementioned transactions were made in cash (EUR 24m) and through a share issue in kind of 982,669 ordinary shares (SEK 1,337m) corresponding to a value of EUR 128m. The transactions resulted in an intangible assets, financial investments and accrued income.

*Incentive program*

The shareholders' meeting in June 2019 resolved to implement a share program for the EQT AB Group employees. The objective of the program is to align employees' performance to the interest of the shareholders, based on performance metrics tailored to EQT AB's strategic goals. The share program is divided into five separate annual grants with maximum dilution of approximately 0.3% per annual grant, and approximately 1.0% in total. During the initial year of each grant an amount may be earned, depending on the outcome of the

performance metrics, which after that year is settled in the number of shares in EQT that corresponds to the amount earned. The shares constitute class C shares, with rights to receive dividends and with 1/10 vote, held for three years before being converted into ordinary shares that can be traded. No vesting conditions apply during the three year holding period. The expenses recognized during 2019 amounts to EUR 11m.

In connection with the IPO, a number of employees received additional remuneration, conditional upon the completion of the listing. The expenses recognized amounts to EUR 11m in total.

A number of employees (non-Partners) received a one off bonus payment correlated to any increase in the price of the Company's shares during the approximately first three months following the first day of trading, up to a certain maximum amount. The bonus payment was performed by an entity outside the EQT AB Group which is indirectly owned by certain Partners, and EQT AB Group will be indemnified for any social security cost incurred in connection with such bonus. This payment has not resulted in an outflow of resources for EQT AB Group but due to the fact that the payment is made to employees in the EQT AB Group, and that the bonus payment is dependent on the share price of EQT AB, this is, from an accounting perspective, treated as a share based payment. Total expenses for EQT AB Group amounts to EUR 3m (which has been fully reimbursed), with the same amount recognized as an addition to equity.

#### SIGNIFICANT EVENTS AFTER DECEMBER 31, 2019

In light of the investment level of EQT VIII, preparations for the successor fund EQT IX has intensified and the target size for the EQT IX fund has been set at EUR 14.75bn. The actual fund size is dependent on the outcome of the fundraising process and may ultimately be higher or lower than the target size. The EQT IX fund's investment strategy and commercial terms are expected to be materially in line with predecessor fund EQT VIII.

EQT has initiated a review of strategic options for the business segment Credit. The growth prospects of Credit are in avenues further away from EQT's core business of active ownership where EQT can make a strong impact and fully utilize the EQT platform.

On January 27, 2020, the Supreme Administrative Court of Sweden ("SAC") announced its decision on the appealed advance tax ruling regarding VAT for EQT AB's Swedish subsidiary EQT Partners AB. The SAC mainly subscribed to the approach of the Swedish Tax Agency why, as a result of current accounting practice, a one-off provision of EUR 32m has been taken in 2019. The decision is not expected to have a material impact on EQT AB Group's future financial position or result.

#### RELATED PARTIES

Following a new share issue resolved by an extraordinary shareholders' meeting on December 19, 2018 and allotted by the board of directors on April 2, 2019 following the receipt of necessary regulatory approvals Investor AB became a related party to EQT AB. Through the new share issue Investor AB, via its wholly owned subsidiary Investor Investments Holding AB, increased its ownership in EQT AB from approximately 19% to approximately 23%.

In conjunction with the listing a total of 114,358,068 shares was offered by selling shareholders (in addition to the new shares offered). As one of the selling shareholders Investor AB, via its wholly owned subsidiary Investor Investments Holding AB sold 26,967,384 shares which decreased its ownership in EQT AB from approximately 23% to 18%. Hence, from the date of the listing Investor AB is no longer a related party to EQT AB Group.

In April 2019, the Company entered into consultancy agreements with the Company's board members Edith Cooper and Gordon Orr. In accordance with these consultancy agreements, Edith Cooper and Gordon Orr shall – in parallel to their respective assignments as members of the board of directors – provide consultancy services as senior advisors to support EQT's administration of its network of Advisors. Both Edith Cooper and Gordon Orr are entitled to an annual fixed retainer of EUR 35,000 each for the provision of these consultancy services. These consultancy agreements have been entered into for a fixed period until June 30, 2020, after which the agreements may be renewed. Both EQT AB and the respective consultants may terminate the consultancy agreements by observing one month's notice.

There has been no other significant transactions between EQT and related parties during the period.

#### PLEGGED ASSETS AND CONTINGENT LIABILITIES

There have been no significant changes in pledged assets and contingent liabilities compared to the latest annual report.

#### RISK MANAGEMENT

The main risks that the EQT AB Group is exposed to are those impacting the performance of the EQT Funds and the EQT AB Group's ability to raise new funds or meet fundraising targets. These include market, business and industry risks affecting the performance of the EQT funds' investments, as well as trends in the mergers and acquisitions market.

The EQT AB Group is also dependent on key personnel and a network of Advisors and is exposed to the risk of not being able to attract and retain talent or experiencing a dilution of its corporate culture. The EQT AB Group's Human Resources department works closely with business lines and

functions, both centrally and locally, to maintain staff satisfaction and a positive environment supported by strong values.

Regulatory risks are increasingly prominent given the number and scale of regulations the EQT AB Group is subject to via its regulated subsidiaries. These are monitored and mitigated by the Regulatory & Compliance team.

The EQT AB Group is exposed to credit, liquidity, interest, revaluation and foreign exchange risks, which could lead to financial losses if not managed properly. Financial risks are reported to the CFO on a regular basis to ensure they remain in line with the EQT AB Group's risk profile.

Certain operational risks, including the risk of cyberattacks or fraud, are of particular focus given the rising threat these pose to the financial services industry. In this area the EQT AB Group has implemented a number of measures, both technical and operational, to ensure security risks are minimised.

The EQT AB Group's risks and risk management measures will be described in more detail in the Annual Report.

### USE OF JUDGEMENTS AND ESTIMATES

The management of the EQT AB Group makes estimates and assumptions concerning the future as well as exercises judgment in applying the accounting principles when preparing financial statements. Estimates and judgments are continually evaluated and the assessments are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The sources of uncertainty in the assessments given below refer to those that entail a risk that the value of assets or liabilities may have to be significantly adjusted during the following year, together with significant judgments in the application of the EQT AB Group's accounting policies.

#### *Carried interest*

Carried interest is a share of profits that the EQT AB Group receives through its holdings in the Special Limited Partners as variable consideration fully dependent on the performance of the relevant fund and the development of the fund's underlying investments. The EQT AB Group is entitled to an agreed share of accumulated profits exceeding agreed thresholds ("hurdles") over the expected life of each individual fund.

Estimates are needed to assess the risk that achieved earnings will reverse before realization, due to risk of lower future overall performance of the fund, considering the remaining exposure of unrealized investments and time until winding up of the fund.

Management of the Group needs to make assumptions and use estimates when determining whether or not revenue should be recognized including the timing and measurement of revenue from carried interest. Revenue should only be recognized to the extent it is highly probable that the revenue would not result in significant revenue reversal of any accumulated revenue recognized on final settlement. The reversal risk is managed through adjustments of current unrealized fund values by imposing discounts of 30 to 50%. The discounts applied depend on specific segment risks and the expected average remaining holding period of each fund. The discounts applied are updated semi-annually.

The carrying amount of the contract asset related to carried interest at December 31, 2019 was EUR 119m (EUR 5m).

#### *Investment income*

Investment income consist primarily of changes in fair value of the EQT AB Group's underlying fund investments. Determining the fair value for the investments require subjective assessment with varying degrees of judgement regarding e.g. liquidity, pricing assumptions, the current economic and competitive environment and the risks affecting the specific financial asset. The valuation is determined based on management's judgment about the assumptions to reflect what market participants would use in pricing the asset. The valuation techniques applied by the EQT AB Group for valuing the financial investments are applied consistently, and only change if deemed necessary to reflect a representative fair value.

The carrying amount of financial investments at December 31, 2019 was EUR 66m (EUR 18m).

#### *Non-consolidated special entities*

According to IFRS 10 Consolidation, an investor that has control over only specified and ring-fenced assets and liabilities within a legal entity, should, for consolidation purposes, treat portions of the entity as a deemed separate entity, a so called "silo". The silo concept means that the EQT AB Group only consolidates the silo and not the whole entity. The specified assets of one silo is not available to meet obligations of other parts of the legal entity. Each silo's assets are the only source of payment for specified obligations of the silo. Silos that are not directly or indirectly controlled by EQT AB are not considered to be subsidiaries and are accordingly not consolidated.

EQT AB is an indirect investor in each EQT fund, typically through separate entities, one separate entity for each EQT fund. These indirectly owned entities have different investors with different economic rights and responsibilities, where the right to management fees is 100% held by the EQT AB Group and consolidated in full. The right to carried interest is split between the investors and tracks investments and proceeds via a holding in each fund's Special Limited Partner.

**EQT AB**

EQT AB (publ.), reg.no. 556849-4180, is a company domiciled in Sweden. The visiting address of the Company's office is Regeringsgatan 25, 111 53 Stockholm, Sweden. The registered postal address is Box 16409, 103 27 Stockholm, Sweden. The interim consolidated financial statements for the full year and the six months ended on December 31, 2019 and 2018 comprise EQT AB and its direct or indirect subsidiaries, together referred to as the "EQT AB Group".

**ACCOUNTING POLICIES**

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and applicable additional provisions of the Swedish Annual Accounts Act.

The interim report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act chapter 9.

The accounting policies applied in these consolidated interim financial statements and the interim separate financial statements for the parent EQT AB are the same as those applied in the annual report 2018.

The effect of issued standards and interpretations issued by the IASB or the IFRS Interpretations Committee not yet effective is not expected to have any material effect on the Group.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

EQT AB's Financial Reports are published in English and Swedish. In the case of inconsistencies in the translation, the Swedish original version shall prevail.

**PROPOSED DIVIDENDS**

The Board of Directors proposes a dividend to the shareholders of SEK 2.20 per share for fiscal year 2019. The dividend is proposed to be paid out in two installments, SEK 1.10 with record date June 10, 2020 and SEK 1.10 with record date December 1, 2020.

**FINANCIAL CALENDAR**

Annual Report 2019	April 3-6
Quarterly Announcement January-March 2020	April 24
Annual Shareholders' Meeting 2020	June 8
Quarterly Announcement April-June 2020	July 16
Half-year Report 2020	August 20
Quarterly Announcement July-September 2020	October 21
Year-end Report January-December 2020	January 26, 2021

**AUDITOR'S REVIEW**

This year-end report has not been reviewed by EQT's auditor.

**SIGNATURE**

Stockholm, February 12, 2020

Christian Sinding  
CEO



## CONSOLIDATED INCOME STATEMENT

The below table shows figures according to IFRS. For adjusted figures corresponding to the internal reporting please refer to note 1 and pages 28–29.

EURm	H2 2019	H2 2018	2019	2018
Management fees	294	213	574	384
Carried interest and investment income	10	2	25	9
<b>Total revenue</b>	<b>304</b>	<b>214</b>	<b>600</b>	<b>393</b>
Personnel expenses	-123	-77	-230	-151
Other operating expenses	-96	-52	-161	-93
<b>Total operating expenses</b>	<b>-219</b>	<b>-129</b>	<b>-392</b>	<b>-244</b>
<b>Operating profit before depreciation and amortization (EBITDA)</b>	<b>85</b>	<b>85</b>	<b>208</b>	<b>149</b>
Depreciation and amortization	-17	-9	-30	-19
<b>Operating profit (EBIT)</b>	<b>68</b>	<b>76</b>	<b>178</b>	<b>130</b>
Financial income	0	1	3	5
Financial expenses	-3	-5	-8	-7
<b>Net financial income and expenses</b>	<b>-2</b>	<b>-3</b>	<b>-6</b>	<b>-2</b>
<b>Profit before income tax</b>	<b>66</b>	<b>73</b>	<b>173</b>	<b>128</b>
Income taxes	-2	-2	-13	-8
<b>Net income</b>	<b>64</b>	<b>71</b>	<b>160</b>	<b>121</b>
<i>Attributable to:</i>				
Owners of the parent company	64	71	160	121
Non-controlling interests	-	-	-	-
<i>Earnings per share, EUR</i>				
before dilution	0.070	0.114	0.188	0.195
after dilution	0.070	0.114	0.187	0.195
<i>Average number of shares</i>				
before dilution	912,885,670	624,481,424	851,289,562	620,912,290
after dilution	913,345,106	624,481,424	851,748,997	620,912,290



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EURm	H2 2019	H2 2018	2019	2018
<b>Net income</b>	<b>64</b>	<b>71</b>	<b>160</b>	<b>121</b>
<i>Other comprehensive income</i>				
<b>Items that are or may be reclassified subsequently to income statement</b>				
Foreign operations - foreign currency translation differences	1	1	-2	-1
<b>Other comprehensive income for the period</b>	<b>1</b>	<b>1</b>	<b>-2</b>	<b>-1</b>
<b>Total comprehensive income for the period</b>	<b>65</b>	<b>72</b>	<b>158</b>	<b>120</b>
<i>Attributable to:</i>				
Owners of the parent company	65	72	158	120
Non-controlling interests	-	-	-	-
	<b>65</b>	<b>72</b>	<b>158</b>	<b>120</b>



## CONSOLIDATED BALANCE SHEET

EURm	Note	2019	2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill		15	15
Other intangible assets		22	15
Property, plant and equipment		113	57
Financial investments	3	71	18
Other financial assets		3	3
Other non-current assets		4	6
Deferred tax assets		8	0
<b>Total non-current assets</b>		<b>236</b>	<b>113</b>
<b>Current assets</b>			
Current tax assets		8	5
Accounts receivable		6	1
Other current assets		113	116
Prepaid expenses and accrued income		158	26
Cash and cash equivalents		909	264
<b>Total current assets</b>		<b>1,193</b>	<b>413</b>
<b>Total assets</b>		<b>1,429</b>	<b>526</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		9	0
Other paid in capital		837	228
Reserves		-7	-5
Retained earnings including net income		242	108
<b>Total equity attributable to owners of the parent company</b>		<b>1,082</b>	<b>331</b>
<b>Non-controlling interest</b>		<b>-</b>	<b>0</b>
<b>Total equity</b>		<b>1,082</b>	<b>331</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities		76	38
Deferred tax liabilities		2	4
<b>Total non-current liabilities</b>		<b>78</b>	<b>42</b>
<b>Current liabilities</b>			
Interest-bearing liabilities		9	15
Lease liabilities		14	8
Current tax liabilities		19	7
Accounts payable		12	13
Other liabilities		74	24
Accrued expenses and deferred income		140	85
<b>Total current liabilities</b>		<b>269</b>	<b>153</b>
<b>Total liabilities</b>		<b>347</b>	<b>195</b>
<b>Total equity and liabilities</b>		<b>1,429</b>	<b>526</b>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EURm	Attributable to owners of the parent comp					Non-controlling interest	Total equity
	Share capital	Other paid in capital	Translation reserve	Retained earnings	Total equity attr to owners of the parent company		
<b>Opening balance at January 1, 2019</b>	<b>0</b>	<b>228</b>	<b>-5</b>	<b>108</b>	<b>331</b>	<b>0</b>	<b>331</b>
<b><i>Total comprehensive income for the period</i></b>							
Net income				160	160		160
Other comprehensive income for the period			-2		-2		-2
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>160</b>	<b>158</b>	<b>-</b>	<b>158</b>
<b><i>Transactions with owners of the parent company</i></b>							
Dividends				-30	-30		-30
Share issues	1	715			716		716
Transaction costs (net of tax)		-12			-12		-12
Bonus issue	8			-8	-		-
Share based bonus				12	12		12
Purchase of own shares and/or participations		-93			-93		-93
Acquisition of minority				0	0	-0	-
<b>Total transactions with owners of the parent company</b>	<b>9</b>	<b>610</b>	<b>-</b>	<b>-26</b>	<b>593</b>	<b>-0</b>	<b>593</b>
<b>Closing balance at December 31, 2019</b>	<b>9</b>	<b>837</b>	<b>-7</b>	<b>242</b>	<b>1,082</b>	<b>-</b>	<b>1,082</b>
<b><i>Opening balance at January 1, 2018</i></b>							
<b>Opening balance at January 1, 2018</b>	<b>0</b>	<b>74</b>	<b>-4</b>	<b>44</b>	<b>114</b>	<b>0</b>	<b>114</b>
<b><i>Total comprehensive income for the period</i></b>							
Net income				121	121		121
Other comprehensive income for the period			-1		-1		-1
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-1</b>	<b>121</b>	<b>120</b>	<b>-</b>	<b>120</b>
<b><i>Transactions with owners of the parent company</i></b>							
Dividends				-51	-51		-51
Share issues		154			154		154
Purchase of own shares and/or participations				-6	-6		-6
<b>Total transactions with owners of the parent company</b>	<b>-</b>	<b>154</b>	<b>-</b>	<b>-57</b>	<b>97</b>	<b>-</b>	<b>97</b>
<b>Closing balance at December 31, 2018</b>	<b>0</b>	<b>228</b>	<b>-5</b>	<b>108</b>	<b>331</b>	<b>0</b>	<b>331</b>



## CONSOLIDATED STATEMENT OF CASH FLOWS

EURm	2019	2018
<b>Cash flows operating activities</b>		
Operating profit (EBIT)	178	130
Adjustments:		
Depreciation and amortization	30	19
Changes in fair value	-11	-1
Foreign currency exchange differences	-5	-0
Other non-cash adjustments	12	-
Increase (-) / decrease (+) in accounts receivable and other receivables	-32	-16
Increase (+) / decrease (-) in accounts payable and other payables	82	15
Income taxes paid	-10	-13
<b>Net cash from operating activities</b>	<b>244</b>	<b>134</b>
<b>Cash flows investing activities</b>		
Investment in intangible assets	-1	-4
Acquisition of property, plant and equipment	-17	-3
Investment in financial investments	-34	-8
Acquisition of entitlement	-24	-
Proceeds from disposals of financial investments	9	1
Investment in non current assets	23	-28
<b>Net cash from (+) / used in (-) investing activities</b>	<b>-45</b>	<b>-41</b>
<b>Cash flows financing activities</b>		
Dividends paid	-30	-51
Repayment of borrowings	-6	-5
Proceeds from borrowings	-	15
Investment in short term loan receivable	6	-15
Payment of lease liabilities	-11	-7
Net of interest received and interest paid	-3	-1
Share issues	575	154
Purchase of own shares and/or participations	-93	-6
<b>Net cash from (+) / used in (-) financing activities</b>	<b>437</b>	<b>84</b>
<b>Net increase (+) / decrease (-) in cash and cash equivalents</b>	<b>636</b>	<b>176</b>
Cash and cash equivalents at the beginning of the period	264	89
Translation differences	8	-1
<b>Cash and cash equivalents at the end of the period</b>	<b>909</b>	<b>264</b>



## PARENT COMPANY INCOME STATEMENT

SEKm	H2 2019	H2 2018	2019	2018
Net sales	595	213	900	426
Other operating income	3	3	6	11
<b>Total revenue</b>	<b>598</b>	<b>216</b>	<b>906</b>	<b>437</b>
Personnel expenses	-191	-80	-305	-159
Other external expenses	-282	-214	-566	-355
Depreciation and amortization	-8	0	-15	-1
<b>Operating profit/loss</b>	<b>117</b>	<b>-79</b>	<b>20</b>	<b>-77</b>
Profit/loss from shares in subsidiaries	1,742	1,135	1,828	1,151
Interest income and similar profit/loss items	44	46	87	60
Interest expense and similar profit/loss items	-190	-30	-203	-33
<b>Profit/loss after financial items</b>	<b>1,713</b>	<b>1,072</b>	<b>1,732</b>	<b>1,100</b>
Group contribution, paid	-130	-	-130	-
<b>Profit/loss before tax</b>	<b>1,583</b>	<b>1,072</b>	<b>1,603</b>	<b>1,100</b>
Income taxes	33	15	40	8
<b>Net income</b>	<b>1,616</b>	<b>1,087</b>	<b>1,642</b>	<b>1,109</b>



## PARENT COMPANY BALANCE SHEET

SEKm	2019	2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
<i>Intangible assets</i>		
Trademarks	0	0
<b>Total intangible assets</b>	<b>0</b>	<b>0</b>
<i>Property, plant and equipment</i>		
Leasehold improvements	73	15
Equipment	10	1
<b>Total property, plant and equipment</b>	<b>82</b>	<b>15</b>
<i>Financial assets</i>		
Shares in subsidiaries	11,941	1,402
Other securities held as non-current assets	14	12
Deferred tax	83	-
Other long-term receivables	4	2
<b>Total financial assets</b>	<b>12,042</b>	<b>1,415</b>
<b>Total non-current assets</b>	<b>12,124</b>	<b>1,431</b>
<b>Current assets</b>		
<i>Current receivables</i>		
Accounts receivable	11	10
Receivables from subsidiaries	2,783	1,543
Current tax assets	13	17
Other receivables	294	250
Prepaid expenses and accrued income	37	19
<b>Total current receivables</b>	<b>3,138</b>	<b>1,839</b>
Cash and bank	8,620	2,036
<b>Total current assets</b>	<b>11,758</b>	<b>3,875</b>
<b>Total assets</b>	<b>23,882</b>	<b>5,306</b>
<b>EQUITY AND LIABILITIES</b>		
<i>Restricted equity</i>		
Share capital	96	0
<b>Total restricted equity</b>	<b>96</b>	<b>0</b>
<i>Non-restricted equity</i>		
Share premium reserve	8,984	1,355
Profit or loss brought forward	942	1,127
Net income	1,642	1,109
<b>Total non-restricted equity</b>	<b>11,568</b>	<b>3,590</b>
<b>Total equity</b>	<b>11,664</b>	<b>3,590</b>
<b>Current liabilities</b>		
Accounts payable	25	9
Liabilities to subsidiaries	11,965	1,539
Other liabilities	41	32
Accrued expenses and deferred income	188	135
<b>Total current liabilities</b>	<b>12,218</b>	<b>1,715</b>
<b>Total equity and liabilities</b>	<b>23,882</b>	<b>5,306</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 1 OPERATING SEGMENTS AND DISAGGREGATION OF REVENUE

The CEO of EQT AB Group has been identified as the chief operating decision-maker. EQT AB Group is divided into operating segments based on how the CEO reviews and evaluates the operation. The operating segments correspond to the internal reporting used to assess performance and to allocate resources.

EQT's operations are divided into three business segments: Private Capital, Real Assets and Credit. The operations of all three business segments consists of providing investment management services in the private investment markets. The investment management services comprise i.a. structuring and investment advice, investment management and monitoring as well as reporting and administrative services.

The business segment Private Capital consists of business lines Private Equity, Mid Market Asia, Ventures and Public Value. The business segment Real Assets consists of business lines Infrastructure and Real Estate. The business segment Credit consists of EQT's credit investment platform.

The CEO assesses the operating segments based on the line items presented below, primarily on revenue and Gross segment results. Segment revenues has been adjusted by removing the fair value adjustment of acquired contractual rights to carried interest. Accordingly, the acquired contractual right to carried interest reflects the sellers carrying amount adjusted to EQT AB Group's accounting policies, i.e. the accrued income excluding the fair value uplift made at the acquisition date in the consolidated accounts of EQT AB Group. The difference between the carrying amount and fair value of accrued carried interest is primarily due to the constraint requirements of IFRS 15 of variable performance-based income reflected through the application of the Group's prudent revenue recognition model for carried interest. Expenses directly incurred by each respective business segment are included in gross segment result, whereas items reported under Central have not been allocated to any business segment. Central consists of management, client relations and capital raising, fund management, EQT Technology and other specialist functions such as HR and finance. Central revenue arises from services provided to Fund Managers of EQT funds raised before 2012, as well as to certain other non-consolidated entities.

Reconciliations consists of revenue adjustments (see above) as well as items affecting comparability. Items affecting comparability relates to costs as a result of the preparatory work as well as bonuses in relation to the IPO process and the restructuring of the EQT AB Group including i.a. costs for legal, financial, commercial and other advisors. Items affecting comparability also include a one-off provision of EUR 32m that has been taken in 2019 due to the VAT ruling announced by the Supreme Administrative Court of Sweden on January 27, 2020.

Gross segment result together with central items and reconciliations constitute EQT AB Group's EBITDA. EBITDA is defined as Operating profit excluding depreciation and amortization of property, plant and equipment and intangible assets.

H2 2019 EURm	Private Capital	Real Assets	Credit	Central	Total adjusted	Items affecting Revenue com- parab. adjust- ment reported	IFRS reported
<b>Total revenues</b>	171	114	19	4	307	-3	304
Personnel expenses					-113	-10	-123
Other operating expenses					-59	-37	-96
<b>Total operating expenses</b>	-62	-28	-13	-69	-173	-47	-219
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	109	85	6	-66	135	-47	85
Margin, %	64%	75%	31%		44%		28%
Depreciation and amortization					-17		-17
<b>EBIT</b>					118	-47	68
Net financial income and expenses					-2		-2
Income taxes					-12	10	-2
<b>Net income</b>					104	-37	64

<sup>1)</sup> Gross segment result relates to the segments Private Capital, Real Assets and Credit.

<sup>2)</sup> EBITDA relates to Central, Total adjusted and IFRS reported.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

H2 2018 EURm	Private Capital	Real Assets	Credit	Central	Total adjusted	Items affecting com- parab.	Revenue adjust- ment	IFRS reported
<b>Total revenues</b>	147	49	16	3	214			214
Personnel expenses					-77			-77
Other operating expenses					-45	-7		-52
<b>Total operating expenses</b>	-44	-20	-8	-50	-122	-7	-	-129
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	103	29	8	-47	93	-7	-	85
Margin, %	70%	60%	49%		43%			40%
Depreciation and amortization					-9			-9
<b>EBIT</b>					84	-7	-	76
Net financial income and expenses					-3			-3
Income taxes					-3	2		-2
<b>Net income</b>					77	-6	-	71

<sup>1)</sup> Gross segment result relates to the segments Private Capital, Real Assets and Credit.

<sup>2)</sup> EBITDA relates to Central, Total adjusted and IFRS reported.

2019 EURm	Private Capital	Real Assets	Credit	Central	Total adjusted	Items affecting com- parab.	Revenue adjust- ment	IFRS reported
<b>Total revenues</b>	331	231	36	8	606		-6	600
Personnel expenses					-217	-14		-230
Other operating expenses					-115	-46		-161
<b>Total operating expenses</b>	-124	-54	-24	-130	-331	-60	-	-392
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	207	177	12	-122	275	-60	-6	208
Margin, %	63%	77%	34%		45%			35%
Depreciation and amortization					-30			-30
<b>EBIT</b>					245	-60	-6	178
Net financial income and expenses					-6			-6
Income taxes					-26	13		-13
<b>Net income</b>					213	-47	-6	160

<sup>1)</sup> Gross segment result relates to the segments Private Capital, Real Assets and Credit.

<sup>2)</sup> EBITDA relates to Central, Total adjusted and IFRS reported.

2018 EURm	Private Capital	Real Assets	Credit	Central	Total adjusted	Items affecting com- parab.	Revenue adjust- ment	IFRS reported
<b>Total revenues</b>	256	95	35	7	393		-	393
Personnel expenses					-151			-151
Other operating expenses					-86	-7		-93
<b>Total operating expenses</b>	-93	-37	-14	-93	-237	-7	-	-244
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	163	58	21	-86	156	-7	-	149
Margin, %	64%	61%	60%		40%			38%
Depreciation and amortization					-19			-19
<b>EBIT</b>					137	-7	-	130
Net financial income and expenses					-2			-2
Income taxes					-9	2		-8
<b>Net income</b>					127	-6	-	121

<sup>1)</sup> Gross segment result relates to the segments Private Capital, Real Assets and Credit.

<sup>2)</sup> EBITDA relates to Central, Total adjusted and IFRS reported.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### *Geographical areas*

EQT AB Group's business of providing fund management services cannot reliably and fairly be reviewed by geographical areas. EQT AB Group's fund investors may often be located in multiple jurisdictions and the funds through which the fund investors invest are located in a few centers where fund management services are provided, principally Luxembourg.

### **NOTE 2 COMMITMENTS**

EQT has commitments of future cash outflows based on signed agreements relating to committed amounts regarding financial investments. At December 31, 2019, the EQT AB Group had remaining commitments to invest in multiple EQT funds and fund related vehicles of a total amount of EUR 71m (EUR 75m). The commitments are called over time, normally between one to five years following the commitment.

### **NOTE 3 FINANCIAL INSTRUMENTS AND FAIR VALUES**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

EQT AB Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs – other than quoted prices included within level 1 – that are observable for assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3)

EQT AB Group measure investments in investment programs at fair value in the balance sheet. The fair values for these investments at December 31, 2019 was EUR 66m (EUR 18m) are using inputs that are not based on observable market data and are therefore classified as level 3 in the fair value hierarchy. There has not been any transfers between levels in the fair value hierarchy during the periods presented.

#### *Level 3 fair values*

The table below shows a reconciliation of level 3 fair values.

EURm	2019	2018
Opening balance	18	10
Net change in fair value	11	1
Acquisitions	16	-
Investments	29	8
Divestments	-9	-1
<b>Balance end of period</b>	<b>66</b>	<b>18</b>

Net change in fair value is included in "Carried interest and investment income" in the income statement.

#### *Level 3 sensitivity analysis*

From an EQT AB Group perspective, financial investments are normally measured at fair value applying the adjusted net asset values of the investment programs. A reasonable possible change of 10% in the adjusted net asset value would affect the fair values of the investments at December 31, 2019 was EUR 7m (EUR 2m). The effect would be recognized in profit or loss.

Although the EQT AB Group believes that its estimates of fair values are appropriate, the use of different methodologies and different unobservable inputs in the underlying investments of investment programs, could lead to different measurements of fair value. Due to the number of unobservable input factors used in the valuation of the investment programs' direct investments and their broad range, in particular concerning the earnings multiples, a sensitivity analysis on these underlying unobservable input factors does not result in meaningful outcomes.

#### *Disclosures of fair value of financial assets and financial liabilities recognized at cost*

EQT AB Group's other financial instruments consist mainly of short-term receivables, accounts payable, deposits in commercial banks. The Group considers the carrying amounts of those financial instruments to be reasonable approximations of their fair values.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### ALTERNATIVE PERFORMANCE MEASURES (APM)

To increase the understanding of the development of the operations and the financial position of EQT AB Group, EQT presents some alternative performance measures in addition to financial measures defined by IFRS. EQT believes these measures provide a better understanding of the trends of the financial performance and that such measures, which are not calculated in accordance with IFRS are useful information to investors combined with other measures that are calculated in accordance with IFRS.

These alternative performance measures should not be considered in isolation or as a substitute to performance measures derived in accordance with IFRS. In addition, such measures, as defined by EQT, may not be comparable to other similarly titled measures used by other companies.

Measure	Definition	Reason for use
Adjusted total revenue	Total revenue adjusted for fair value step-up on acquired contractual right to carried interest from EQT VI and selected funds.  For revenue adjustments related to the accounting treatment of change of entitlement to revenue from EQT VI and selected funds, see note 1.	Total revenue adjusted for fair value step-up on acquired contractual right to carried interest from EQT VI and selected funds, implying that (i) revenue recognition from the date of the acquisition will be consistent with the valuation principles used for previously owned right to carried interest entitlements and (ii) closer correlation between recognized revenues from carried interest and investment income and expected cash to be received.
Gross segment result	Total revenue adjusted for fair value step-up on acquired contractual rights to carried interest from EQT VI and selected funds less directly incurred expenses by business segment.  For revenue adjustments related to the accounting treatment of change of entitlement to revenue from EQT VI and selected funds, see note 1.	Gross segment result provides an overview of the direct contribution of each business segment.
Gross segment margin	Gross segment result divided by Adjusted total revenues by business segment.	Gross segment margin provides an overview of the profitability by each business segment.
EBITDA	EBIT excluding depreciation and amortization of property plant and equipment and intangible assets.	EBITDA provides an overview of the profitability of the operations.
EBITDA margin, %	EBITDA divided by Total revenue.	EBITDA margin is a useful measure for showing the profitability of the operations relative to total revenue generated by the Group during the period.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability and revenue adjustments.  Items affecting comparability means items that are reported separately due to their character and amount. For a specification of items affecting comparability, see note 1.  For revenue adjustments related to the accounting treatment of change of entitlement to revenue from EQT VI and selected funds, see note 1.	Adjusted EBITDA is a useful measure for showing profitability of the operations and increases the comparability between periods.
Adjusted EBITDA margin, %	Adjusted EBITDA divided by Adjusted total revenue.	Adjusted EBITDA margin is a useful measure for showing the profitability of the operations and increases the comparability between periods, relative to total revenue generated by the Group during the period.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Adjusted net income	<p>Net income adjusted for items affecting comparability and revenue adjustments.</p> <p>Items affecting comparability means items that are reported separately due to their character and amount, see note 1.</p> <p>Revenue adjustments related to the accounting treatment of change of entitlement to revenue from EQT VI and selected funds, see note 1.</p>	Adjusted net income is a useful measure for showing the profitability generated by the Group as this measure is adjusted for items affecting comparability between periods.
Adjusted earnings per share	Adjusted net income in relation to average number of shares.	Adjusted earnings per share is a useful measure for showing the profitability per share generated by the Group as this measure is adjusted for items affecting comparability between periods.
Financial net cash	Cash, cash equivalents and short-term loan receivable less short-term loans.	Financial net cash / (net debt) is used to assess the Group's financial position in terms of the possibility to make strategic investments, payment of dividend and fulfillment of financial commitments.

### Adjusted total revenue

EURm	H2 2019	H2 2018	2019	2018
Total revenue	304	214	600	393
Revenue adjustments	3	-	6	-
<b>Adjusted total revenue</b>	<b>307</b>	<b>214</b>	<b>606</b>	<b>393</b>

### Adjusted EBITDA / Adjusted net income / Adjusted EPS

	H2 2019	H2 2018	2019	2018
<b>Net income</b>	<b>64</b>	<b>71</b>	<b>160</b>	<b>121</b>
Income taxes	2	2	13	8
Net financial income and expenses	2	3	6	2
<b>Operating profit (EBIT)</b>	<b>68</b>	<b>76</b>	<b>178</b>	<b>130</b>
Depreciation and amortization	17	9	30	19
<b>EBITDA</b>	<b>85</b>	<b>85</b>	<b>208</b>	<b>149</b>
Revenue adjustments	3	-	6	-
Items affecting comparability	47	7	60	7
<b>Adjusted EBITDA</b>	<b>135</b>	<b>93</b>	<b>275</b>	<b>156</b>
Depreciation and amortization	-17	-9	-30	-19
Net financial income and expenses	-2	-3	-6	-2
Income taxes (including tax on adjustments)	-12	-3	-26	-9
<b>Adjusted net income</b>	<b>104</b>	<b>77</b>	<b>213</b>	<b>127</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Adjusted earnings per share, basic

	H2 2019	H2 2018	2019	2018
Adjusted net income, EURm	104	77	213	127
Average number of shares, basic	912,885,670	624,481,424	851,289,562	620,912,290
<b>Adjusted earnings per share, basic, EUR</b>	<b>0.114</b>	<b>0.123</b>	<b>0.251</b>	<b>0.204</b>

### Adjusted earnings per share, diluted

	H2 2019	H2 2018	2019	2018
Adjusted net income, EURm	104	77	213	127
Average number of shares, diluted	913,345,106	624,481,424	851,748,997	620,912,290
<b>Adjusted earnings per share, diluted, EUR</b>	<b>0.114</b>	<b>0.123</b>	<b>0.250</b>	<b>0.204</b>

### Financial net cash / (Net debt)

EURm	2019	2018
Cash and cash equivalents	909	264
Short term loan receivable <sup>1)</sup>	9	15
Interest-bearing liabilities - current	-9	-15
<b>Financial net cash / (Net debt)</b>	<b>909</b>	<b>265</b>

<sup>1)</sup> Short term loan receivable is a subtotal of Other current assets.

**AUM**

Assets Under Management (“AUM”) represent the total assets and commitments from fund investors based on which EQT AB Group is entitled to receive management fees. All of the Group’s AUM is fee-generating

**Active funds**

Funds currently investing or with not yet realized investments

**Credit**

Business segment comprised of EQT’s platform for credit investments comprised of Special Situations, Direct Lending and Senior Debt

**Committed capital**

The total amounts that fund investors agree to make available to a fund during a specified time period

**Commitment period / Investment period**

First phase of a fund lifecycle after fundraising, in which most of a fund’s committed capital is invested into portfolio companies. Management fees are normally based on committed capital during this period

**Current Gross MOIC (Multiple of Invested Capital)**

A fund’s Gross MOIC based on the current total value and cost of its underlying investments

**Investment level / % Invested**

Measures the share of a fund’s total commitments that has been utilized. Calculated as the sum of (i) closed and/or signed investments, including announced public offers, (ii) any earn-outs and/or purchase price adjustments and (iii) less any expected syndication, as a % of a fund’s Committed capital

**Effective management fee rate**

Weighted average management fee rate for all EQT funds contributing to AUM in a specific period

**EQT**

Where used on its own, is an umbrella term and may refer interchangeably to the EQT AB Group, SEP Holdings Group and/or EQT funds, as the context requires

**EQT AB Group or the Group**

EQT AB and/or any one or more of its direct or indirect subsidiaries (excl. the EQT funds and their portfolio companies)

**Exits**

Cost amount of realized investments (Realized cost) from an EQT fund

**Expected Gross MOIC**

A fund’s expected Gross MOIC at termination, when a fund is fully realized, based on the estimated total value and cost of its underlying investments upon realization

**FTE**

The number of full-time equivalent personnel on EQT AB Group’s payroll

**FTE plus**

The number of full-time equivalent personnel and contracted personnel working for EQT AB Group

**Fund size**

Total committed capital for a specific fund

**Gross inflows**

New commitments through fundraising activities or increased investments in funds charging fees on net invested capital

**Gross fund exits**

Value of realized investments (Realized value) from an EQT fund

**Gross MOIC**

Total value of investments divided by total cost of investments

**Investments**

Signed investments by an EQT fund

**Key funds**

Funds with commitments that represent more than 5% of total commitments in active funds, respectively, as well as EQT Infrastructure II

**Net invested capital**

Total cost of investments not yet realized (Remaining cost). Management fees are generally based on Net invested capital after the Commitment period / Investment period

**Post-commitment period / Divestment period**

Phase of a fund lifecycle after the Commitment period, in which most of a fund’s investments are realized. Management fees are normally based on the net invested capital during the period

**Private Capital**

Business segment comprised of business lines Private Equity, Mid Market Asia, Ventures and Public Value

**Real Assets**

Business segment comprised of business lines Infrastructure and Real Estate

**Realized value / (Realized cost)**

Value (cost) of an investment, or parts of an investment, that at the time has been realized

**Remaining value / (Remaining cost)**

Value (cost) of an investment, or parts of an investment, currently owned by the EQT funds

**Start date**

A fund’s start date is the earlier of the first closed investment or the date when management fees are charged from fund investors

**Step-down**

Step-downs in AUM generally resulting from the end of the investment period in an existing fund or when a subsequent fund starts to invest. Fees in a specific fund will normally be based on net invested capital post step-down

**Target Gross MOIC**

Measure used in fundraising of an EQT fund as a fund’s target level of investment return based on Gross MOIC

## About EQT

EQT is a differentiated global investment organization with a 25-year track-record of consistent investment performance across multiple geographies, sectors and strategies. With strong values and a distinct corporate culture, EQT manages and advises funds and vehicles that invest across the world with the mission to generate attractive returns to the fund investors. EQT's talent base and network allow it to pursue a unique value creation approach and thematic investment strategy, with the aim of future-proofing the companies which EQT invests in, creating superior returns and making a positive impact with everything EQT does.

EQT has more than EUR 62 billion in raised capital since inception, currently around EUR 40 billion in assets under management across 19 active funds within three business segments – Private Capital, Real Assets and Credit. EQT is a thought leader within the private markets industry with deep expertise in responsible and long-term ownership, corporate governance, operational excellence, digitalization and sustainability. EQT has offices in 16 countries across Europe, Asia-Pacific and North America with more than 700 employees.

The EQT AB group comprises EQT AB (publ) and its direct and indirect subsidiaries, which includes general partners and fund managers of EQT funds as well as entities advising EQT funds.

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