

Company number: 13306870

**EQT Exeter Advisors UK Limited**  
**Annual Report and Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021



## **EQT Exeter Advisors UK Limited**

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## **EQT Exeter Advisors UK Limited**

### **Company Information**

<b>Directors</b>	James Peter Stuart Golunski Nisha Raghavan John Toukatly
<b>Registered number</b>	13306870
<b>Registered office</b>	30 Broadwick Street London W1F 8JB United Kingdom
<b>Bankers</b>	Skandinaviska Enskilda Banken AB 1 Cater Lane London EC4V 5AN
<b>Auditors</b>	PricewaterhouseCoopers CI LLP 37 Esplanade St Helier Jersey JE1 4XA

## **EQT Exeter Advisors UK Limited**

### **Directors' Report**

For the Financial Period from 31 March 2021 to 31 December 2021

The directors present their report and the financial statements for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021.

#### **Incorporation**

The company was incorporated on 31 March 2021 and became operational in October 2021 therefore employee salaries and benefits incurred relate to October, November and December 2021 only. Employees related to the Real Estate arm of the EQT business were transferred from EQT Partners UK Limited to EQT Exeter Advisors UK Limited in October 2021.

#### **Principal Activity**

The principal activity of the Company is that of acting as an investment advisor to the General Partners of EQT Real Estate I Fund, EQT Real Estate II Fund and Exeter US Advisors LLC.

There has been no significant change in these activities during the financial year ended 31 December 2021. The directors are satisfied with the performance of the company, in this, its first period of trading.

#### **Future developments**

The directors expect the entity to continue to operate as an investment advisor to the General Partners of the EQT Exeter funds detailed elsewhere in the Directors' Report for the foreseeable future.

#### **Directors of the company**

The directors who held office during the period were as follows:

James Peter Stuart Golunski (appointed 31 March 2021)

Nisha Raghavan (appointed 31 March 2021)

John Toukatly (appointed 31 March 2021)

#### **Results and dividends**

The profit for the period, after taxation, amounted to £170,776.

The directors do not recommend payment of a dividend.

At the end of the financial period, the company has assets of £10,811,035 and liabilities of £10,495,650. The net assets of the company are £315,385.

## **EQT Exeter Advisors UK Limited**

### **Directors' Report**

For the Financial Period from 31 March 2021 to 31 December 2021 (continued)

#### **Going concern**

The revenue of the Company is based on a cost plus mechanism. Management has no reason to believe that the revenues for 2022 will not be collected because of the limited credit risk of the counterparties to the Company, who earn significantly larger revenues and therefore have sufficient liquidity to continue paying the Company's revenues as they fall due.

Company has received £3.3m capital injection from its parent company in Q1 2022 which directors consider to be sufficient for the company to remain a going concern for at least 12 months from the date of approval of financial statements.

On this basis, and after reviewing the company's performance projections, current liabilities and commitments, the directors are satisfied that the company has adequate access to resources to enable it to meet its obligations and continue in operational existence for at least 12 months from the date of approval of these financial statements.

#### **Directors' confirmations**

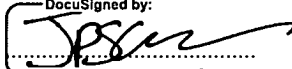
In the case of each director in office at the date the directors' report is approved:

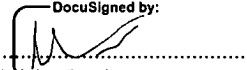
- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

#### **Independent auditors**

The auditors, PricewaterhouseCoopers CI LLP were appointed on 8th September 2022 for the audit of financial year 2021. A resolution has been made determining KPMG as the auditor for the financial year 2022.

Approved by the Board on 18 November 2022 and signed on its behalf by:

DocuSigned by:  
  
James Peter Stuart Golunski  
Director

DocuSigned by:  
  
Nisha Regan  
Director

## EQT Exeter Advisors UK Limited

### Statement of Directors' Responsibilities

For the financial Period from 31 March 2021 to 31 December 2021

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

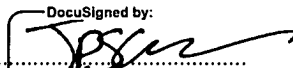
The Companies Act 2006 ("company law") requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS 102 Sec 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

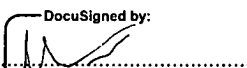
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS 102 Sec 1A have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or to have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.

Approved by the Board on 18 November 2022 and signed on its behalf by:

DocuSigned by:  
  
James Peter Stuart Golunski  
Director

DocuSigned by:  
  
Nishu Reguvaran  
Director

# Independent auditors' report to the members of EQT Exeter Advisors UK Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, EQT Exeter Advisors UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the period from 31 March 2021 to 31 December 2021;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2021; the statement of comprehensive income for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

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

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

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



We have no exceptions to report arising from this responsibility.

- the financial statements are not in agreement with the accounting records and returns.
- certain disclosures of directors' remuneration specified by law are not made; or
- have not been received from branches not visited by us; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit
- we have not obtained all the information and explanations we require for our audit; or

Under the Companies Act 2006 we are required to report to you if, in our opinion:

## Companies Act 2006 exception reporting

# Other required reporting

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Use of this report

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

- enquiring with management and the directors of the company as to any actual or suspected instances of fraud or non-compliance with laws and regulations;
- checking the minutes of meetings of the board of directors for matters relevant to the audit;
- testing the disclosure made in the financial statements, as well as in the Directors' report, for compliance with the requirements of the Companies Act 2006;
- performing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing; and
- identifying and testing journal entries considered to be higher fraud risk, and the evaluation of any business rationale for any significant or unusual transactions identified as being outside the normal course of business.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations, including those that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, and the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink, appearing to read 'Ian K B Tait', with a stylized flourish at the end.

Ian Tait (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers CI LLP  
Chartered Accountants and Statutory Auditors  
Jersey  
21 November 2022

## **EQT Exeter Advisors UK Limited**

### **Statement of Comprehensive Income**

For the financial period from 31 March 2021 (date of incorporation) to 31 December 2021

	Note	2021 £
Turnover	6	<u>7,917,160</u>
Employee benefits expense	8	(2,535,265)
Other expenses	7	<u>(5,169,793)</u>
Operating profit		212,102
Interest payable and similar expense		<u>(1,268)</u>
Profit before taxation		210,834
Tax on profit	15	<u>(40,058)</u>
Total comprehensive income		<u>170,776</u>

The company's revenue and expenses for the period are derived from continuing operations.

No other comprehensive income is recorded.

The notes on pages 11 to 20 form an integral part of these financial statements.

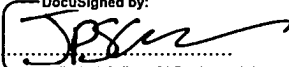
## EQT Exeter Advisors UK Limited

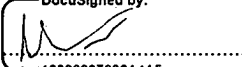
### Balance Sheet

As at 31 December 2021

	Note	2021 £
<b>Current assets</b>		
Debtors	10	8,883,920
Cash and cash equivalents	11	<u>1,927,115</u>
		10,811,035
<b>Creditors: Amounts falling due within one year</b>	12	<u>(10,495,650)</u>
<b>Net current assets</b>		<u>315,385</u>
<b>Net assets</b>		<u>315,385</u>
<b>Capital and reserves</b>		
Share capital	13	1
Other reserves		144,608
Profit and loss account		<u>170,776</u>
<b>Total equity</b>		<u>315,385</u>

Approved by the board on 18 November 2022 and signed on its behalf by:

DocuSigned by:  
  
James Peter Stuart Golunski  
Director

DocuSigned by:  
  
Nisha Raghavan  
Director

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021

#### **1 GENERAL INFORMATION**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

EQT Exeter Advisors UK Limited ("the company") is a company limited by shares incorporated and registered in the United Kingdom. The registered number of the company is 13306870. The registered office of the company is 30 Broadwick Street, London, W1F 8JB, United Kingdom which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Pound Sterling (£) which is also the functional currency of the company.

#### **2 ACCOUNTING POLICIES**

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value and in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Under FRS 102 section 1.11 and 1.12 the company is exempt from the requirement to prepare a cashflow statement on the grounds that its parent undertaking (EQT AB, a company incorporated in Sweden) includes the company in its own published consolidation financial statements available at P.O Box 16409, S-103 27, Stockholm, Sweden.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see Note 5).

The following accounting policies have been applied consistently throughout the period:

##### **Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be measured reliably. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents income earned in the financial period from acting as sub-advisor to EQT AB. Turnover is recognised by the company in line with a transfer pricing agreement between EQT Exeter Advisors UK Limited and EQT AB for the provision of investment advisory services.

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **2 ACCOUNTING POLICIES (continued)**

##### **Financial assets**

Basic financial assets, including trade and other receivables and cash and bank balances are recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### **Going concern**

The revenue of the Company is based on a cost plus mechanism. Management has no reason to believe that the revenues for 2022 will not be collected because of the limited credit risk of the counterparties to the Company, who earn significantly larger revenues and therefore have sufficient liquidity to continue paying the Company's revenues as they fall due.

Company has received £3.3m capital injection from its parent company in Q1 2022 which directors consider to be sufficient for the company to remain a going concern for at least 12 months from the date of approval of financial statements.

On this basis, and after reviewing the company's performance projections, current liabilities and commitments, the directors are satisfied that the company has adequate access to resources to enable it to meet its obligations and continue in operational existence for at least 12 months from the date of approval of these financial statements.

##### **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **Financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **2 ACCOUNTING POLICIES (continued)**

##### **Share based payments**

Where share options (cash based) are rewarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as target based on index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of Comprehensive Income is charged with the fair value of goods and services received.

Under FRS 102 Section 1.12(d), the company is exempt from certain disclosure requirements of Section 26 Share-based Payments as equivalent disclosures are included in the consolidated financial statements of EQT AB, the ultimate parent company, include the company. These financial statements are publicly available at [www.eqtgroup.com](http://www.eqtgroup.com)

##### **Operating leases: the company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Minimum lease payments amounted to £319,357 during 2021.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **Pensions**

###### **Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **2 ACCOUNTING POLICIES (continued)**

##### **Taxation**

Tax is recognised in the profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated based on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### **Foreign currency translation**

###### **Functional and presentation currency**

The company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within the "finance income or costs." All other foreign exchange gains and losses are presented in the profit or loss within "other operating income."



## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **2 ACCOUNTING POLICIES (continued)**

##### **Related party disclosures**

Under FRS 102 Section 33, the company is exempt from disclosing transactions within the group of companies headed by EQT AB as the consolidated financial statements presented by this entity include the company. These financial statements are available at P.O. Box 16409, 103 27 Stockholm, Sweden.

##### **Ordinary share capital**

The ordinary share capital of the company is presented as equity.

#### **3 PERIOD OF FINANCIAL STATEMENTS**

The financial statements are for the 9 month 1 day period from 31 March 2021 (date of incorporation) to 31 December 2021.

#### **4 STATEMENT ON PREVIOUS PERIODS**

The company did not present financial statements for previous periods.

#### **5 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements in conformity with FRS 102 Sec 1A requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not clear from other sources. Actual results may differ from these estimates. In respect of the judgements, estimates and assumptions made by management in preparing these financial statements none are considered to have significant risk of causing a material adjustment to the carrying amount of assets and liabilities presented.

#### **6 TURNOVER**

The analysis of the company's revenue for the period from continuing operations is as follows:

	For the period from 31 March to 31 December 2021
Turnover	£ <u>7,917,160</u>

All turnover arose as a result of transfer pricing agreement between EQT Exeter Advisors UK Limited, Exeter US Advisors LLC, EQT Fund Management SARL, EQT Real Estate I (General Partner) LP & the company's ultimate parent EQT AB

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **7 OTHER EXPENSES**

The aggregate expenses were as follows:

	For the period from 31 March to 31 December 2021 £
Auditors fee	28,500
Management fee	3,281,798
Other sundry expenses	1,859,495
	<u>(5,169,793)</u>

#### **8 EMPLOYEE BENEFITS EXPENSE**

The aggregate payroll costs (including directors' remuneration) were as follows:

	For the period from 31 March to 31 December 2021 £
Wages and salaries	1,393,584
Other short-term employee benefits	277,005
Share-based payment expenses	165,524
Other employee expense	699,152
	<u>2,535,265</u>

The average monthly number of employees, including directors, during the financial period was 42.

The company was incorporated on 31 March 2021 and became operational in October 2021 therefore employee salaries and benefits incurred relate to October, November and December 2021 only. Employees related to the Real Estate arm of the EQT business were transferred from EQT Partners UK Limited to EQT Exeter Advisors UK Limited in October 2021.

	2021 No.
Employees	<u>42</u>

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **9 DIRECTORS' REMUNERATION**

	For the period from 31 March to 31 December 2021 £
Directors' emoluments	165,475
Company contributions to defined contribution pension schemes	330
	<u>165,805</u>

During the year retirement benefits were accruing to 1 director in respect of defined contribution pension schemes.

The highest paid director received remuneration of £63,024.

The total accrued pension provision of the highest paid director at 31 December 2021 amount to £NIL.

#### **10 DEBTORS**

	2021 £
Amounts owed by related parties	8,760,330
Other debtors	21,073
Prepayments	<u>102,517</u>
	<u>8,883,920</u>

Intercompany receivables are comprised of transfer pricing invoices to other group companies in accordance with the group transfer pricing policy as well as amounts owed by other group companies to the company with respect to various expenses paid on behalf of those entities. This was necessary as a number of other group companies did not have operational bank account in place as at Q4 2021 in order to pay for operating expenses.

#### **11 CASH AND CASH EQUIVALENTS**

	2021 £
Cash at bank	<u>1,927,115</u>

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **12 CREDITORS**

	2021 £
<b>Amounts falling due within one year</b>	
Trade creditors	214,600
Amounts due to related parties	6,974,720
Social security and other taxes	641,403
Other payables	40,058
Accruals	<u>2,624,869</u>
	<u>10,495,650</u>

Intercompany payables are comprised of transfer pricing invoices to other group companies in accordance with the group transfer pricing policy, with respect to various expenses paid on behalf of the company primarily by EQT Partners UK Limited.

#### **13 OTHER RESERVES**

	No.	2021 £
Share based payment charge	<u>1</u>	<u>144,608</u>

Other reserves comprise the company's contributions to the share-based payment scheme. An expense equivalent to the fair value of the share options granted is recognised evenly over the vesting period with a corresponding amount being recognised in other reserves. As the cost is borne by the parent entity and amounts are not recharged to the Company, this balance in other reserves is a capital contribution.

#### **14 CAPITAL COMMITMENTS**

The company had share capital of £1 at the financial period-ended 31 December 2021.

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **15 TAXATION**

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (the same as the standard rate of corporation tax in the UK) of 19% .

Factors that may affect future tax charges On 24 May 2021, Finance Bill 2021 was substantively enacted. The result of this is that the main rate of corporation tax for the UK will increase to 25% from 1 April 2023.

The differences are reconciled below:

	2021 £
Profit before tax	<u>210,834</u>
Corporation tax at standard rate	<u>40,058</u>
Total tax charge for the period	<u>40,058</u>

#### **16 Relationship between entity and parents**

The immediate parent company at the balance sheet date is considered to be EQT Partners AB, a company incorporated in Sweden by virtue of their shareholding in the company.

The ultimate parent company is considered to be EQT AB, a company incorporated in Sweden, by virtue of their shareholding in in EQT Partners AB.

## **EQT Exeter Advisors UK Limited**

### **Notes to the Financial Statements**

for the financial period from 31 March 2021 (date of incorporation) to 31 December 2021 (continued)

#### **17 SUBSEQUENT EVENTS**

In February 2022, the company changed its address to 'Fifth Floor, 77 Grosvenor Street, London, W1K 3JR, United Kingdom' to accommodate a temporary office move whilst '30 Broadwick Street' is being renovated.

The company was granted FCA approval in early 2022 and received a £3.3m capital injection from EQT AB (the ultimate parent of the EQT group) in April 2022 in order to hold the adequate capital required for FCA membership. Granting of FCA license has allowed company to engage in following activities:

- Advising on investments (except on Pension Transfers and Pension Opt Outs)
- Arranging (bringing about) deals in investments
- Making arrangements with a view to transactions in investments

Finally, the EQT transfer pricing policy has been uplifted from 5% to 10% effective 1 January 2022 this includes EQT Exeter Advisors UK Ltd.

#### **18 APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements were approved and authorised for issue by the board of directors on 18 November 2022.