



## Delivering on our strategy in a year of uncertainty

Please note that all figures refer to continued operations, excluding Credit, unless stated otherwise

### HIGHLIGHTS FOR JAN-DEC 2020 (JAN-DEC 2019)

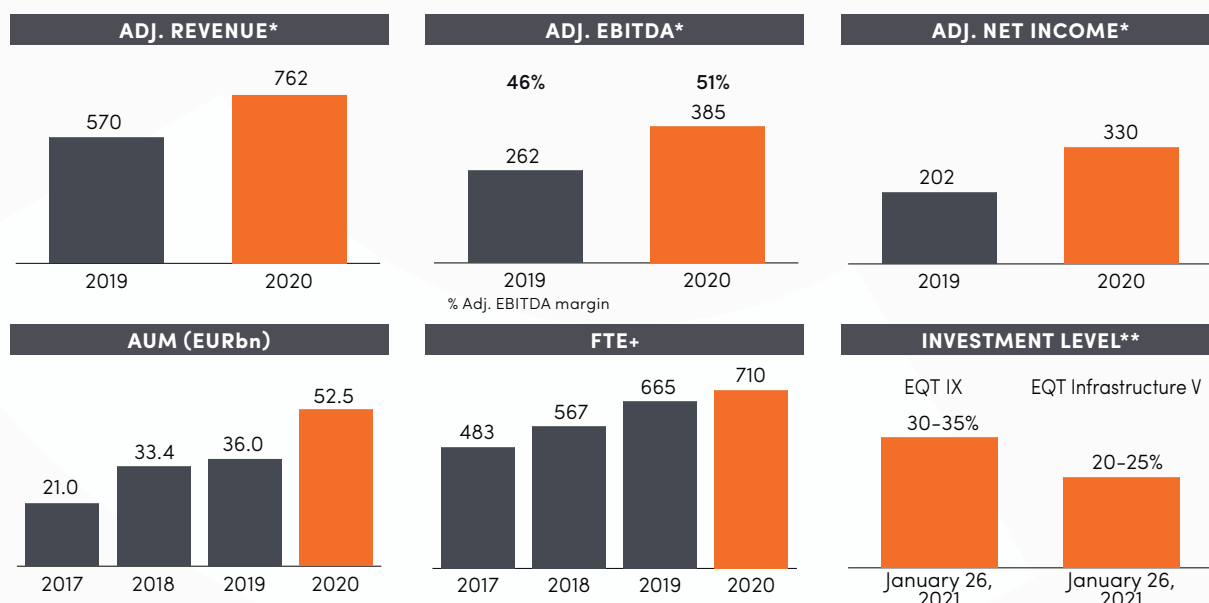
- With a resilient portfolio, EQT's focus on new thematic investment opportunities accelerated as market conditions improved. Total investments by the EQT funds in the period amounted to EUR 12.9bn (EUR 9.8bn) and total gross fund exits amounted to EUR 3.4bn (EUR 7.2bn)
- AUM increased to EUR 52.5bn (EUR 36.0bn), primarily driven by the activation of EQT IX and EQT Infrastructure V with closed out commitments of EUR 14.6bn and EUR 7.6bn, respectively, as of December 31, 2020
- Fundraising for EQT IX and EQT Infrastructure V during H2 2020 progressed well in line with plan
- Number of full-time equivalent employees and on-site consultants (FTE plus) amounted to 710 (665) at the end of the period, of which FTEs were 653 (606)
- Adjusted total revenue amounted to EUR 762m (EUR 570m), corresponding to an increase of 34% compared to 2019. Total revenue (according to IFRS) was EUR 709m (EUR 564m). The increase in revenue was primarily driven by management fees generated from the closed out commitments in EQT IX as well as carried interest generated in EQT VII following strong value creation with Gross MOIC increasing to 2.3x as of December 31, 2020 (1.8x) and exits during H2
- Adjusted EBITDA amounted to EUR 385m (EUR 262m), corresponding to a margin of 51% (46%). EBITDA (according to IFRS) was EUR 340m (EUR 197m), corresponding to a margin of 48% (35%)
- Adjusted net income amounted to EUR 330m (EUR 202m). Net income (according to IFRS) was EUR 283m (EUR 149m)
- Reported basic earnings per share amounted to EUR 0.297 (EUR 0.176). Diluted earnings per share was EUR 0.297 (EUR 0.175)
- The divestment of business segment Credit closed during the fourth quarter. Net income from discontinued operations was EUR 96m (EUR 10m)
- The EQT Growth strategy was announced on October 19 with Microsoft Corporate Vice President Marc Brown joining as Partner and Head. With EQT Growth, EQT will be among the very few private markets firms in the world with investment strategies that address the needs of companies throughout their lifecycle
- In order to increase its financial flexibility, EQT signed a five-year EUR 1.0bn revolving credit facility (RCF). The RCF will incorporate a pricing mechanism linked to ESG-related objectives

### EVENTS AFTER THE REPORTING PERIOD

- Investment level in key funds as of January 26, 2021 were 30–35% in EQT IX and 20–25% in EQT Infrastructure V based on target fund size
- EQT signed an agreement to acquire Exeter Property Group ("Exeter"), executing on EQT's strategic ambition to grow in Real Estate and specifically in North America

### DIVIDEND PROPOSAL

- The Board of Directors proposes a dividend per share of SEK 2.40 (SEK 2.20), to be paid in two installments, SEK 1.20 (SEK 1.10) in June, 2021 and SEK 1.20 (SEK 1.10) in December, 2021



\*The adjusted metrics are alternative performance metrics for the EQT AB Group. For a full reconciliation please refer to pages 26–28.

\*\* Based on target fund size of EUR 14.75bn for EQT IX and EUR 12.5bn for EQT Infrastructure V.

**"Delivered on our strategy, despite turbulence and uncertain market conditions"**

2020 was an unprecedented year – the pandemic changed the way we do business, work and live. It was a year impacted by political events, fiscal and monetary policy. A year of social and personal hardship. A year of challenges. But, more happily, it was also a year of opportunities and solutions.

For EQT, 2020 was like experiencing a whole decade of private equity in one go. With a resilient portfolio, we stayed focused on future-proofing the portfolio companies, fundraising, thematic investments, and building a stronger and even more relevant EQT fully focused on value-add strategies.

With the travel restrictions, our local-with-locals approach was more important than ever, and with our digital platforms, we quickly adapted to new ways of working. Value creation in EQT funds was positive with all key funds performing on or above plan. We activated the largest EQT funds ever and saw healthy fundraising momentum. Importantly, we continued to invest in people and talent with new hires to support the next steps in our growth journey.

**EXETER – A MAJOR LEAP IN REAL ESTATE**

With today's announcement of EQT's combination with Exeter, we took a major leap forward in delivering on our strategic ambition in Real Estate as well as our plan to grow EQT's presence in North America.

Exeter has a strong performance and growth track-record and fits perfectly with EQT's culture and focus on value-add strategies. With 37 local deal offices, Exeter combines local execution with a global reach, mirroring EQT's local-with-locals approach. Exeter brings 60 new fund investors to EQT and adds USD 10.2 billion of AUM. Total consideration is USD 1,870 million on a cash and debt free basis, of which approximately USD 800 million to be satisfied through issue of new EQT shares.

The proposed consideration is expected to equate to a mid-teens EBITDA multiple on a run-rate basis at completion and the transaction is expected to be accretive to EQT AB's earnings. The transaction, which is subject to customary closing conditions, is expected to complete in the second quarter of 2021. I am thrilled to welcome the whole Exeter team to EQT!

**GLOBAL LEADER IN VALUE-ADD STRATEGIES**

The combination with Exeter establishes EQT as a global leader within active ownership strategies\*. With the divestment of Credit, we are fully focused on strategies where EQT can future-proof companies and make a positive impact.

Uniquely, with the announcement of EQT Growth, EQT is the only large private markets firm in the world with investment strategies covering all phases of a business' development, from startup to maturity. Our global advisory teams across all business lines form an ecosystem, sharing insights into different regions, sectors and themes.

We continue to prepare for our new Asia Pacific strategy. With the opening of EQT's Sydney office,

we now have local Infrastructure and Private Equity advisory teams in place. Given EQT's clients' desire to have longer maturity investments, we also continue to evaluate long-hold investment strategies as a natural extension of EQT's current investment strategies.

**FUNDRAISING**

2020 was a record year for EQT in terms of fundraising. AUM grew by 46 percent to EUR 52.5 billion. Fundraising for key funds EQT IX and EQT Infrastructure V are both well on plan with closed out commitments of EUR 14.6 billion and EUR 7.6 billion respectively at year-end. Furthermore, EQT Real Estate II reached its hard-cap of EUR 1.0 billion and by year-end the EQT Public Value fund had around EUR 0.8 billion fee generating AUM.

**INVESTMENT AND EXIT ACTIVITY**

With a resilient portfolio, our investment advisory teams were able to stay focused on new thematic investment opportunities. This resulted in investments by the EQT funds of almost EUR 13 billion in 2020, of which EUR 11 billion was executed in the second half of the year as market conditions improved and activity picked up.

We remain focused on EQT's priority sectors and thematic approach, with almost 80 percent of the funds' investments in 2020 being across the Telecom, Media, Technology (TMT) and Healthcare sectors. New investments during the year include schülke (hygiene and infection prevention), Deutsche Glasfaser (fiber-optic internet access provider), EdgeConnex (global hyperscale and edge data center provider), and Natural Colors (global developer and manufacturer of natural coloring ingredients for food and beverages). EQT Real Estate II and Sigma Capital announced a joint venture bringing 3,000 new rental homes to Greater London. The EQT Public Value fund announced investments in companies including Securitas and BioGaia. EQT Ventures II invested in companies such as Seeqc, Anyfin, Cleo, Wonder, and Luko.

Today, EQT IX is 30–35 percent invested and EQT Infrastructure V is 20–25 percent invested. Looking ahead, the continued deployment pace will depend on prevailing market conditions, but also on the EQT funds being able to source the right investments, taking portfolio construction and diversification across geographies and sectors into account.

Exit activity was subdued during the year with EUR 3.4 billion of exits of which EUR 3.2 billion took place in the second half. The funds made seven sizeable exits, of which three were achieved through initial public offerings (Nordic pet care specialist Musti Group, Nordic value-for-money home provider HusCompagniet, and US-based Certara, global leader in biosimulation). With several companies developing strongly, we are preparing for a number of exits in 2021. Should market conditions deteriorate, EQT may retain some of these companies, always with the primary objective of maximizing the risk-adjusted returns over the lifetime of the funds.

\*Defined as Private Equity, Infrastructure and Real Estate.

**VALUE CREATION**

The EQT fund portfolio – with exposure to TMT, Healthcare, Essential Infrastructure and Services – has generally developed well during the year. Many portfolio companies benefit from resilient growth, often in essential sectors with robust and recurring revenues and stable customers. As a result, value creation was positive and all the key funds are “On plan” or “Above plan” to meet Gross MOIC targets.

A handful of companies in EQT’s key funds remain structurally impacted by the pandemic. The activation of existing recession plans, in combination with refinancings and extensions of debt maturities, provided support for those companies that were negatively affected, resulting in limited equity injections being required to date. That said, we remain cautious given the ongoing crisis and have plans in place for each portfolio company to be prepared in the event of a further downturn.

**POSITIVE IMPACT**

In 2020, we drew up EQT’s Statement of Purpose, a credo covering our responsibility to make a positive impact, to be part of the solution to society’s challenges and to earn the trust of a broad set of stakeholders. As a consequence, we updated EQT AB’s Articles of Association to include that our business is conducted in a way that future-proofs companies and has a positive impact. We also committed to increase diversity, support equal rights and address climate change. We recently committed to the Science Based Targets initiative and took important steps towards measuring greenhouse gas emissions across the portfolio companies and will set emission targets in line with the Paris agreement. We have increased our share of female hires and the share of female board members, both in EQT AB and in portfolio companies.

In addition, we launched ESG-linked credit facilities in EQT’s Private Equity and Infrastructure business lines. The facilities are coupled with a pricing mechanism designed to accelerate ESG performance and drive long-term behaviour in the EQT funds’ portfolio companies, in systemically important areas of transparency and accountability, diversity and climate change.

**LOOKING AHEAD**

With continued low interest rates, we expect allocations into private markets to continue as investors seek consistent and strong returns – the allocations globally to value-add strategies are expected to be around USD 10 trillion over the next ten years. With EQT’s clear focus on value-add strategies, we see significant opportunities to continue to outgrow the private markets.

A combination of increasing competition, improving market conditions and low interest rates contribute to high valuation multiples, in particular for companies that have been able to demonstrate resilience and growth during the pandemic. A wide range of strategic and financial investors are seeking investments in

companies supported by global trends. We continuously refine our thematic investment approach, develop our value-creation toolbox, build our global ecosystem of complementary investment strategies, leverage our local-with-locals approach and use our strengths in digitalization and sustainability to future-proof companies and create value.

We continue to develop our digital tools, including EQT’s proprietary Artificial Intelligence system, Motherbrain. The tool was initially used by the Ventures team to help identify investment opportunities resulting in investments by the EQT Ventures funds of over EUR 100 million in aggregate. Motherbrain is now used across strategies to support the teams with intelligence and ideas.

The trends we saw accelerate with the pandemic in 2020 will accelerate further and faster. And while the virus has undoubtedly caused untold hardship for millions of people, at EQT we have worked hard to ensure we are well placed to withstand whatever it throws at us. Within our focus sectors, we continuously refine EQT’s investment approach and thematic mindset. We have enhanced our focus on certain segments within for example health & wellbeing, technology acceleration and digitalization, climate & sustainability, and social infrastructure.

We continually invest in our platform and our people. This means expanding fundraising capabilities to prepare EQT for the next leg of our growth journey, investing in our digital interface with the investors and making further investments in people and technology across our Central platform to deliver continued scalable growth.

As we continue EQT’s global growth journey, we will work hard to nourish our culture, a core part of EQT’s success. Personal interaction is important for any organisation and I look forward to a time when we can meet with colleagues across EQT’s offices. We will invest further in EQT Academy and continue to drive focus on inclusiveness, diversity and performance.

In 2020, we seized the opportunity to develop and grow. Throughout our 26-year history, we have constantly challenged ourselves based on a mindset that everything can always be improved, everywhere, at all times. As we enter 2021, we set out again to continue to further improve as a purpose driven investor – putting purpose even more into practice!



Christian Sinding, CEO  
and Managing Partner



## KEY FIGURES

## Key metrics and ratios

Please note that all figures refer to continued operations, excluding Credit, unless stated otherwise

## INVESTMENT ACTIVITY BY THE EQT FUNDS

EURbn	H2 2020	H2 2019	2020	2019
Investments by the EQT funds	11.0	4.1	12.9	9.8
Gross fund exits	3.2	2.6	3.4	7.2

## ASSETS UNDER MANAGEMENT

EURbn	H2 2020	H2 2019	2020	2019
AUM (end of period)	52.5	36.0	52.5	36.0
Avg. AUM (during the period)	45.1	36.5	41.5	36.1
Effective management fee rate	1.41%	1.43%	1.41%	1.43%

## PERSONNEL

# OF	H2 2020	H2 2019	2020	2019
FTE (end of period)	653	606	653	606
FTE+ (end of period)	710	665	710	665

## KEY FINANCIALS

EURm	H2 2020	H2 2019	2020	2019
<b>Financials (adjusted)*</b>				
Management fees	344	275	609	539
Adj. carried interest and investment income	158	13	153	31
Adj. total revenue	501	289	762	570
Adj. total revenue growth, %	73%		34%	
Adj. total operating expenses	195	160	376	308
Adj. EBITDA	305	129	385	262
Adj. EBITDA margin, %	61%	45%	51%	46%
Adj. net income	269	100	330	202
<b>Financials (according to IFRS)</b>				
Management fees	344	275	609	539
Carried interest and investment income	101	10	100	25
Total revenue	444	286	709	564
Total revenue growth, %	55%		26%	
Total operating expenses	183	206	369	367
EBITDA	261	80	340	197
EBITDA margin, %	59%	28%	48%	35%
Net income	224	60	283	149

## THE EQT AB SHARE

	H2 2020	H2 2019	2020	2019
Number of shares (m, end of period)	953.3	953.0	953.3	953.0
Number of shares (m, average)	953.3	912.9	953.2	851.3
Number of shares, diluted (m, average)	953.8	913.3	953.6	851.7
Adj. earnings per share, basic (EUR)*	0.283	0.109	0.346	0.238
Adj. earnings per share, diluted (EUR)*	0.283	0.109	0.346	0.238
Earnings per share, basic (EUR)	0.235	0.066	0.297	0.176
Earnings per share, diluted (EUR)	0.235	0.066	0.297	0.175
Proposed dividend per share (SEK)**			2.40	2.20

\*The adjusted metrics are alternative performance metrics for the EQT AB Group. For a full reconciliation please refer to pages 26–28.

\*\*Using EUR/SEK rate as of year-end of 10.037, SEK 2.40 per share is equivalent to EUR 0.239.



## KEY FIGURES

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

#### DEVELOPMENT IN THE SECOND HALF OF 2020

AUM BY SEGMENT (EURbn)	Private Capital	Real Assets	Total
<b>At June 30, 2020</b>	<b>22.0</b>	<b>14.4</b>	<b>36.5</b>
Gross inflows	16.0	9.4	25.3
Step-downs	(3.4)	(3.4)	(6.8)
Exits	(1.3)	(0.6)	(2.0)
FX and other	(0.1)	(0.4)	(0.5)
<b>At December 31, 2020</b>	<b>33.1</b>	<b>19.3</b>	<b>52.5</b>
<i>Since June 30, 2020</i>	<i>50.5%</i>	<i>33.8%</i>	<i>43.9%</i>

#### DEVELOPMENT IN THE FINANCIAL YEAR 2020

AUM BY SEGMENT (EURbn)	Private Capital	Real Assets	Total
<b>At December 31, 2019</b>	<b>22.0</b>	<b>14.0</b>	<b>36.0</b>
Gross inflows	16.3	9.8	26.0
Step-downs	(3.4)	(3.4)	(6.8)
Exits	(1.6)	(0.7)	(2.2)
FX and other	(0.1)	(0.4)	(0.5)
<b>At December 31, 2020</b>	<b>33.1</b>	<b>19.3</b>	<b>52.5</b>
<i>Since December 31, 2019</i>	<i>50.8%</i>	<i>37.8%</i>	<i>45.7%</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	
Private Capital										
EQT VI	Jun-11	1.0	4.8	4.5	3.5	1.0	10.6	8.5	2.0	2.4x
EQT VII	Jul-15	4.5	6.9	6.0	1.6	4.5	14.0	4.6	9.4	2.3x
EQT VIII	May-18	8.7	10.9	8.5	-	8.5	12.0	-	12.0	1.4x
EQT IX	Jul-20	14.1	14.6	3.3	-	3.3	3.9	-	3.9	1.2x
Real Assets										
EQT Infrastructure II	Oct-12	0.4	1.9	1.7	1.3	0.4	3.4	3.0	0.4	2.0x
EQT Infrastructure III	Nov-16	3.5	4.0	3.4	0.0	3.4	6.0	0.1	5.9	1.7x
EQT Infrastructure IV	Nov-18	6.7	9.1	6.5	-	6.5	7.3	-	7.3	1.1x
EQT Infrastructure V	Sep-20	7.5	7.6	1.3	-	1.3	1.3	-	1.3	1.0x
Other		6.0		4.9			8.2			
Total		52.5		40.1			66.6			

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

	Gross MOIC					Expected Gross MOIC
	(Dec 31, 2019)	(Mar 31, 2020)	(Jun 30, 2020)	(Sep 30, 2020)	(Dec 31, 2020)	
Private Capital						
EQT VI	2.4x	2.3x	2.3x	2.3x	2.4x	On plan
EQT VII	1.8x	1.6x	1.7x	2.0x	2.3x	On plan
EQT VIII	1.1x	1.1x	1.2x	1.3x	1.4x	On plan
Real Assets						
EQT Infrastructure II	2.1x	2.1x	2.0x	2.0x	2.0x	On plan
EQT Infrastructure III	1.5x	1.5x	1.6x	1.6x	1.7x	Above plan
EQT Infrastructure IV	1.1x	1.0x	1.1x	1.1x	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 2020

### INVESTMENT AND EXIT ACTIVITY

Total investments made by the EQT funds amounted to EUR 12.9bn (EUR 9.8bn) during 2020, an increase of 32% compared to 2019. Of the total investments\* made during the period, 61% was invested in Private Capital and 39% in Real Assets. While the investment activity may vary between periods, the capital deployed in 2020 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 3.4bn (EUR 7.2bn) during 2020, a decrease of 53% compared to 2019. The investment and exit environment in 2020 was impacted by uncertain and weak markets in the first half of the year, but picked up during the second half. Both Private Capital and Real Assets have a strong pipeline of potential exits in 2021, should markets remain supportive. Of the total gross fund exits\*, 91% was in Private Capital and 9% in Real Assets.

### FUNDRAISING ACTIVITY AND AUM

As of December 31, 2020, AUM amounted to EUR 52.5bn (EUR 36.0bn). EQT remained highly active during the period despite the uncertainties imposed by COVID-19.

During 2020 EQT has worked on raising two flagship funds, EQT IX and EQT Infrastructure V. Both fundraisings are running according to plan with EUR 14.6bn of closed out commitments in EQT IX and EUR 7.6bn in EQT Infrastructure V per year end, driven by good demand from both new and existing investors\*\*. Both funds started generating management fees in 2020.

In addition, EQT Real Estate II reached its hard cap of EUR 1.0bn and EQT Public Value fund grew its AUM supported by strong returns.

### VALUE CREATION

Value creation, measured as Gross MOIC, increased across the majority of EQT funds in 2020. 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, 2020, continued to develop "Above plan". EQT VII will be characterised as "Above plan" if it were to perform persistently and materially above 2.5x expected Gross MOIC.

### PERSONNEL

In line with our growth strategy, the number of employees increased in 2020 across business lines, geographies and central functions. As of December 31, 2020, the number of full-time equivalent employees and on-site consultants (FTE plus) amounted to 710 (665), of which FTEs amounted to 653 (606). Due to COVID-19, the hiring pace was subdued, but new employees were added across the organisation including in the EQT Growth

strategy, in the Infrastructure team in anticipation of EQT Infrastructure V and within Central to continue to strengthen the EQT platform. In addition to the FTEs added during Q4 there is a meaningful number of FTEs recruited in H2 2020 that are expected to start in Q1 2021.

### OTHER

EQT expanded its footprint in APAC, with the opening of an office in Sydney on February 11, 2020. In addition, as an entry into one of the largest PE markets in Europe, EQT opened an office in Paris on June 10, 2020.

The sale of business segment Credit was signed and subsequently closed during the year. Now EQT is solely focused on active ownership strategies.

Moreover, EQT signed a five-year EUR 1.0bn RCF in order to increase the financial flexibility of EQT and it will incorporate a pricing mechanism linked to ESG-related objectives.

After the period, EQT signed an agreement to acquire Exeter, executing on EQT's strategic ambition to grow in Real Estate and specifically in North America.

### EARNINGS FOR THE GROUP

Adjusted total revenue increased by 34% to EUR 762m in 2020 (EUR 570m). Management fees in 2020 amounted to EUR 609m (EUR 539m). The increase in management fees was predominantly driven by management fees from the closed out commitments in EQT IX. Adjusted carried interest and investment income also increased during the year to EUR 153m (EUR 31m), driven mainly by carried interest recognition in EQT VII following strong value creation and exits.

Personnel expenses, excluding items affecting comparability, amounted to EUR 252m in 2020 (EUR 203m), an increase driven by growth in number of employees. Other operating expenses, excluding items affecting comparability, amounted to EUR 125m in 2020 (EUR 105m). Items affecting comparability within total operating expenses amounted to EUR 8m (EUR -59m) and related to a partial reversal of the provision recorded during 2019 relating to the VAT ruling.

Adjusted EBITDA amounted to EUR 385m (EUR 262m), corresponding to a margin of 51% (46%).

Depreciation and amortization amounted to EUR 35m (EUR 30m), primarily related to facility lease agreements including new offices in Sydney and Paris and the Stockholm office as of May 2019.

Net financial income and expenses of EUR 6m (EUR -6m). This is primarily comprised of currency translation differences and interest expenses relating to lease agreements according to IFRS 16.

Income taxes amounted to EUR 28m (EUR 12m) primarily driven by an increased profit before tax.

Adjusted net income amounted to EUR 330m (EUR 202m).

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

\*\*Target size of EUR 14.75bn and hard cap of EUR 15.0bn for EQT IX. Target size of EUR 12.5bn and hard cap of EUR 15.0bn for EQT Infrastructure V.

## Private Capital

The business segment Private Capital consists of the business lines Private Equity, Ventures, Public Value and Growth

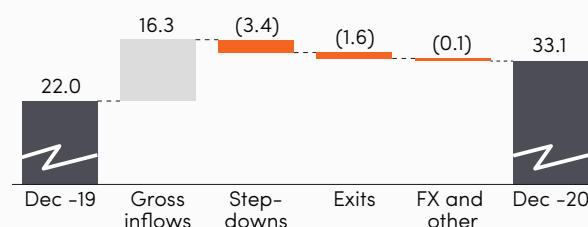
### KEY METRICS

EURbn	H2 2020	H2 2019	2020	2019
Investments by the EQT funds	6.9	2.5	7.9	5.0
Gross fund exits	2.9	1.6	3.1	5.7
Adjusted revenue (EURm)	380	171	531	331
Gross segment result (EURm)	317	109	406	207
Margin, %	83%	64%	76%	63%
AUM	33.1	22.0	33.1	22.0
Avg. AUM	29.1	22.1	26.2	22.2
FTE+ (# of, end of period)	244	236	244	236

### PERFORMANCE OF SELECTED FUNDS

	Gross MOIC		Expected Gross MOIC
	31 Dec 2019	31 Dec 2020	
EQT VI	2.4x	2.4x	On plan
EQT VII	1.8x	2.3x	On plan
EQT VIII	1.1x	1.4x	On plan

### AUM DEVELOPMENT (EURbn)



## COMMENTS ON JAN-DEC 2020 (JAN-DEC 2019)

### INVESTMENT AND EXIT ACTIVITY

Total investments made by the EQT funds in Private Capital amounted to EUR 7.9bn (EUR 5.0bn). Investments include, Storable, Beijer Ref, Idealista and the announced public offer for Recipharm (EQT IX). EQT Ventures and EQT Ventures II continued being active with several new portfolio companies and follow-on investments. EQT Public Value fund disclosed investments in companies including Securitas and BioGaia during 2020.

Total gross fund exits made by the EQT Funds amounted to EUR 3.1bn (EUR 5.7bn). The decrease was driven by uncertain markets and an unfavorable exit environment during H1. Exits are expected to regain momentum in 2021, should the markets remain supportive. Despite the challenging environment exits include IFS and Apleona (EQT VII), and partial exits in Certara (EQT VII) and HusCompagniet (EQT VI) through IPOs.

### FUNDRAISING ACTIVITY AND AUM

AUM was EUR 33.1bn as of December 31, 2020, (EUR 22.0bn). Gross inflows of EUR 16.3bn were primarily related to new commitments in EQT IX. Step-downs during the year amounted to EUR 3.4bn in EQT VIII, following the activation of EQT IX. AUM on an average basis increased by 18% in 2020, primarily due to the inclusion of EQT IX since July 2020.

EQT Public Value fund grew AUM supported by strong returns. During the period, preparations intensified for the Growth strategy including several recruitments.

### VALUE CREATION

EQT VI current Gross MOIC remained at 2.4x (2.4x). EQT VII current Gross MOIC increased to 2.3x (1.8x). EQT VIII current Gross MOIC increased to 1.4x (1.1x).

Expected value creation (Gross MOIC) remains "On plan" in the key funds in Private Capital as per December 31, 2020, which means an expected Gross MOIC between 2.0-2.5x.

EQT VII will be characterised as "Above plan" if it were to perform persistently and materially above 2.5x expected Gross MOIC.

### PERSONNEL

FTE+ at the end of the period amounted to 244 (236). The increase in FTEs was primarily driven by the new strategy EQT Growth.

### RESULT FOR THE SEGMENT

Adjusted revenue amounted to EUR 531m in 2020, corresponding to an increase of 61% compared to EUR 331m in 2019 driven by management fees from EQT IX and carried interest recognized in EQT VII.

Gross segment result increased to EUR 406m (EUR 207m).



## Real Assets

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

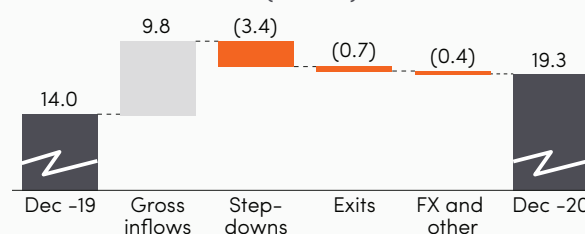
### KEY METRICS

EURbn	H2 2020	H2 2019	2020	2019
Investments by the EQT funds	4.1	1.7	5.0	4.9
Gross fund exits	0.3	1.0	0.3	1.4
Adjusted revenue (EURm)	115	114	221	231
Gross segment result (EURm)	82	85	155	177
Margin, %	72%	75%	70%	77%
AUM	19.3	14.0	19.3	14.0
Avg. AUM	16.0	14.5	15.3	13.9
FTE+ (# of, end of period)	129	106	129	106

### PERFORMANCE OF SELECTED FUNDS

	Gross MOIC		Expected
	31 Dec 2019	31 Dec 2020	
EQT Infrastructure II	2.1x	2.0x	On plan
EQT Infrastructure III	1.5x	1.7x	Above plan
EQT Infrastructure IV	1.1x	1.1x	On plan

### AUM DEVELOPMENT (EURbn)



### COMMENTS ON JAN-DEC 2020 (JAN-DEC 2019)

#### INVESTMENT AND EXIT ACTIVITY

Total investments made by the EQT funds in Real Assets amounted to EUR 5.0bn (EUR 4.9bn). Following a subdued H1 due to COVID-19, H2 included several investments from both EQT Infrastructure IV and EQT Infrastructure V. Investments include, among others, EdgeConnex (EQT Infrastructure IV), Colisée, Molslinjen, and the public offer for Torgghatten (EQT Infrastructure V). In addition, EQT Real Estate launched a joint venture to create an investment portfolio of high-quality "build-to-rent" residential homes in Greater London.

Total gross fund exits made by the EQT Funds amounted to EUR 0.3bn (EUR 1.4bn). Exits include Hector Rail Group and Synagro (EQT Infrastructure II). After a slower exit pace due to uncertain markets and an unfavorable exit environment during H1, exits are expected to regain momentum in 2021.

#### FUNDRAISING ACTIVITY AND AUM

AUM increased during the year to EUR 19.3bn (EUR 14.0bn). This was primarily driven by EQT Infrastructure V with EUR 7.6bn of commitments as per December 31, 2020. The hard cap for EQT Infrastructure V was set at EUR 15.0bn. Other contributors to gross inflows include commitments in EQT Real Estate II to reach the EUR 1.0bn hard cap.

The gross inflows were offset by the step-down in EQT Infrastructure IV of EUR 3.4bn following the activation of EQT Infrastructure V.

#### VALUE CREATION

Value creation remained stable in light of uncertain markets during the year. EQT Infrastructure II current Gross MOIC decreased slightly to 2.0x (2.1x). EQT Infrastructure III current Gross MOIC increased to 1.7x (1.5x). EQT Infrastructure IV current Gross MOIC remained at 1.1x (1.1x).

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" as per December 31, 2020, which means that expected gross MOIC is >2.2x.

#### PERSONNEL

FTE+ at the end of the period amounted to 129 (106). The increase was driven by recruitments in anticipation of increased commitments to EQT Infrastructure V.

#### RESULT FOR THE SEGMENT

Adjusted revenue amounted to EUR 221m, corresponding to a decrease of 4% compared to EUR 231m in 2019. This was driven by, inter alia, lower carried interest and investment income, catch-up fees in EQT Infrastructure IV in 2019 and the step-down in EQT Infrastructure IV during 2020. The revenue contribution from EQT Infrastructure V was not material during 2020.

Gross segment result decreased to EUR 155m (EUR 177m).

## 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 2020	H2 2019	2020	2019
Gross segment result / EBITDA	-94	-66	-176	-122
FTE+ (# of, end of period)	337	323	337	323

### 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 2020 (JAN-DEC 2019)

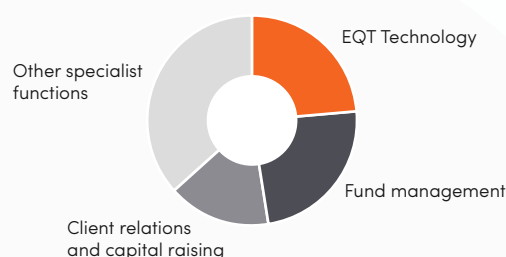
#### PERSONNEL

FTE+ at the end of the period amounted to 337 (323). The hirings were distributed across several areas but were predominately in EQT Technology and Fund management. Following high activity level throughout the organization and in preparation for the next steps of EQT's growth journey, investments in personnel will be accelerated in the coming quarters to future-proof e.g. Client relations and capital raising, EQT Technology and Fund management.

#### RESULT FOR CENTRAL

The result was driven by an increased number of FTE+ driving both personnel costs and other operating expenses along with accelerated strategic and operational projects. The increase reflect a high activity across the Group in 2020 and includes certain items not expected to increase at a similar pace going forward, such as translation differences on FX and VAT costs.

### FTE+ OVERVIEW



### OTHER

As part of the strategy to focus on value-added investment areas, an agreement to sell the business segment Credit to Bridgepoint was signed, as announced on June 18, 2020. The transaction subsequently closed in the fourth quarter of 2020.

The transaction did not have a material impact on EQT AB's central functions. In addition to the 39 FTE+ in Credit, as of time of closing, 6 FTE+ previously part of Central transferred from Central with the Credit business.

One-off costs for EQT of EUR 17m related to the transaction are reported as part of discontinued operations. For further information on Credit and the divestment see note 5.

**INFORMATION ON THE CONSOLIDATED INCOME STATEMENT FOR THE YEAR**

**Revenues** for the period increased to EUR 709m (EUR 564m). The increase in revenues was partly driven by carried interest and investment income amounting to EUR 100m in 2020 compared to EUR 25m in 2019.

**Adjusted revenues** of EUR 762m (EUR 570m) are adjusted by removing the fair value adjustment of acquired contractual rights to carried interest, see note 1.

**Total operating expenses** during the year amounted to EUR 369m (EUR 367m), driven by expansion and build-out of the organization.

**EBITDA** increased to EUR 340m (EUR 197m) corresponding to a margin of 48% (35%).

**Adjusted EBITDA** amounted to EUR 385m (EUR 262m) corresponding to a margin of 51% (46%).

**Depreciation and amortization** amounted to EUR 35m (EUR 30m), primarily related to facility lease agreements including new offices in Sydney and Paris and the Stockholm office as of May 2019.

**Net financial income and expenses** amounted to EUR 6m (EUR -6m). This is primarily comprised of currency translation differences and interest expenses relating to lease agreements according to IFRS 16.

**Income taxes** amounted to EUR 28m (EUR 12m) primarily driven by an increased profit before tax.

**Net income for the period from continuing operations** increased to EUR 283m (EUR 149m).

Adjustment items affecting net income, including tax effects, amounted to EUR 47m (EUR 53m).

**Adjusted net income for the period from continuing operations** was EUR 330m (EUR 202m).

**Earnings per share for continued operations** before and after dilution amounted to EUR 0.297 (EUR 0.176) and EUR 0.297 (EUR 0.175), respectively.

**Adjusted earnings per share for continued operations** before and after dilution amounted to EUR 0.346 (EUR 0.238) and EUR 0.346 (EUR 0.238), respectively.

**Adjustment items affecting EBITDA** amounted to EUR 45m (EUR 66m) and relates to an adjustment of revenues for fair value step-up on the, in April 2019, acquired contractual right to carried interest as well as a reversal of part of the provision recorded during 2019 relating to the VAT ruling. Adjustment items affecting EBITDA in 2019 related to preparatory work as well as bonuses in relation to the IPO process and the restructuring of the EQT AB Group as well as cost as a result of the VAT ruling.

**FINANCIAL POSITION**

**Goodwill and Other intangible assets** amounted to EUR 25m (EUR 37m). The decrease of EUR 11m is driven by amortization.

**Property, plant and equipment** amounted to EUR 113m (EUR 113m).

**Financial investments** increased by EUR 96m to EUR 167m (EUR 71m) primarily driven by increased investments from EQT AB Group into EQT funds as well as pre-fund investments as a result of the Growth strategy.

**Current assets** amounted to EUR 1,291m (EUR 1,193m). The increase in current assets was primarily driven by accrued income relating to recorded but not yet received carried interest. Cash and cash equivalents at the end of the period amounted to EUR 878m (EUR 909m).

**Equity** increased to EUR 1,263m (EUR 1,082m). The increase is primarily driven by current year's net income.

**Non-current liabilities** amounted to EUR 75m (EUR 78m).

**Current liabilities** amounted to EUR 285m (EUR 269m). The increase is mainly explained by increased bonus provisions as a result of an increased number of employees.

**PARENT COMPANY**

The parent company's profit before tax amounted to SEK 1,159m (SEK 1,603m). The decrease is mainly explained by a timing effect of dividends from subsidiaries. As a result of the decision prior year to set up a separate treasury entity the majority of the cash in EQT AB has now been transferred to EQT Treasury AB.

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

On 21 December 2020, EQT signed a five-year EUR 1 billion revolving credit facility (RCF). The RCF will increase the financial flexibility of EQT and be used for corporate purposes, supporting the EQT AB Group's growth initiatives and long-term strategy. The RCF will incorporate a pricing mechanism linked to ESG-related objectives, lowering the interest rates if targets are met, and increasing them if targets are not achieved. It will thus be in line with EQT's overall approach of integrating sustainability throughout its activities, both on EQT AB Group level and within funds advised by EQT.

Fundraising of EQT IX (target fund size of EUR 14.75bn and hard cap of EUR 15.0bn) progressed according to plan albeit with an increasing share of work handled remotely and digitally.

During the first half of 2020 preparations intensified for EQT Infrastructure V. The target size for EQT Infrastructure V was set at EUR 12.5bn as announced on June 30, 2020 and is progressing according to plan. Hard cap was set at EUR 15.0bn.

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 was recorded in 2019. The decision is not expected to have a material impact on EQT AB Group's future financial position or result. On January 8, 2021 the Swedish Tax Agency issued its reassessment decision, see further under Significant events after December 31, 2020.

As announced in EQT's quarterly announcement on January 23, 2020, EQT initiated a review of strategic options for the business segment Credit. Following the review it was decided to divest the business segment Credit to Bridgepoint as communicated on June 18, 2020. Following the signed agreement and as communicated on October 26, 2020 the transaction was completed. The business segment Credit is reported as a discontinued operations together with capital gain and costs relating to the transaction, see note 5.

As for any organization, the COVID-19 development has brought uncertainty and disruption. The situation continues to be carefully monitored and the investment advisory teams are in close dialogue with respective portfolio companies. On the transaction side, EQT's thematic investment strategy has continued to identify and execute attractive opportunities and the portfolio value creation agenda is on track. Only a few of the EQT funds' portfolio companies operate in the hardest hit sectors, but a prolonged pandemic may have a negative impact across the portfolio.

**SIGNIFICANT EVENTS AFTER DECEMBER 31, 2020**

On January 8, 2021 the Swedish Tax Agency issued its reassessment decision for the majority of the period for which EQT Partners AB had recorded a provision as a result of the VAT ruling announced by the Supreme Administrative Court on 27 January, 2020. The decision resulted in a reversal of EUR 8m in the provision recorded during 2019.

As announced on January 26, 2021 EQT has signed an agreement to acquire Exeter Property Group ("Exeter"), delivering on EQT's strategic ambition in Real Estate as well as EQT's plan to grow its presence in North America. Exeter has a strong performance and growth track-record and fits perfectly with EQT's culture and focus on value-add strategies. With 37 local deal offices, Exeter combines local execution with a global reach, mirroring EQT's local-with-locals approach. Exeter brings 60 new fund investors to EQT and adds USD 10.2 billion of AUM. Total consideration is USD 1,870 million on a cash and debt free basis, of which approximately USD 800 million to be satisfied through issue of new EQT shares. The proposed consideration is expected to equate to a mid-teens EBITDA multiple on a run-rate basis at completion. The transaction, which is subject to customary closing conditions, is expected to complete in the second quarter of 2021.

**TRANSACTIONS WITH RELATED PARTIES**

No significant related party transactions have occurred during the period.

**PLEDGED 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 EQT AB Group is exposed to a number of business, strategical, legal, tax, operational and financial risks. The financial risks are related to factors such as 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.

The EQT AB Group is also, as all organizations, exposed to the uncertainty and disruption as a result of COVID-19. See further under Significant events and transactions.

**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 month ended on December 31, 2020 and 2019 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 2019. However, as EQT AB has decided to divest the business segment Credit, the accounting standard IFRS 5 "Non-current Assets Held for Sale and Discontinued operations" has become applicable for the Group. IFRS 5 is not applicable for the parent company.

Discontinued operations consist of the business segment Credit, as further described in note 5 "Discontinued Operations".

"Net income for the period from discontinued operations" is presented as a single amount after tax at the end of the Consolidated income statement. Comparative figures are restated.

Part of the future investment strategy in EQT Growth, as announced in October, is focused on partnering with founders and management teams of market leading companies through growth investments in a range of technology, technology-enabled, and scalable businesses. As EQT AB Group might, using its own cash pre-fund, invest in entities whereby control can or will be achieved, the accounting for these subsidiaries has to be addressed. Previously EQT AB Group only had subsidiaries that were consolidated according to IFRS.

Based on the new strategy regarding future investment an evaluation of the Group from an IFRS 10 perspective has been performed and led to the conclusion that EQT AB Group is to be seen as an investment entity from an accounting perspective.

In accordance with IFRS 10 an investment entity is an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both and evaluate the

performance of its investments on a fair value basis. As an investment entity EQT AB is exempt from consolidating subsidiaries that are investments and measures them at fair value through profit or loss instead. Subsidiaries that serve in a supporting function such as investment services continue to be consolidated in accordance with IFRS 10 and those that are not providing investment services will be recognized at fair value instead of being consolidated. The conclusion reached has only an effect on the financial statements going forward and there is no effect on previous periods.

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 2.40 per share for fiscal year 2020. The dividend is proposed to be paid out in two installments, SEK 1.20 with record date June 4, 2021 and SEK 1.20 with record date December 1, 2021.

**FINANCIAL CALENDAR**

Annual report 2020	March 31 - April 2, 2021
Quarterly Announcement January-March 2021	April 22, 2021
Annual shareholders' meeting 2021, Stockholm	June 2, 2021
Half-year Report 2021	July 22, 2021
Quarterly Announcement July-September 2021	October 20, 2021

**AUDITOR'S REVIEW**

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

**SIGNATURE**

Stockholm, January 26, 2021

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 27–28.

EURm	Note	H2 2020	H2 2019	2020	2019
Management fees		344	275	609	539
Carried interest and investment income		101	10	100	25
<b>Total revenue</b>	<b>1</b>	<b>444</b>	<b>286</b>	<b>709</b>	<b>564</b>
Personnel expenses		-133	-116	-252	-216
Other operating expenses		-50	-90	-117	-151
<b>Total operating expenses</b>		<b>-183</b>	<b>-206</b>	<b>-369</b>	<b>-367</b>
<b>Operating profit before depreciation and amortization (EBITDA)</b>		<b>261</b>	<b>80</b>	<b>340</b>	<b>197</b>
Depreciation and amortization		-19	-17	-35	-30
<b>Operating profit (EBIT)</b>	<b>1</b>	<b>243</b>	<b>63</b>	<b>305</b>	<b>167</b>
Financial income		13	0	26	3
Financial expenses		-12	-3	-20	-8
<b>Net financial income and expenses</b>		<b>-0</b>	<b>-2</b>	<b>6</b>	<b>-6</b>
<b>Profit before income tax</b>		<b>243</b>	<b>60</b>	<b>311</b>	<b>161</b>
Income taxes		-20	-1	-28	-12
<b>Net income for the period from continuing operations</b>		<b>224</b>	<b>60</b>	<b>283</b>	<b>149</b>
Net income for the period from discontinued operations	<b>5</b>	108	4	96	10
<b>Net income</b>		<b>332</b>	<b>64</b>	<b>379</b>	<b>160</b>
<i>Attributable to:</i>					
Owners of the parent company		332	64	379	160
Non-controlling interests		–	–	–	–
<i>Earnings per share, EUR</i>					
before dilution		0.348	0.070	0.398	0.188
– of which continued operations		0.235	0.066	0.297	0.176
after dilution		0.348	0.070	0.398	0.187
– of which continued operations		0.235	0.066	0.297	0.175
<i>Average number of shares</i>					
before dilution		953,349,306	912,855,670	953,209,150	851,289,562
after dilution		953,759,207	913,345,106	953,619,051	851,748,997





## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EURm	H2 2020	H2 2019	2020	2019
<b>Net income</b>	<b>332</b>	<b>64</b>	<b>379</b>	<b>160</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	–6	–2
<b>Other comprehensive income for the period</b>	<b>–1</b>	<b>1</b>	<b>–6</b>	<b>–2</b>
<b>Total comprehensive income for the period</b>	<b>331</b>	<b>65</b>	<b>373</b>	<b>158</b>
<i>Attributable to:</i>				
Owners of the parent company	331	65	373	158
Non-controlling interests	–	–	–	–
	<b>331</b>	<b>65</b>	<b>373</b>	<b>158</b>



## CONSOLIDATED BALANCE SHEET

EURm	Note	2020	2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill		15	15
Other intangible assets		10	22
Property, plant and equipment		113	113
Financial investments	3	167	71
Other financial assets	3	22	3
Other non-current assets		3	4
Deferred tax assets		1	8
<b>Total non-current assets</b>		<b>331</b>	<b>236</b>
<b>Current assets</b>			
Current tax assets		15	8
Accounts receivable		3	6
Other current assets		62	113
Prepaid expenses and accrued income		333	158
Cash and cash equivalents		878	909
<b>Total current assets</b>		<b>1,291</b>	<b>1,193</b>
<b>Total assets</b>		<b>1,623</b>	<b>1,429</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		9	9
Other paid in capital		837	837
Reserves		-13	-7
Retained earnings including net income		429	242
<b>Total equity attributable to owners of the parent company</b>		<b>1,263</b>	<b>1,082</b>
<b>Non-controlling interest</b>		<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>1,263</b>	<b>1,082</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities		73	76
Deferred tax liabilities		1	2
<b>Total non-current liabilities</b>		<b>75</b>	<b>78</b>
<b>Current liabilities</b>			
Interest-bearing liabilities		-	9
Lease liabilities		16	14
Current tax liabilities		25	19
Accounts payable		5	12
Other liabilities		54	74
Accrued expenses and deferred income		185	140
<b>Total current liabilities</b>		<b>285</b>	<b>269</b>
<b>Total liabilities</b>		<b>360</b>	<b>347</b>
<b>Total equity and liabilities</b>		<b>1,623</b>	<b>1,429</b>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EURm	Attributable to owners of the parent company					Non-con-trolling interest	Total equity
	Share capital	Other paid in capital	Trans-lation reserve	Retained earnings	Total equity		
<b>Opening balance at January 1, 2020</b>	<b>9</b>	<b>837</b>	<b>-7</b>	<b>242</b>	<b>1,082</b>	<b>-</b>	<b>1,082</b>
<i><b>Total comprehensive income for the period</b></i>							
Net income				379	379		379
Other comprehensive income for the period			-6		-6		-6
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-6</b>	<b>379</b>	<b>373</b>	<b>-</b>	<b>373</b>
<i><b>Transactions with owners of the parent company</b></i>							
Dividends				-197	-197		-197
Share based bonus				5	5		5
<b>Total transactions with owners of the parent company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-192</b>	<b>-192</b>	<b>-</b>	<b>-192</b>
<b>Closing balance at December 31, 2020</b>	<b>9</b>	<b>837</b>	<b>-13</b>	<b>429</b>	<b>1,263</b>	<b>-</b>	<b>1,263</b>
<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>
<i><b>Total comprehensive income for the period</b></i>							
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>
<i><b>Transactions with owners of the parent company</b></i>							
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>



## CONSOLIDATED STATEMENT OF CASH FLOWS

EURm	2020	2019
<b>Cash flows operating activities</b>		
Operating profit (EBIT), continued operations	305	167
Operating profit (EBIT), discontinued operations incl transaction cost	-4	12
Adjustments:		
Depreciation and amortization	36	30
Changes in fair value	-16	-11
Foreign currency exchange differences	-6	-5
Other non-cash adjustments	11	12
Increase (-) / decrease (+) in accounts receivable and other receivables	-131	-32
Increase (+) / decrease (-) in accounts payable and other payables	13	82
Income taxes paid	-35	-10
<b>Net cash from operating activities</b>	<b>172</b>	<b>244</b>
<b>Cash flows investing activities</b>		
Investment in intangible assets	-0	-1
Acquisition of property, plant and equipment	-8	-17
Investment in financial investments	-112	-34
Acquisition of entitlement	-	-24
Proceeds from disposals of financial investments	5	9
Interest received	1	1
Consideration received	137	-
Investment in non current assets	-1	23
<b>Net cash from (+) / used in (-) investing activities</b>	<b>21</b>	<b>-44</b>
<b>Cash flows financing activities</b>		
Dividends paid	-197	-30
Repayment of borrowings	-9	-6
Investment in short term loan receivable	9	6
Payment of lease liabilities	-14	-11
Interest paid	-5	-4
Share issues	-	575
Purchase of own shares and/or participations	-	-93
<b>Net cash from (+) / used in (-) financing activities</b>	<b>-216</b>	<b>436</b>
<b>Net increase (+) / decrease (-) in cash and cash equivalents</b>	<b>-24</b>	<b>636</b>
Cash and cash equivalents at the beginning of the period	909	264
Translation differences	8	8
Cash discontinued operations	-15	-
<b>Cash and cash equivalents at the end of the period</b>	<b>878</b>	<b>909</b>



## PARENT COMPANY INCOME STATEMENT

SEKm	H2 2020	H2 2019	2020	2019
Net sales	683	595	1,221	900
Other operating income	-	3	-	6
<b>Total revenue</b>	<b>683</b>	<b>598</b>	<b>1,221</b>	<b>906</b>
Personnel expenses	-199	-191	-369	-305
Other external expenses	-299	-282	-723	-566
Other operating expenses	-10	-	-24	-
Depreciation and amortization	-7	-8	-15	-15
<b>Operating profit/loss</b>	<b>167</b>	<b>117</b>	<b>89</b>	<b>20</b>
Profit/loss from shares in subsidiaries	781	1,742	866	1,828
Interest income and similar profit/loss items	19	44	57	87
Interest expense and similar profit/loss items	-2	-190	-31	-203
<b>Profit/loss after financial items</b>	<b>966</b>	<b>1,713</b>	<b>982</b>	<b>1,732</b>
Group contribution	177	-130	177	-130
<b>Profit/loss before tax</b>	<b>1,143</b>	<b>1,583</b>	<b>1,159</b>	<b>1,603</b>
Income taxes	-77	33	-100	40
<b>Net income</b>	<b>1,067</b>	<b>1,616</b>	<b>1,060</b>	<b>1,642</b>



## PARENT COMPANY BALANCE SHEET

SEKm	2020	2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
<i>Intangible assets</i>		
Trademarks	-	0
<b>Total intangible assets</b>	-	0
<i>Property, plant and equipment</i>		
Leasehold improvements	62	73
Equipment	7	10
<b>Total property, plant and equipment</b>	<b>69</b>	<b>82</b>
<i>Financial assets</i>		
Shares in subsidiaries	9,520	11,941
Other securities held as non-current assets	10	14
Deferred tax	-	83
Other long-term receivables	5	4
<b>Total financial assets</b>	<b>9,535</b>	<b>12,042</b>
<b>Total non-current assets</b>	<b>9,604</b>	<b>12,124</b>
<b>Current assets</b>		
<i>Current receivables</i>		
Accounts receivable	15	11
Receivables from subsidiaries	803	2,783
Current tax assets	-	13
Other receivables	124	294
Prepaid expenses and accrued income	47	37
<b>Total current receivables</b>	<b>988</b>	<b>3,138</b>
Cash and bank	994	8,620
<b>Total current assets</b>	<b>1,982</b>	<b>11,758</b>
<b>Total assets</b>	<b>11,586</b>	<b>23,882</b>
<b>EQUITY AND LIABILITIES</b>		
<i>Restricted equity</i>		
Share capital	96	96
<b>Total restricted equity</b>	<b>96</b>	<b>96</b>
<i>Non-restricted equity</i>		
Share premium reserve	8,984	8,984
Profit or loss brought forward	529	942
Net income	1,060	1,642
<b>Total non-restricted equity</b>	<b>10,572</b>	<b>11,568</b>
<b>Total equity</b>	<b>10,668</b>	<b>11,664</b>
<b>Current liabilities</b>		
Accounts payable	2	25
Liabilities to subsidiaries	635	11,965
Current tax liabilities	4	-
Other liabilities	30	41
Accrued expenses and deferred income	248	188
<b>Total current liabilities</b>	<b>918</b>	<b>12,218</b>
<b>Total equity and liabilities</b>	<b>11,586</b>	<b>23,882</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.

During the period the segment Credit has been classified as a discontinued operations and is therefore not included in the current or comparable period. For additional information please see note 5.

EQT's operations are divided into two business segments: Private Capital and Real Assets. The operations of both 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 the business lines Private Equity, Ventures, Growth and Public Value. The business segment Real Assets consists of business lines Infrastructure and Real Estate.

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 the fund management organization as well as EQT AB Group management, client relations and capital raising, 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 in 2020 relates to a reversal of part of the provision recorded during 2019 relating to the VAT ruling and transaction costs and capital gain relating to the sale of segment Credit. Items affecting comparability in 2019 related 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 as well as a one-off provision of EUR 32m relating to the VAT ruling. 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 2020

EURm	Private Capital	Real Assets	Central	Total adjusted	Items affecting comparab.	Revenue adjustment	IFRS reported
<b>Total revenues</b>	<b>380</b>	<b>115</b>	<b>6</b>	<b>501</b>		<b>-56</b>	<b>444</b>
Personnel expenses				-133			-133
Other operating expenses				-63	8	5	-50
<b>Total operating expenses</b>	<b>-63</b>	<b>-33</b>	<b>-99</b>	<b>-195</b>	<b>8</b>	<b>5</b>	<b>-183</b>
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	<b>317</b>	<b>82</b>	<b>-94</b>	<b>305</b>	<b>8</b>	<b>-52</b>	<b>261</b>
Margin, %	83%	72%		61%			59%
Depreciation and amortization				-19			-19
<b>EBIT</b>				<b>287</b>	<b>8</b>	<b>-52</b>	<b>243</b>
Net financial income and expenses				0			0
Income taxes				-18	-2		-20
<b>Net income for the period from continuing operations</b>				<b>269</b>	<b>6</b>	<b>-52</b>	<b>224</b>
Net income for the period from discontinued operations				6	103		108
<b>Net income</b>				<b>275</b>	<b>109</b>	<b>-52</b>	<b>332</b>

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

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

H2 2019

EURm	Private Capital	Real Assets	Central	Total adjusted	Items affecting com- parab.	Revenue adjust- ment	IFRS reported
<b>Total revenues</b>	171	114	4	289		-3	286
Personnel expenses				-106	-10		-116
Other operating expenses				-54	-37		-90
<b>Total operating expenses</b>	-62	-28	-69	-160	-46	-	-206
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	109	85	-66	129	-46	-3	80
Margin, %	64%	75%		45%			28%
Depreciation and amortization				-17			-17
<b>EBIT</b>				112	-46	-3	63
Net financial income and expenses				-2			-2
Income taxes				-10	10		-1
<b>Net income for the period from continuing operations</b>				100	-36	-3	60
Net income for the period from discontinued operations				4			4
<b>Net income</b>				104	-36	-3	64

<sup>1)</sup> Gross segment result relates to the segments Private Capital and Real Assets.<sup>2)</sup> EBITDA relates to Central, Total adjusted and IFRS reported.

2020

EURm	Private Capital	Real Assets	Central	Total adjusted	Items affecting com- parab.	Revenue adjust- ment	IFRS reported
<b>Total revenues</b>	531	221	10	762		-53	709
Personnel expenses				-252			-252
Other operating expenses				-125	8		-117
<b>Total operating expenses</b>	-125	-65	-186	-376	8	-	-369
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	406	155	-176	385	8	-53	340
Margin, %	76%	70%		51%			48%
Depreciation and amortization				-35			-35
<b>EBIT</b>				350	8	-53	305
Net financial income and expenses				6			6
Income taxes				-27	-2		-28
<b>Net income for the period from continuing operations</b>				330	6	-53	283
Net income for the period from discontinued operations				11	86		96
<b>Net income</b>				341	92	-53	379

<sup>1)</sup> Gross segment result relates to the segments Private Capital and Real Assets.<sup>2)</sup> EBITDA relates to Central, Total adjusted and IFRS reported.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2019 EURm	Private Capital	Real Assets	Central	Total adjusted	Items affecting com- parab.	Revenue adjust- ment	IFRS reported
<b>Total revenues</b>	<b>331</b>	<b>231</b>	<b>8</b>	<b>570</b>		<b>-6</b>	<b>564</b>
Personnel expenses				-203	-13		-216
Other operating expenses				-105	-46		-151
<b>Total operating expenses</b>	<b>-124</b>	<b>-54</b>	<b>-130</b>	<b>-308</b>	<b>-59</b>	<b>-</b>	<b>-367</b>
<b>Gross segment result<sup>1)</sup> / EBITDA<sup>2)</sup></b>	<b>207</b>	<b>177</b>	<b>-122</b>	<b>262</b>	<b>-59</b>	<b>-6</b>	<b>197</b>
Margin, %	63%	77%		46%			35%
Depreciation and amortization				-30			-30
<b>EBIT</b>				<b>233</b>	<b>-59</b>	<b>-6</b>	<b>167</b>
Net financial income and expenses				-6			-6
Income taxes				-25	13		-12
<b>Net income for the period from continuing operations</b>				<b>202</b>	<b>-47</b>	<b>-6</b>	<b>149</b>
Net income for the period from discontinued operations				10			10
<b>Net income</b>				<b>213</b>	<b>-47</b>	<b>-6</b>	<b>160</b>

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

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

### 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 AB Group has commitments of future cash outflows based on signed agreements relating to committed amounts regarding financial investments. At December 31, 2020, the EQT AB Group had remaining commitments to invest in multiple EQT funds and fund related vehicles of a total amount of EUR 257m (EUR 71m). 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, 2020 was EUR 167m (EUR 66m) 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 (financial investments)**

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

EURm	2020	2019
Opening balance	66	18
Net change in fair value	16	11
Acquisitions	-	16
Investments	93	29
Divestments	-5	-9
Discontinued operations	-2	-
<b>Balance end of period</b>	<b>167</b>	<b>66</b>

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

Part of the purchase price in relation to the sale of segment Credit was variable and dependent on the size of future funds. Depending on the size of the future funds the variable compensation (earn-out) can range between EUR 0 and EUR 50m. EQT AB Group measure the earn-out to fair value in the balance sheet. The fair value at December 31, 2020 was EUR 20m and is calculated using inputs that are not based on observable market data and are therefore classified as level 3 in the fair value hierarchy. A change in the fair value will be included in "net income for the period from discontinued operations" 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, 2020 was EUR 17m (EUR 7m). 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.

As part of the discontinued operations related to Credit, a reasonable possible change of 10% in the size of future funds would not have a material impact on the fair value of the earn-out as of December 31, 2020. The effect would be recognized in net income for the period from discontinued operations.

**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.

**NOTE 4 OTHER OPERATING EXPENSES**

EURm	H2 2020	H2 2019	2020	2019
Administrative expenses	-13	-62	-51	-94
External services <sup>1)</sup>	-33	-23	-52	-47
IT expenses net of capitalization	-8	-5	-14	-9
Other operating expenses <sup>1)</sup>	5	-	-	-
<b>Other operating expenses</b>	<b>-50</b>	<b>-90</b>	<b>-117</b>	<b>-151</b>

<sup>1)</sup> In 2020 items affecting comparability of EUR 8m (Administrative expenses) relates to a reversal of part of the provision recorded during 2019 relating to the VAT ruling. In 2019 items affecting comparability of EUR -47m (EUR -32m on Administrative expenses and EUR -15m on External services) 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 as well as a provision related to VAT.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 5 DISCONTINUED OPERATIONS

#### *Background to divestment of Credit*

As announced in EQT's quarterly announcement on January 23, 2020, EQT initiated a review of strategic options for the business segment Credit. Following the review it was decided to divest the business segment Credit and as communicated on June 18, 2020 a signed agreement with Bridgepoint was entered into. As communicated on October 26, 2020 the transaction was completed. As a result of the transaction EQT AB Group recognize a capital gain in discontinued operations of EUR 113m representing the difference between the purchase price received and the carrying value of the net assets at the time of the transaction. Part of the purchase price is variable and dependent on the size of future funds. Depending on the size of the future funds the variable compensation (earn-out) can range between EUR 0 and EUR 50m. EQT AB Group measure the earn-out to fair value in the balance sheet, see note 3. The fair value (included in the capital gain) was EUR 20m. The business segment Credit is reported as a discontinued operations together with the capital gain and costs relating to the transaction.

#### *Result for the segment*

Revenues during 2020, up until the completion of the transaction, amounted to EUR 30m compared to EUR 36m for the full year 2019.

EBITDA remained stable at EUR 13m (EUR 12m).

#### INCOME STATEMENT FOR DISCONTINUED OPERATIONS

EURm	H2 2020	H2 2019	2020	2019
<b>Total revenues</b>	<b>13</b>	<b>19</b>	<b>30</b>	<b>36</b>
Personnel expenses	-3	-8	-11	-14
Other operating expenses	-3	-6	-6	-10
<b>Total operating expenses</b>	<b>-6</b>	<b>-14</b>	<b>-17</b>	<b>-24</b>
<b>EBITDA</b>	<b>6</b>	<b>5</b>	<b>13</b>	<b>12</b>
Margin, %	51%	27%	43%	32%
Depreciation and amortization	-	-	-	-
<b>Operating profit (EBIT)</b>	<b>6</b>	<b>5</b>	<b>13</b>	<b>12</b>
Net financial income and expenses	-	-	-	-
Income taxes	-12	-1	-13	-1
<b>Net income</b>	<b>-5</b>	<b>4</b>	<b>0</b>	<b>10</b>
Capital gain	113	-	113	-
Transaction related costs	1	-	-17	-
<b>Net income for the period from discontinued operations</b>	<b>108</b>	<b>4</b>	<b>96</b>	<b>10</b>

#### CASH FLOW FROM DISCONTINUED OPERATIONS

EURm	2020	2019
Operating cash flow	-9	-7
Investing activities	-22	-2
Financing activities	44	3
<b>Net cash flow for the period</b>	<b>12</b>	<b>-6</b>

**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, EQT VII and selected funds.  For revenue adjustments related to the accounting treatment of change of entitlement to revenue from EQT VI, EQT VII and selected funds, see note 1.	Total revenue adjusted for fair value step-up on acquired contractual right to carried interest from EQT VI, EQT VII 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, EQT VII 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, EQT VII 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, EQT VII 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, EQT VII 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 2020	H2 2019	2020	2019
Total revenue	444	286	709	564
Revenue adjustments	56	3	53	6
<b>Adjusted total revenue</b>	<b>501</b>	<b>289</b>	<b>762</b>	<b>570</b>

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

	H2 2020	H2 2019	2020	2019
<b>Net income for the period from continuing operations</b>	<b>224</b>	<b>60</b>	<b>283</b>	<b>149</b>
Income taxes	20	1	28	12
Net financial income and expenses	-0	2	-6	6
<b>Operating profit (EBIT)</b>	<b>243</b>	<b>63</b>	<b>305</b>	<b>167</b>
Depreciation and amortization	19	17	35	30
<b>EBITDA</b>	<b>261</b>	<b>80</b>	<b>340</b>	<b>197</b>
Revenue adjustments	52	3	53	6
Items affecting comparability	-8	46	-8	59
<b>Adjusted EBITDA</b>	<b>305</b>	<b>129</b>	<b>385</b>	<b>262</b>
Depreciation and amortization	-19	-17	-35	-30
Net financial income and expenses	0	-2	6	-6
Income taxes (including tax on adjustments)	-18	-10	-27	-25
<b>Adjusted net income for the period from continuing operations</b>	<b>269</b>	<b>100</b>	<b>330</b>	<b>202</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Adjusted earnings per share, basic

	H2 2020	H2 2019	2020	2019
Adjusted net income, EURm	269	100	330	202
Average number of shares, basic	953,349,306	912,855,670	953,209,150	851,289,562
<b>Adjusted earnings per share, basic, EUR</b>	<b>0.283</b>	<b>0.109</b>	<b>0.346</b>	<b>0.238</b>

### Adjusted earnings per share, diluted

	H2 2020	H2 2019	2020	2019
Adjusted net income, EURm	269	100	330	202
Average number of shares, diluted	953,759,207	913,345,106	953,619,051	851,748,997
<b>Adjusted earnings per share, diluted, EUR</b>	<b>0.283</b>	<b>0.109</b>	<b>0.346</b>	<b>0.238</b>

### Financial net cash / (Net debt)

EURm	2020	2019
Cash and cash equivalents	878	909
Short term loan receivable <sup>1)</sup>	-	9
Interest-bearing liabilities – current	-	-9
<b>Financial net cash / (Net debt)</b>	<b>878</b>	<b>909</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. Credit is reported as a discontinued operation

**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, Ventures, Growth 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 purpose-driven global investment organization with close to three decades of consistent investment performance across multiple geographies, sectors, and strategies. EQT has raised more than EUR 84 billion since inception and currently has around EUR 52 billion in assets under management across 17 active funds within the two business segments – Private Capital and Real Assets.

With its roots in the Wallenberg family's entrepreneurial mindset and philosophy of long-term ownership, EQT is guided by a set of strong values and a distinct corporate culture. EQT manages and advises funds and vehicles that invest across the world with the mission to future-proof companies, generate attractive returns and make a positive impact with everything EQT does.

The EQT AB Group comprises EQT AB (publ) and its direct and indirect subsidiaries, which include general partners and fund managers of EQT funds as well as entities advising EQT funds. EQT has offices in 16 countries across Europe, Asia Pacific and North America with more than 700 employees.

More info: [www.eqtgroup.com](http://www.eqtgroup.com)

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