

Year-End Report 2023

Investment activity reaccelerated in uncertain markets

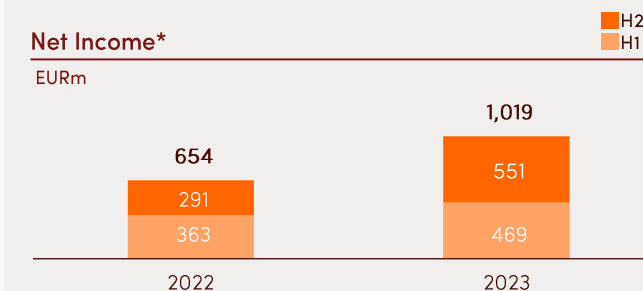
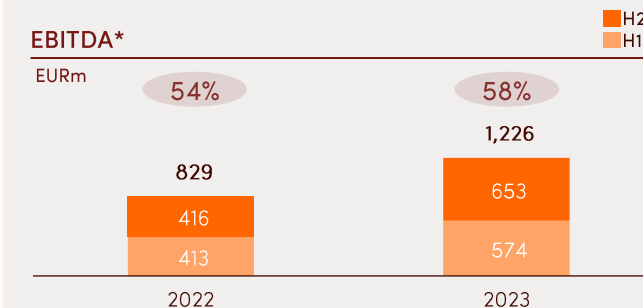
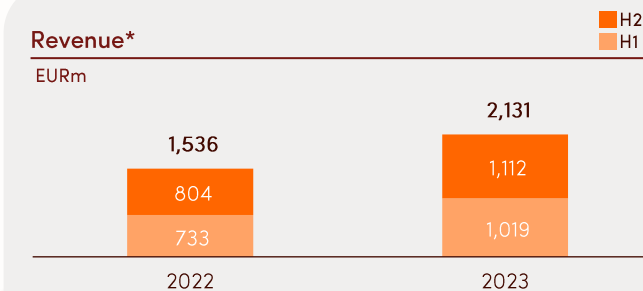
Highlights for the period Jan-Dec 2023 (Jan-Dec 2022)

Financial

- In 2023, EQT delivered a significant uplift in management fees based on strong fundraising and the full-year effect of the combination with BPEA, whereas carried interest was lower due to slower realizations and largely flat fund valuations. Adjusted margins increased through operational efficiency and scaling effects
- Total revenue (adjusted*) amounted to EUR 2,131m (EUR 1,536m), an increase of 39%. Total revenue (according to IFRS) was EUR 2,084m (EUR 1,497m). Management fees increased by 48%, driven by Private Capital and Infrastructure as well as the full-year contribution of BPEA
- Carried interest and investment income (adjusted*) amounted to EUR 165m (EUR 208m), a decrease of 21%. IFRS carried interest and investment income amounted to EUR 118m (EUR 169m), a decrease of 30%
- EBITDA (adjusted*) amounted to EUR 1,226m (EUR 829m), corresponding to an adjusted margin of 58% (54%). EBITDA (according to IFRS) was EUR 693m (EUR 506m), corresponding to a margin of 33% (34%)
- Fee-related EBITDA (adjusted*) amounted to EUR 1,062m (EUR 621m), corresponding to an adjusted margin of 54% (47%)
- Net income (adjusted*) from continuing operations amounted to EUR 1,019m (EUR 654m). Net income from continuing operations (according to IFRS) was EUR 139m (EUR 176m)
- Basic earnings per share (adjusted*) for continued operations amounted to EUR 0.860 (EUR 0.634). Diluted earnings per share (adjusted*) for continued operations amounted to EUR 0.859 (EUR 0.634). Reported basic earnings per share for continued operations amounted to EUR 0.117 (EUR 0.171). Diluted earnings per share for continued operations amounted to EUR 0.117 (EUR 0.171)

Strategic

- The integration with BPEA, including the alignment of investment teams and processes, was completed. As of year-end 2023, BPEA EQT was rebranded "EQT Private Capital Asia", enhancing EQT's global brand reach
- EQT launched its first semi-liquid products, EQT Nexus and EQRT. EQT Nexus and EQRT represent a new distribution channel for EQT by providing access for individuals to invest in private markets. EQT Nexus provides access to a diversified portfolio of EQT's funds, and EQRT focuses on direct investments in commercial real estate
- EQT laid the groundwork for a healthcare growth strategy by making strategic hires for its Private Capital Healthcare advisory team, enhancing its expertise in early-stage healthcare investments



*Adjusted EBITDA margin

*Adjusted figures. The adjusted metrics are alternative performance metrics for the EQT AB Group. For a full reconciliation, please refer to section "Alternative performance measures".

Highlights for the period Jan-Dec 2023 (Jan-Dec 2022)

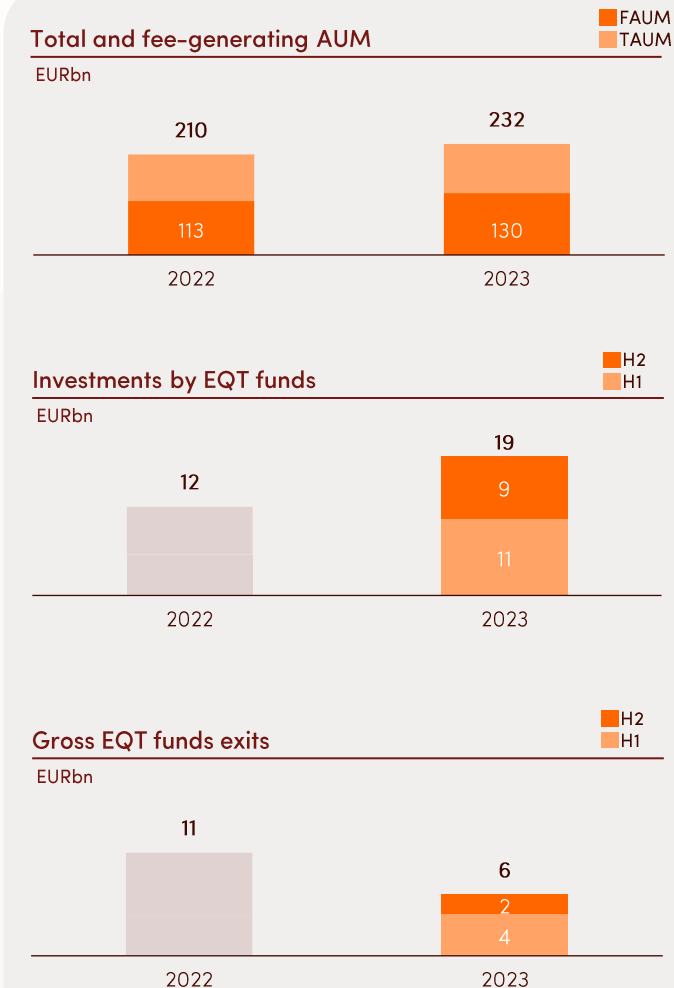
Fundraising

- FAUM increased to EUR 130bn (EUR 113bn). Total AUM was EUR 232bn (EUR 210bn). Gross inflows were primarily driven by closed out commitments from EQT X and EQT Infrastructure VI and amounted to EUR 24bn (EUR 55bn, of which over EUR 20bn following the combination with EQT Private Capital Asia)
- EQT Exeter Industrial Value Fund VI held its final close at USD 4.9bn of fee-generating commitments, exceeding its target size of USD 4.0bn
- Fundraising continued for EQT X with fee-generating commitments of EUR 20.1bn as of year-end. EQT X is expected to close at its hard cap in Q1 2024
- As of year-end, EQT Infrastructure VI had fee-generating commitments of EUR 13.7bn. As of today (18 January), the fund has secured commitments of close to EUR 14.5bn. Fundraising is set to continue well into 2024, and the fund is expected to reach its target fund size
- Fundraising continued for EQT Future, EQT Exeter US Multifamily Value II, EQT Exeter Europe Logistics Core-Plus II and EQT Active Core Infrastructure, with fundraisings generally taking longer in the current fundraising environment
- Fundraising continued for BPEA EQT Mid Market Growth, and the hard cap was increased to USD 1.4bn

Investment and exit activity¹

- Total investments by the EQT funds during the period amounted to EUR 19bn (EUR 12bn), as EQT reaccelerated the pace of investments to seize opportunities supported by long-term secular growth trends. Infrastructure had its most active investment year ever with EUR 9bn of investments, Private Capital announced investments close to EUR 9bn, and investment volumes in EQT Exeter picked up towards the end of the year with almost EUR 2bn of investments in total for the year
- Investments were primarily made in sectors such as healthcare, technology, and digital. Examples of investments include Dechra Pharmaceuticals, a global developer, manufacturer and supplier of products relating to pets (EQT X), Zeus, a leading supplier of custom polymer components to the world's most innovative medical device and industrial companies (EQT X), Heritage Environmental Services, a leading provider of industrial waste management (EQT Infrastructure VI), and Indira IVF, India's largest chain of fertility clinics (BPEA VIII)
- Total gross fund exits announced during the period amounted to EUR 6bn (EUR 11bn)

¹) Signed transactions, if not otherwise mentioned



Highlights for the period Jan-Dec 2023 (Jan-Dec 2022)

Investment performance

- All key funds continued to perform On Plan or Above Plan
- Key fund valuations were for the most part flat on a Gross MOIC basis, and in aggregate, the key fund valuations were up. The portfolio continued to develop well, but with some pockets of underperformance. Revenue growth slowed in Private Equity, offset by margin improvements which drove higher EBITDA growth, and the Infrastructure portfolio remained resilient. Listed companies in EQT's key funds were down on average

Balance sheet, realization of carried interest and liquidity

- At 31 December 2023, interest bearing liabilities amounted to EUR 2,021m. Cash and cash equivalents amounted to EUR 1,114m, EQT's EUR 1.5bn revolving credit facility was undrawn, and Net Debt (ND) amounted to EUR 886m. ND/Adjusted EBITDA was 0.7x and ND/Adjusted Fee-related EBITDA 0.8x
- Carried interest (adjusted*) amounted to EUR 142m (EUR 202m). Realized (cash) carried interest amounted to EUR 115m (EUR 190m)
- EQT completed a repurchase of 1.8m shares, with the objective of over time offsetting the dilution impact from EQT's Incentive Programs

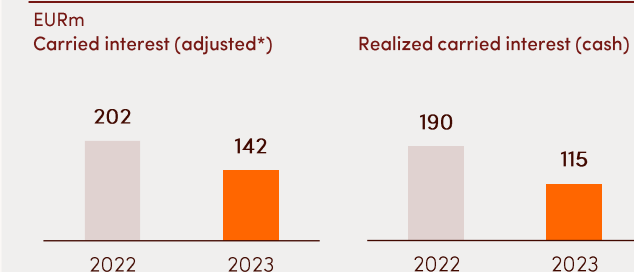
People

- The number of full-time equivalent employees and on-site consultants (FTE+) amounted to 1,838 (1,790), of which 1,777 (1,669) were FTEs
- Suzanne Donohoe joined EQT in January as Chief Commercial Officer to drive EQT's external commercial activities
- EQT further strengthened its investment organization with senior talent including Francesco Starace, former CEO and General Manager of Enel, joining EQT as a Partner within the EQT Infrastructure Advisory Team, bringing deep experience and expertise in energy and energy-transition related industries
- Maarten de Jong and Mark Braganza joined EQT's Private Capital Healthcare team as Partners, to bolster the new EQT Healthcare Growth Strategy, focused on early-stage healthcare investments

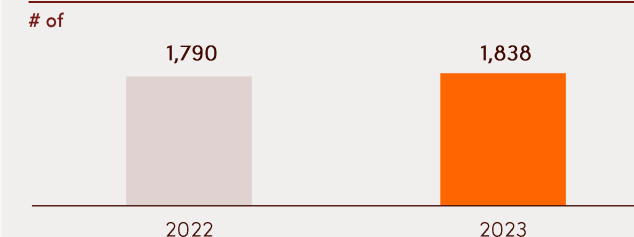
Investment performance

	On plan	Above plan
Private Capital	EQT IX BPEA VIII EQT X	EQT VII EQT VIII BPEA VII
Real Assets	EQT Infrastructure IV EQT Infrastructure V EQT Infrastructure VI	EQT Infrastructure III

Carried interest



Employees (FTE+)



*Adjusted figures. The adjusted metrics are alternative performance metrics for the EQT AB Group. For a full reconciliation, please refer to section "Alternative performance measures".

Highlights for the period Jan-Dec 2023 (Jan-Dec 2022)

Future-proofing

- As the first private markets firm to set Science Based Targets, we have supported 29 portfolio companies to get validated science-based targets, and additionally, close to 30 are now in the process of getting there
- EQT published its Net Zero Guidelines and set a target that 100% of the EQT funds' portfolio companies and real estate assets should be on track to achieve their 1.5°C aligned decarbonization plans by 2040
- EQT expanded Motherbrain across all business lines, enabling investment advisory teams from every corner of the company to leverage EQT's collective insights and proprietary platform
- EQT continued to drive efficiencies and scalability in its central platform and improving the client experience. For example, EQT reduced the distribution time of fund reports from 52 to 40 business days after quarter close

Other

- EQT opened an office in Seoul, South Korea, and EQT Infrastructure VI acquired SK Shieldus, a leading South Korean integrated security operator
- EQT's Global Capital Markets team put in place a structure for equity capital market services, similar to its already established practice of providing debt underwriting, in equity and notes offerings related to EQT and its portfolio companies
- Going forward, EQT intends to further increase transparency by providing a combination of metrics related to carried interest. EQT will continue to report carried interest after applying a valuation buffer on the underlying fund valuations (currently defined as adjusted carried interest) as well as cash carried interest. In addition, EQT will provide carried interest based on underlying fund valuations without a discount (mark-to-market). With the revised reporting, EQT will provide a highly transparent carried interest reporting, including the short-term direct impact of fund valuation changes (mark-to-market), a high degree of visibility on expected mid-term cash flows (carried interest post fund valuation buffer), as well as the actual cash flows related to carried interest (cash carried interest)

EURm	2019	2020	2021	2022	2023
Carried interest post fund valuation buffer	20	136	465	202	142
Cash carried interest	8	11	156	190	115
Carried interest based on undiscounted fund valuations (mark-to-market)	198	401	1,316	23	134

Events after the reporting period

- Investment levels in EQT key funds as of 18 January 2024, were 30-35% in EQT X, 30-35% in EQT Infrastructure VI and 40-45% in BPEA VIII
- EQT introduced the new Healthcare Growth Strategy, a dedicated healthcare buyout strategy, with the acquisition of life sciences tools company Mabtech
- The Board proposes a dividend per share of SEK 3.60 (SEK 3.00), to be paid in two installments, SEK 1.80 (SEK 1.50) in June 2024 and SEK 1.80 (SEK 1.50) in December 2024

Investment activity reaccelerated in uncertain markets

In 2023, EQT cemented our global position through the successful integration of BPEA in Asia, delivered on our strategic objective to offer investment strategies tailored for individual investors, and invested with confidence into what we think is an attractive market. We enter our fourth decade primed to build on the first thirty years, continuing to leverage our leadership in areas like sustainability, AI and digitalization for the best of our portfolio, our clients and our shareholders.

Seizing thematic investment opportunities

Once again, high inflation and interest rates were a constant in 2023, leading to volatility. As a result, buyout volumes were down by more than 30% globally¹. But EQT bucked this trend, with new deal activity up almost 60% year-on-year, at EUR 19 billion. There were a number of attractive opportunities to invest globally in companies and assets supported by long-term secular growth trends, in areas such as the energy transition, healthcare, digitalization and education. The combination of being local-with-locals, having deep sector expertise, and sharing insights and knowledge on a global basis, allows us to source the best opportunities globally with conviction. In our real estate business, our view on the market led us to hold back for most of the year, with deal activity picking up only in the fourth quarter.

The market was tougher for exits and for fundraising. Across private markets, exit volumes were at their lowest in well over a decade². This was reflected in EQT's exit volumes, which dropped to EUR 6 billion. In fundraising, we pressed ahead through the challenging market. We expect EQT X to close at its hard cap during Q1 2024, while fundraising for EQT Infrastructure VI, which is expected to reach its target, will continue well into 2024. Fundraising for some newer strategies was relatively more challenging. That said, 2023 saw a strong reception for certain strategies: EQT Exeter Industrial Value Fund VI exceeded its target size, the LSP Dementia Fund closed

at hard cap, and the BPEA EQT Mid-Market Growth fund's hard cap was increased to USD 1.4 billion.

Committing to future-proofing

EQT's focus in 2023 remained on performance. Fund valuations were resilient, despite some pockets of underperformance. And we continued to lean into the key themes that have been central to our future-proofing efforts for years: AI and climate.

Central to our AI efforts are Motherbrain, EQT's proprietary AI investment support platform, and our dedicated EQT Digital team. These teams support our investment advisory professionals and portfolio companies to make us a smarter investor, while striving to ensure that EQT itself is the most AI-literate organization it can be. In 2023, we expanded Motherbrain across business lines, enabling investment advisory teams from every corner of the company to leverage EQT's collective insights and proprietary platform. We also continued to expand Motherbrain Labs, whose dedicated group supports investment advisory teams and portfolio companies with bespoke AI and Machine Learning projects – for example, this year the team created an M&A sourcing tool enabled by large language models.

The net-zero transition also presents both opportunities and challenges. At EQT we integrate sustainability into our overall strategy, recognizing its importance for long-term value



1) Refinitiv (December 2023)

2) Stuck in Place: Private Equity Midyear Report 2023, Bain (2023)

creation. As the first private markets firm to set Science Based Targets, we have supported 29 portfolio companies to get validated science-based targets, and additionally, close to 30 are now in the process of getting there.

Building on our strengths

Part of EQT's success over the past 30 years lies in our passion for innovation. This was again true in 2023. Firstly, we introduced two new products, EQT Nexus and EQRT (EQT Exeter Real Estate Income Trust). These are part of EQT's strategic priority to provide individuals access to the thematic investment strategies that EQT's institutional clients have benefited from for thirty years. The new distribution channels allow us to reach a broad set of private wealth individuals, a segment that is expected to increase allocations to private markets by more than 10 percent annually over the next decade¹. Secondly, we made preparations for a new strategy in healthcare, a sector in which we have invested over EUR 23 billion in more than 200 companies over thirty years. EQT Healthcare Growth is a buyout strategy focused on scaling innovative, fast-growing healthcare companies to help deliver positive outcomes across the value chain.

We are excited for what 2024 holds even as the global economic outlook has uncertainties. With the integration of BPEA complete and the platform rebranded to EQT Private Capital Asia, we are well-positioned to focus on our long-term strategic ambition to expand our presence in Asia, a region that is set to outgrow global private markets. Having built a global platform, we will selectively evaluate complementary inorganic growth opportunities as our industry continues to consolidate around winning platforms. We will also continue to innovate – for example, we are developing an energy transition strategy as part of our agenda to help further address climate change.

Finally, we see a healthy investment pipeline across geographies and asset classes. The combination of being "local-with-locals" across the globe, with deep sector expertise, allows us to continue to execute on attractive investment opportunities. While market uncertainties remain, we are also planning for a number of exits in 2024 as we are focused on continuing to deliver top-quartile cash distributions (DPI) in key funds in realization mode.

As we close 2023, we have a positive long-term outlook for our industry even if the short term is somewhat volatile. EQT enters 2024 – and its fourth decade – in a strong position, a leader in innovation and a top-performing private markets firm.

Christian Sinding,
CEO & Managing Partner

1) Why Private Equity Is Targeting Individual Investors, Bain (2023)

Key metrics and ratios

Investment activity by the EQT funds

EURbn	H2 2023	H2 2022	2023	2022
Investments by the EQT funds	8.7	6.6	19.3	12.3
Gross fund exits	2.0	6.5	6.4	10.7

Fee generating assets under management (FAUM)

EURbn	H2 2023	H2 2022	2023	2022
FAUM (end of period)	129.6	112.5	129.6	112.5
Average FAUM (during the period)	127.9	94.0	123.0	86.5
Effective management fee rate	1.42%	1.48%	1.42%	1.48%

Employees

# of	2023	2022
FTE (end of period)	1,777	1,669
FTE+ (end of period)	1,838	1,790

Key financials

EURm	H2 2023	H2 2022	2023	2022
Financials (adjusted)*				
Management fees	1,036	759	1,966	1,328
Adj. carried interest and investment income	76	45	165	208
Adj. total revenue	1,112	804	2,131	1,536
Adj. total revenue growth, %	38%	-12%	39%	-5%
Adj. total operating expenses	459	387	904	707
Adj. EBITDA	653	416	1,226	829
Adj. EBITDA margin, %	59%	52%	58%	54%
Adj. fee-related EBITDA	577	372	1,062	621
Adj. fee-related EBITDA margin, %	56%	49%	54%	47%
Adjusted net income from continuing operations	551	291	1,019	654
Financials (according to IFRS)				
Management fees	1,036	759	1,966	1,328
Carried interest and investment income	42	6	118	169
Total revenue	1,078	765	2,084	1,497
Total revenue growth, %	41%	-14%	39%	-6%
Total operating expenses	681	590	1,391	991
EBITDA	397	174	693	506
EBITDA margin, %	37%	23%	33%	34%
Net income from continuing operations	128	-58	139	176

The EQT AB share

	H2 2023	H2 2022	2023	2022
Number of shares (m, end of period)	1,184.8	1,186.1	1,184.8	1,186.1
Number of shares (m, average)	1,185.1	1,071.2	1,185.8	1,032.0
Number of shares, diluted (m, end of period)	1,185.8	1,071.8	1,186.4	1,032.6
Adj. earnings per share, basic (EUR)*	0.465	0.272	0.860	0.634
Adj. earnings per share, diluted (EUR)*	0.464	0.272	0.859	0.634
Earnings per share, basic (EUR)	0.108	-0.054	0.117	0.171
Earnings per share, diluted (EUR)	0.108	-0.054	0.117	0.171

*The adjusted metrics are alternative performance metrics for the EQT AB Group. For a full reconciliation, please refer to section "Alternative performance measures (APM)".

Fee-generating assets under management (FAUM)

Development during the second half of 2023

FAUM by segment (EURbn)	Private Capital	Real Assets	Total
At 30 Jun 2023	71.2	54.9	126.1
Gross inflows	3.8	4.2	8.0
Step-downs	0.0	-0.6	-0.6
Exits	-2.3	-0.6	-2.8
FX and other	-0.6	-0.5	-1.1
At 31 Dec 2023	72.2	57.4	129.6
Since 30 Jun 2023	1%	5%	3%

Development during the financial year 2023

FAUM by segment (EURbn)	Private Capital	Real Assets	Total
At 31 Dec 2022	68.3	44.3	112.5
Gross inflows	8.5	15.1	23.6
Step-downs	0.0	-0.7	-0.7
Exits	-3.8	-1.9	-5.7
FX and other	-0.8	0.6	-0.1
At 31 Dec 2023	72.2	57.4	129.6
Since 31 Dec 2022	6%	30%	15%

Note: Any investment activity in above tables (part of gross inflow and/or exits) is included based on its impact on FAUM. Any individual deals in a period are therefore included based on remaining or realized cost, timing of transaction closing and only in funds which are charging fees based on net invested capital.

Gross investment performance of key EQT funds

As of 31 Dec 2023

(EURbn)	Start date	FAUM	Committed capital	Invested capital			Value of investments			Gross MOIC
				Total	Realized	Remaining	Total	Realized	Remaining	
Private Capital										
EQT VII	Jul-15	3.1	6.9	6.1	3.0	3.1	15.7	10.7	5.0	2.6x
EQT VIII	May-18	7.7	10.9	9.8	2.3	7.5	21.8	8.0	13.9	2.2x
BPEA VII	Jul-18	4.3	5.7	5.3	2.3	3.0	10.5	3.9	6.6	2.0x
EQT IX	Jul-20	14.1	15.6	14.0	0.2	13.8	18.2	0.4	17.8	1.3x
BPEA VIII	Sep-21	9.5	9.7	2.7	0.0	2.7	3.5	0.0	3.5	1.3x
EQT X	Jul-22	20.1	20.1	2.6	0.0	2.6	2.9	0.0	2.9	1.1x
Other Private Capital		13.3		21.0			40.0			
Real Assets										
EQT Infrastructure III	Nov-16	0.7	4.0	3.7	3.0	0.7	10.0	8.4	1.6	2.7x
EQT Infrastructure IV	Nov-18	7.1	9.1	7.4	0.5	6.9	12.1	0.6	11.5	1.6x
EQT Infrastructure V	Aug-20	12.8	15.7	12.4	0.0	12.4	16.6	0.0	16.6	1.3x
EQT Infrastructure VI	Dec-22	13.7	13.7	2.4	0.0	2.4	2.4	0.0	2.4	1.0x
Other Real Assets		23.2		21.0			30.6			
Total		129.6		108.4			184.4			

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

	Gross MOIC	Gross MOIC	Gross MOIC	Gross MOIC	Gross MOIC	Expected Gross
	31 Dec 2022	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023	MOIC 31 Dec 2023
Private Capital						
EQT VII	2.6x	2.7x	2.7x	2.6x	2.6x	Above plan
EQT VIII	2.3x	2.3x	2.2x	2.3x	2.2x	Above plan
BPEA VII	2.0x	2.0x	2.0x	2.0x	2.0x	Above plan
EQT IX	1.3x	1.4x	1.4x	1.4x	1.3x	On plan
BPEA VIII	1.2x	1.3x	1.3x	1.4x	1.3x	On plan
EQT X	1.0x	1.0x	1.1x	1.1x	1.1x	On plan
Real Assets						
EQT Infrastructure III	2.7x	2.7x	2.7x	2.7x	2.7x	Above plan
EQT Infrastructure IV	1.5x	1.5x	1.6x	1.6x	1.6x	On plan
EQT Infrastructure V	1.2x	1.2x	1.3x	1.3x	1.3x	On plan
EQT Infrastructure VI	1.0x	1.0x	1.0x	1.0x	1.0x	On plan

Note: Data for current Gross MOIC reflect 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.

Segment overview

Comments on Jan-Dec 2023 (Jan-Dec 2022)

Private Capital

EQT Ventures, EQT Life Sciences, EQT Healthcare Growth, EQT Growth, EQT Private Equity, EQT Private Capital Asia, EQT Future and EQT Public Value

- Gross inflows of EUR 8.5bn were primarily driven by closed out commitments in EQT X. Fundraising continued for EQT X and EQT Future
- Investments included Dechra Pharmaceuticals, Zeus, software companies HVD Group and Next (EQT X), IMG Academy, HDFC Credila, Indira IVF and VetPartners (BPEA VIII), the completion of the merger of Vistra and Tricor (BPEA VIII), the tender offer to privatize Benesse Holdings (BPEA VIII), and the announced offer to take SUSE private (EQT VIII)
- Announced exits included the full exit of Vistra (BPEA V and VI) following its merger with Tricor (BPEA VIII), a final selldown in Coforge (BPEA VII), Schülke (EQT VIII), LimaCorporate (EQT VII) and a partial selldown in Beijer Ref (EQT IX)
- Adjusted carried interest in the period related primarily to BPEA VI, BPEA VII, EQT VIII and certain Mid Market funds

Key metrics

EURbn	H2 2023	H2 2022	2023	2022
Investments by the EQT funds	4.7	3.4	8.9	6.4
Gross fund exits	1.8	2.9	5.6	5.5
Adjusted revenue (EURm)	668	473	1,256	747
Gross segment result (EURm)	526	348	959	529
Margin (%)	79%	73%	76%	71%
FAUM (end of period)	72	68	72	68
Average FAUM	72	52	71	45
FTE+ (# of, end of period)	487	482	487	482

Real Assets

EQT Value-Add Infrastructure, EQT Active Core Infrastructure and EQT Exeter

- Gross inflows of EUR 15.1bn were primarily driven by closed out commitments in EQT Infrastructure VI, and investments by Infrastructure V and Active Core Infrastructure
- Investments included LazerLogistics, SK Shieldus, Wind Tre, Statera and Heritage Environmental Services (EQT Infrastructure VI)
- Announced exits included Blume (EQT Infrastructure II and EQT Infrastructure III)
- The increase in FTE+ was primarily driven by recruitments across the EQT Exeter team and EQT Infrastructure in North America and APAC
- Adjusted carried interest in the period related primarily to EQT Infrastructure III

Key metrics

EURbn	H2 2023	H2 2022	2023	2022
Investments by the EQT funds	4.1	3.2	10.5	5.9
Gross fund exits	0.3	3.7	0.7	5.3
Adjusted revenue (EURm)	421	328	837	779
Gross segment result (EURm)	308	214	610	572
Margin (%)	73%	65%	73%	73%
FAUM (end of period)	57	44	57	44
Average FAUM	56	42	52	42
FTE+ (# of, end of period)	626	605	626	605

Central

EQT AB Group Management, Client Relations and Capital Raising, Fund Operations, EQT Digital and other Specialist teams such as HR and Group Finance

- With a well invested central platform, EQT continued to maintain a restrictive approach to hiring, with hires mainly in Client Relations and Capital Raising, including Private Wealth
- Hiring within Central is expected to be restrictive also in 2024
- EQT continued to implement initiatives to further improve the end-to-end efficiency and scalability of the operating platform
- The gross segment result reflects an increased number of FTE+ hired primarily during 2022, showing full effect on personnel expenses and other operating income during 2023

Key metrics

EURm	H2 2023	H2 2022	2023	2022
Gross segment result / EBITDA	-181	-145	-343	-271
FTE (# of, end of period)	678	600	678	600
FTE+ (# of, end of period)	726	703	726	703

Information on the consolidated income statement

2023 EURm	Total adjusted	Adjust- ment items	IFRS reported	2022 EURm	Total adjusted	Adjust- ment items	IFRS reported
Management fee	1,966	-	1,966	Management fee	1,328	-	1,328
Carried interest and investment income	165	-46	118	Carried interest and investment income	208	-39	169
Total revenue	2,131	-46	2,084	Total revenue	1,536	-39	1,497
Personnel expenses	-659	-47	-705	Personnel expenses	-492	-10	-501
Acquisition related personnel expenses	-	-436	-436	Acquisition related personnel expenses	-	-201	-201
Other operating expenses	-246	-4	-250	Other operating expenses	-215	-73	-289
Total operating expenses	-904	-487	-1,391	Total operating expenses	-707	-284	-991
EBITDA	1,226	-533	693	EBITDA	829	-323	506
Margin, %	58%		33%	Margin, %	54%		34%
Depreciation and amortization	-54	-	-54	Depreciation and amortization	-44	-	-44
Amortization of acquisition related intangible assets	-	-364	-364	Amortization of acquisition related intangible assets	-	-154	-154
EBIT	1,172	-897	275	EBIT	786	-477	309
Net financial income and expenses	-35	-	-35	Net financial income and expenses	-46	-	-46
EBT	1,137	-897	239	EBT	740	-477	263
Income taxes	-117	17	-100	Income taxes	-86	-1	-87
Net income for the period from continuing operations	1,019	-880	139	Net income for the period from continuing operations	654	-478	176
Net income for the period from discontinued operations	-	-9	-9	Net income for the period from discontinued operations	-	0	0
Net income	1,019	-890	130	Net income	654	-478	176

Comments relate to the period Jan-Dec 2023 (Jan-Dec 2022)

Revenues for the period increased to EUR 2,084m (EUR 1,497m). Carried interest and investment income amounted to EUR 118m in 2023 compared to EUR 169m in 2022. Adjusted revenues of EUR 2,131m (EUR 1,536m) are adjusted by removing the fair value adjustment of acquired contractual rights to carried interest, see Note 1. Impact on adjusted revenues from foreign exchange rate differences (using fixed foreign exchange rates), amounted to negative EUR 28m.

Total operating expenses during the period amounted to EUR 1,391m (EUR 991m), and is mainly driven by the build-out of the organization as well as personnel expenses as a result of performed acquisitions, see Note 7.

EBITDA increased to EUR 693m (EUR 506m) corresponding to a margin of 33% (34%). Adjusted EBITDA amounted to EUR 1,226m (EUR 829m) corresponding to a margin of 58% (54%). Impact on adjusted EBITDA from foreign exchange rate differences (using fixed foreign exchange rates), amounted to less than EUR 1m.

Depreciation and amortization amounted to EUR 54m (EUR 44m), primarily related to facility lease agreements. Amortization of acquisition related intangible assets amounted to EUR 364m (EUR 154m) and relates to amortization of identified surplus values, see Note 7.

Net financial income and expenses amounted to EUR -35m (EUR -46m). This is primarily comprised of interest expenses of EUR -42m (EUR -34m) relating to the sustainability-linked bonds issued by EQT AB in April 2022 and May 2021 as well as currency translation differences.

Income tax amounted to EUR -100m (EUR -87m).

Net income for the period from continuing operations decreased to EUR 139m (EUR 176m). Adjustment items affecting net income from continuing operations, including tax effects, amounted to EUR 880m (EUR 478m). Adjusted net income for the period from continuing operations amounted to EUR 1,019m (EUR 654m).

Earnings per share for continued operations before and after dilution amounted to EUR 0.117 (EUR 0.171) and EUR 0.117 (EUR 0.171), respectively. Adjusted earnings per share for continued operations before and after dilution amounted to EUR 0.860 (EUR 0.634) and EUR 0.859 (EUR 0.634), respectively.

Adjustment items affecting EBITDA in 2023 amounted to EUR 533m and relates to an adjustment of revenues for fair value step-up on acquired contractual right to carried interest, see Note 1, and an adjustment of the part of the considerations subject to lock-up, integration costs as a result of performed acquisitions and the non-cash portion of equity incentive program cost. The part of the considerations subject to lock-up is treated as a personnel expense from an accounting perspective and recorded in the income statement over the lock-up period, see Note 7. Adjustment items affecting EBITDA in 2022 amounted to EUR 323m and related to an adjustment of revenues for fair value step-up on acquired contractual right to carried interest, see Note 1, and an adjustment of the part of the considerations paid subject to lock-up as well as transaction and integration costs as a result of performed acquisitions. The part of the consideration subject to lock-up is treated as a personnel expense from an accounting perspective and recorded in the income statement over the lock-up period, see Note 7.

Financial position

Comments relate to 31 December 2023 (31 December 2022)

Goodwill and Other intangible assets amounted to EUR 5,280m (EUR 5,797m). The decrease of EUR 517m is mainly driven by amortization and exchange rate differences.

Property, plant and equipment amounted to EUR 171m (EUR 171m).

Financial investments increased by EUR 62m to EUR 731m (EUR 668m) primarily driven by increased investments from EQT AB Group into EQT funds.

Current assets amounted to EUR 2,899m (EUR 2,801m). The increase is mainly driven by an increase in cash and cash equivalents.

Cash and cash equivalents at the end of the period amounted to EUR 1,114m (EUR 645m). Net debt amounted to EUR 886m (EUR 1,355m in net debt).

Equity decreased to EUR 6,004m (EUR 6,399m). The decrease is mainly explained by the, in 2023, decided dividend (paid during 2023).

Non-current liabilities amounted to EUR 2,473m (EUR 2,523m).

Current liabilities amounted to EUR 732m (EUR 681m).

Parent company

The parent company's profit before tax amounted to SEK 5,211m (SEK 2,742m). The increase is mainly explained by a timing effect of dividends from subsidiaries.

Significant events during the period

Significant events and transactions

EQT Infrastructure VI, which has a target fund size of EUR 20.0bn, was activated in December 2022. To date (18 Jan), the fund has secured commitments of close to EUR 14.5bn. Fundraising is set to continue well into 2024, and the fund is expected to meet its target fund size.

Fundraising continued for EQT X. The fund has reached its target fund size of EUR 20bn and is expected to close at its hard cap during the first quarter of 2024.

EQT Exeter Industrial Value Fund VI held its final close at USD 4.9bn of fee-generating commitments, exceeding its target size of USD 4.0bn.

EQT's Annual Shareholders' Meeting on 30 May 2023 resolved to adopt two new incentive programs, the EQT Share Program and the EQT Option Program. The new EQT Share Program and the EQT Option Program replace the old EQT Share Program adopted by the Annual Shareholders' Meeting in 2019. The objective of the programs is to align employees' performance to the interest of the shareholders, based on performance metrics tailored to EQT AB's strategic goals on an annual basis. See note 6.

EQT completed a repurchase of 1.8m shares, with the objective of over time offsetting the dilution impact from EQT's Incentive Programs

In the fourth quarter, EQT increased the number of ordinary shares held in treasury with 59.3 million ordinary shares through a share issuance. The new shares are expected to be delivered to participants in EQT's Share and Option Programs, depending on the outcomes of the long-term programs. EQT currently holds 61,106,376 ordinary shares in treasury, which are not entitled to dividends or votes at shareholders' meetings. Excluding shares

held in treasury by EQT, there are 1,184,823,591 outstanding shares in EQT.

EQT launched its first semi-liquid fund, EQT Nexus, providing access for individuals to a diversified portfolio of EQT's funds. EQT AB has in recent years made balance sheet investments which have now been transferred to EQT Nexus to seed the fund, which starts off with NAV of approximately EUR 350m and previously made fund commitments of approximately EUR 700m.

In December 2022, the EU member states agreed to implement the OECD model rules for a global minimum tax framework (Pillar Two) for financial years commencing on or after 31 December 2023. The EQT AB Group is in scope of the Pillar Two Rules, setting forth a minimum tax of 15 percent on income arising in each jurisdiction where the group operates.

EQT has assessed the expected impact of Pillar Two income taxes for 2024 and onwards. EQT estimates the Adjusted effective tax rate (ETR) measured on Adjusted earnings before tax (EBT) excluding carried interest and investment income to range between 18 to 20 percent, of which Pillar Two income taxes are estimated to account for 2 to 4 percentage points. The estimates may however be affected by a range of factors affecting both the underlying Adjusted ETR and the Pillar Two income taxes, including legislative developments and local implementation.

The Swedish Tax Agency is reviewing the Swedish taxation of certain current and former EQT employees with respect to carried interest, and in particular whether carried interest should be taxed as employment income. EQT understands that the review covers carried interest related to certain EQT funds and specific years. EQT and the relevant individuals have filed taxes based on existing case law in the area. The final conclusion of the review is expected to take several years.

Significant events after 31 December 2023

EQT introduced the new Healthcare Growth Strategy, a dedicated healthcare buyout strategy, with the acquisition of life sciences tools company Mabtech.

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, strategic, 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.

EQT AB

EQT AB (publ), corp. id 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 12 month period ended on 31 December 2023 and 2022 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 2022.

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.

Financial calendar

- Capital Markets Day, Stockholm** 6 March 2024
- Annual & Sustainability Report 2023** 18 March 2024
- Quarterly announcement January–March 2024** 18 April 2024
- Annual shareholders' meeting 2024, Stockholm** 27 May 2024
- Half-year report January–June 2024** 18 July 2024
- Quarterly announcement July–September 2024** 17 October 2024

This is information that EQT AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons, at 07:00 CET on 18 January 2024.

Proposed dividends

The Board proposes a dividend to the shareholders of SEK 3.60 per share for the fiscal year 2023. The dividend is proposed to be paid out in two installments, SEK 1.80 with record date in May 2024 and SEK 1.80 with record date in December 2024.

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Auditors Review

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

Signature

Stockholm, 18 January 2024

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 section "Alternative performance measures (APM)".

EURm	Note	H2 2023	H2 2022	2023	2022
Management fees		1,036	759	1,966	1,328
Carried interest and investment income	3.4	42	6	118	169
Total revenue	1	1,078	765	2,084	1,497
Personnel expenses		-365	-281	-705	-501
Acquisition related personnel expenses		-196	-141	-436	-201
Other operating expenses	5	-120	-168	-250	-289
Total operating expenses		-681	-590	-1,391	-991
Operating profit before depreciation and amortization (EBITDA)		397	174	693	506
Depreciation and amortization		-28	-24	-54	-44
Amortization of acquisition related intangible assets	1	-184	-108	-364	-154
Operating profit (EBIT)		185	42	275	309
Net financial income and expenses		-18	-42	-35	-46
Profit before income tax (EBT)		167	0	239	263
Income taxes		-39	-58	-100	-87
Net income for the period from continuing operations		128	-58	139	176
Net income for the period from discontinued operations		-9	-	-9	0
Net income		118	-58	130	176
Attributable to:					
Owners of the parent company		118	-58	130	176
Non-controlling interests		-	-	-	-
Earnings per share, EUR					
before dilution		0.100	-0.054	0.110	0.171
- of which continued operations		0.108	-0.054	0.117	0.171
after dilution		0.100	-0.054	0.109	0.171
- of which continued operations		0.108	-0.054	0.117	0.171
Average number of shares					
before dilution		1,185,133,096	1,071,198,573	1,185,754,323	1,031,955,891
after dilution		1,185,813,079	1,071,837,164	1,186,434,306	1,032,594,481

Consolidated statement of comprehensive income

EURm	H2 2023	H2 2022	2023	2022
Net income	118	-58	130	176
Other comprehensive income	-	-	-	-
Items that are or may be reclassified subsequently to income statement				
Foreign operations - foreign currency translation differences net of tax	-86	-416	-230	-273
Other comprehensive income for the period	-86	-416	-230	-273
Total comprehensive income for the period	32	-474	-100	-97
Attributable to:				
Owners of the parent company	32	-474	-100	-97
Non-controlling interests	-	-	-	-
	32	-474	-100	-97

Consolidated balance sheet

EURm	Note	2023	2022
ASSETS			
Non-current assets			
Goodwill		2,133	2,172
Other intangible assets		3,148	3,625
Property, plant and equipment		171	171
Financial investments	4	731	668
Other financial assets		17	40
Other non-current assets		18	15
Deferred tax assets		92	110
Total non-current assets		6,309	6,802
Current assets			
Current tax assets		30	29
Accounts receivable and other current assets		344	350
Accrued but yet not paid carried interest	3	896	915
Acquisition related prepaid personnel expenses		345	791
Other prepaid expenses and accrued income		170	70
Cash and cash equivalents		1,114	645
Total current assets		2,899	2,801
Total assets		9,208	9,603

EURm	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Share capital		12	11
Other paid in capital		5,593	5,593
Reserves		-450	-220
Retained earnings including net income		848	1,015
Total equity attributable to owners of the parent company		6,004	6,399
Non-controlling interest		-	-
Total equity		6,004	6,399
Liabilities			
Non-current liabilities			
Interest-bearing liabilities		2,021	2,017
Lease liabilities		91	100
Deferred tax liabilities		361	405
Total non-current liabilities		2,473	2,523
Current liabilities			
Lease liabilities		34	31
Current tax liabilities		51	40
Accounts payable		12	16
Other liabilities		114	95
Accrued expenses and deferred income		521	499
Total current liabilities		732	681
Total liabilities		3,205	3,204
Total equity and liabilities		9,208	9,603

Consolidated statement of changes in equity

EURm	Attributable to owners of the parent comp.					Non-controlling interest	Total equity
	Share capital	Other paid in capital	Translation reserve	Retained earnings	Total equity		
Opening balance at 1 January 2023	11	5,593	-220	1,015	6,399	-	6,399
Total comprehensive income for the period							
Net income				130	130		130
Other comprehensive income for the period			-230		-230		-230
Total comprehensive income for the period	-	-	-230	130	-100	-	-100
Transactions with owners of the parent company							
Dividends				-298	-298		-298
Share issue	1	-			1		1
Cancelling of C shares	-0			0	-		-
Bonus issue	0			-0	-		-
Equity incentive programs				41	41		41
Purchase of own shares and/or participations				-38	-38		-38
Total transactions with owners of the parent company	1	-	-	-296	-295	-	-295
Closing balance at 31 December 2023	12	5,593	-450	848	6,004	-	6,004

EURm	Attributable to owners of the parent comp.					Non-controlling interest	Total equity
	Share capital	Other paid in capital	Translation reserve	Retained earnings	Total equity		
Opening balance at 1 January 2022	9	1,764	53	1,117	2,943	-	2,943
Total comprehensive income for the period							
Net income				176	176		176
Other comprehensive income for the period			-273		-273		-273
Total comprehensive income for the period	-	-	-273	176	-97	-	-97
Transactions with owners of the parent company							
Dividends				-291	-291		-291
Share issue	2	3,829			3,831		3,831
Transaction cost (net of tax)		-0			-0		-0
Equity incentive programs				13	13		13
Total transactions with owners of the parent company	2	3,829	-	-278	3,553	-	3,553
Closing balance at 31 December 2022	11	5,593	-220	1,015	6,399	-	6,399

Consolidated statement of cash flows

EURm	Note	2023	2022
Cash flows from operating activities			
Operating profit (EBIT), continuing operations		275	309
Adjustments:			
Depreciation and amortization		418	197
Changes in fair value	4	-23	-6
Foreign currency exchange differences		-15	-14
Other non-cash adjustments		480	213
Recorded, yet not paid carried interest	3	-96	-163
Paid carried interest	3	115	190
Increase (-) /decrease (+) in accounts receivable and other receivables		-122	-97
Increase (+) /decrease (-) in accounts payable and other payables		18	18
Income taxes paid		-105	-99
Net cash from operating activities		945	549
Cash flows from investing activities			
Investment in intangible assets		-1	0
Acquisition of property, plant and equipment		-23	-31
Investment in financial investments	4	-208	-87
Proceeds from disposals of financial investments	4	169	26
Interest received		24	7
Consideration paid net of acquired cash	7	-	-1,456
Final earn-out divestment Credit		11	-
Investment in non-current assets		-11	-7
Net cash from (+) / used in (-) investing activities		-39	-1,548
Cash flows from financing activities			
Dividends paid		-298	-291
Repayment of borrowings		-	-24
Proceeds from borrowings		-	1,483
Payment of lease liabilities		-32	-14
Interest paid		-48	-9
Share issue		1	0
Purchase of own shares and/or participations		-38	-
Net cash from (+) / used in (-) financing activities		-415	1,145
Net increase (+) / decrease (-) in cash and cash equivalents		491	147
Cash and cash equivalents at the beginning of the period		645	588
Foreign currency translation difference		-22	-90
Cash and cash equivalents at the end of the period		1,114	645

Parent company income statement

SEKm	H2 2023	H2 2022	2023	2022
Net sales	815	832	2,092	1,679
Other operating income	0	21	0	24
Total revenue	815	853	2,092	1,703
Personnel expenses	-288	-249	-586	-506
Other external expenses	-701	-869	-1,193	-1,296
Other operating expenses	3	-	-7	-
Depreciation and amortization	-6	-4	-12	-9
Operating profit/loss	-176	-270	295	-108
Profit/loss from shares in subsidiaries	2,191	951	5,098	4,022
Interest income and similar profit/loss items	176	222	320	351
Interest expense and similar profit/loss items	781	-1,943	-760	-2,676
Profit/loss after financial items	2,972	-1,040	4,953	1,588
Group contribution	258	1,154	258	1,154
Profit/loss before tax	3,230	114	5,211	2,742
Income taxes	115	-89	115	0
Net income	3,346	23	5,327	2,742

Parent company balance sheet

SEKm	2023	2022
ASSETS		
Non-current assets		
<i>Property, plant and equipment</i>		
Leasehold improvements	52	54
Equipment	3	5
Total property, plant and equipment	56	59
<i>Financial assets</i>		
Participation in subsidiaries	89,921	83,038
Long-term loans, subsidiaries	5,970	6,181
Other securities held as non-current assets	14	14
Deferred tax assets	116	-
Other long-term receivables	5	5
Total financial assets	96,026	89,237
Total non-current assets	96,082	89,296
Current assets		
<i>Current receivables</i>		
Accounts receivable	7	23
Receivables from subsidiaries	1,788	6,910
Current tax assets	59	58
Other receivables	256	393
Prepaid expenses and accrued income	147	106
Total current receivables	2,257	7,490
Cash and bank	215	84
Total current assets	2,472	7,574
Total assets	98,554	96,870

SEKm	2023	2022
EQUITY AND LIABILITIES		
Restricted equity		
Share capital	125	119
Total restricted equity	125	119
Non-restricted equity		
Share premium reserve	60,051	60,488
Profit or loss brought forward	-1,902	-1,556
Net income	5,327	2,742
Total non-restricted equity	63,476	61,674
Total equity	63,602	61,793
Non-current liabilities		
Interest-bearing liabilities	22,424	22,451
Long-term loans, subsidiaries	10,683	11,059
Total non-current liabilities	33,107	33,510
Current liabilities		
Accounts payable	50	30
Liabilities to subsidiaries	1,178	761
Other liabilities	171	252
Accrued expenses and deferred income	447	524
Total current liabilities	1,846	1,567
Total liabilities	34,953	35,077
Total equity and liabilities	98,554	96,870

Notes to the consolidated financial statements

Note 1 operating segments and disaggregation of revenue

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

EQT's operations are divided into two business segments: Private Capital and Real Assets. The operations of both business segments consist 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 strategies EQT Ventures, EQT Life Sciences, EQT Healthcare Growth, EQT Growth, EQT Private Equity, EQT Private Capital Asia, EQT Future and EQT Public Value. The business segment Real Assets consists of the strategies EQT Value-Add Infrastructure, EQT Active Core Infrastructure and EQT Exeter.

The CEO assesses the operating segments based on the line items presented below, primarily on revenue and Gross segment results. Segment revenues have 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 the Gross segment result, whereas items reported under Central have not been allocated to any business segment. Central consists of EQT AB Group Management, Client Relations and Capital Raising, Fund Operations, EQT Digital and other specialist teams such as HR and Group Finance.

Reconciliations consist of revenue adjustments (see above) as well as items affecting comparability. Items affecting comparability in 2022 relate to an adjustment of the part of the considerations subject to lock-up and transaction and integration costs as well as amortization of identified surplus values in relation to performed acquisitions. The part of the considerations subject to lock-up is treated as a personnel expense from an

accounting perspective and recorded in the income statement over the lock-up period, see Note 7.

Items affecting comparability in 2023 relate to an adjustment of the part of the considerations subject to lock-up, integration cost as well as amortization of identified surplus values in relation to performed acquisitions and the non-cash portion of equity incentive program cost. The part of the considerations subject to lock-up is treated as a personnel expense from an accounting perspective and recorded in the income statement over the lock-up period, see Note 7.

H2 2023 EURm	Private Capital	Real Assets	Central	Total adj- usted	Items off- ecting comp.	Rev- enue adjus- tment	IFRS re- ported
Total revenues	668	421	24	1,112		-34	1,078
Personnel expenses				-340	-25		-365
Acquisition related personnel expenses				-	-196		-196
Other operating expenses				-120	0		-120
Total operating expenses	-142	-112	-205	-459	-222	-	-681
Gross segment result 1) / EBITDA 2)	526	308	-181	653	-222	-34	397
<i>Margin, %</i>	79%	73%		59%			37%
Depreciation and amortization				-28			-28
Amortization of acquisition related intangible assets				0	-184		-184
EBIT				624	-405	-34	185
Net financial income and expenses				-18			-18
Income taxes				-55	16		-39
Net income for the period from continuing operations				551	-389	-34	128
Net income for the period from discontinued operations				0	-9		-9
Net income				551	-399	-34	118

1) Gross segment result relates to the segments Private Capital and Real Assets.

2) EBITDA relates to Central, Total adjusted and IFRS reported.

Notes to the consolidated financial statements

H2 2022 EURm	Private Capital	Real Assets	Central	Total adj- usted	Items aff- ecting comp.	Rev- enue adjust- ment	IFRS re- ported
Total revenues	473	328	3	804		-39	765
Personnel expenses				-271	-10		-281
Acquisition related personnel expenses				-	-141		-141
Other operating expenses				-116	-51		-168
Total operating expenses	-126	-114	-147	-387	-203	-	-590
Gross segment result 1) / EBITDA 2)	348	214	-145	416	-203	-39	174
<i>Margin, %</i>	73%	65%		52%			23%
Depreciation and amortization				-24			-24
Amortization of acquisition related intangible assets				-	-108		-108
EBIT				393	-311	-39	42
Net financial income and expenses				-42			-42
Income taxes				-60	1		-58
Net income for the period from continuing operations				291	-310	-39	-58
Net income for the period from discontinued operations				-			-
Net income				291	-310	-39	-58

1) Gross segment result relates to the segments Private Capital and Real Assets.

2) EBITDA relates to Central, Total adjusted and IFRS reported.

2023 EURm	Private Capital	Real Assets	Central	Total adj- usted	Items aff- ecting comp.	Rev- enue adjust- ment	IFRS re- ported
Total revenues	1,256	837	38	2,131		-46	2,084
Personnel expenses				-659	-47		-705
Acquisition related personnel expenses				-	-436		-436
Other operating expenses				-246	-4		-250
Total operating expenses	-297	-226	-381	-904	-487	-	-1,391
Gross segment result 1) / EBITDA 2)	959	610	-343	1,226	-487	-46	693
<i>Margin, %</i>	76%	73%		58%			33%
Depreciation and amortization				-54			-54
Amortization of acquisition related intangible assets				-	-364		-364
EBIT				1,172	-851	-46	275
Net financial income and expenses				-35			-35
Income taxes				-117	17		-100
Net income for the period from continuing operations				1,019	-834	-46	139
Net income for the period from discontinued operations				-	-9		-9
Net income				1,019	-843	-46	130

1) Gross segment result relates to the segments Private Capital and Real Assets.

2) EBITDA relates to Central, Total adjusted and IFRS reported.

Notes to the consolidated financial statements

2022 EURm	Private Capital	Real Assets	Central	Total adj- usted	Items aff- ecting comp.	Rev- enue adjust- ment	IFRS re- ported
Total revenues	747	779	10	1,536		-39	1,497
Personnel expenses				-492	-10		-501
Acquisition related personnel expenses				-	-201		-201
Other operating expenses				-215	-73		-289
Total operating expenses	-218	-207	-281	-707	-284	-	-991
Gross segment result 1) / EBITDA 2)	529	572	-271	829	-284	-39	506
Margin, %	71%	73%		54%			34%
Depreciation and amortization				-44			-44
Amortization of acquisition related intangible assets				-	-154		-154
EBIT				786	-438	-39	309
Net financial income and expenses				-46			-46
Income taxes				-86	-1		-87
Net income for the period from continuing operations				654	-439	-39	176
Net income for the period from discontinued operations				-	0		0
Net income				654	-439	-39	176

1) Gross segment result relates to the segments Private Capital and Real Assets.

2) 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 has commitments of future cash outflows based on signed agreements relating to committed amounts regarding financial investments. At 31 December 2023, the EQT AB Group had remaining commitments to invest in multiple EQT funds and fund related vehicles of a total amount of EUR 528m (EUR 1,057m). The commitments are called over time, normally between one to five years following the commitment.

Note 3 carried interest

Carried interest is a share of profits that the EQT AB Group receives through its holdings in the Special Limited Partners as variable consideration fully dependent on the performance of the relevant fund. Carried interest is either payable at the end of the life of the fund or paid as installments at the time of realization within each fund, or a combination thereof.

EURm	2023		2022	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Opening balance	915	-	473	-
Revenue recognized during the period	96	-	163	-
Realization of carried interest (cash)	-115	-	-190	-
Acquisition of entitlement	-	-	513	-
Translation differences	0	-	-43	-
Closing balance	896	-	915	-

Notes to the consolidated financial statements

Note 4 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 measures investments in investment programs at fair value in the balance sheet. The fair value for these investments at 31 December 2023 was EUR 731m (EUR 668m) 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. 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	2023	2022
Opening balance	668	478
Net change in fair value	23	6
Acquisitions	-	124
Investments	208	87
Divestments	-169	-26
Balance end of period	731	668

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 business 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 measures the earn-out to fair value in the balance sheet. During 2023 the earn-out has been settled resulting in a payment of EUR 11m.

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 value of the investments at 31 December 2023 with EUR 73m (EUR 67m). The effect would be recognized in the income statement.

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

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

EQT AB has issued sustainability-linked bonds (classified as an interest-bearing liability in the balance sheet) with fixed coupon rates linked to ESG-related objectives. Fair value as of 31 December 2023 amounts to EUR 1,791m (carrying amount: EUR 2,000m). 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 5 other operating expenses

EURm	H2 2023	H2 2022	2023	2022
External services and consultants 1)	-50	-94	-107	-166
IT expenses and Office expenses	-28	-25	-53	-43
Administrative expenses 1)	-42	-49	-89	-81
Other operating expenses	-120	-168	-250	-289

1) In 2023 items affecting comparability of EUR 3m (External services and consultants) and EUR 0m (Administrative expenses) relates to integration cost as a result of performed acquisitions.

In 2022 items affecting comparability of EUR 61m (External services and consultants) and EUR 12m (Administrative expenses) relates to transaction and integration costs as a result of performed acquisitions.

Notes to the consolidated financial statements

Note 6 EQT incentive programs

EQT incentive programs

EQT 2019 Share program

The last grant of the EQT Share Program (established in 2019) was done in March of 2023. Each annual grant consisted of amounts to be converted to class C shares in EQT AB. All class C shares allotted are subject to a three-year holding period, with no vesting conditions, after which the class C shares are converted into ordinary shares. The class C shares carry the same economic rights as ordinary shares in the company and carry one-tenth (0.1) vote each.

EQT 2023 Share program

The EQT Share Program (established in 2023) consists of ordinary shares in EQT AB. The Program is divided into five separate annual grants, each subject to a one-year performance period and a three-year holding period. Depending on the achievement of certain performance targets during the performance year, an amount may be awarded which after the performance period is settled in the total number of outstanding shares in EQT AB that corresponds to the amount awarded. With certain limited exceptions, no vesting conditions apply during the three-year holding period. Based on the number of shares as of 31 December 2022, the maximum dilution for the EQT Share Program is one percent in total. EQT intends, over time, to repurchase shares to offset the dilution related to the EQT Share Program⁴.

EQT 2023 Option program

The EQT Option Program (established in 2023) consists of options which upon exercise entitle the option holders to acquire ordinary shares in EQT AB. The Program is divided into five separate

annual grants, each subject to a one-year performance period and a three-year holding period. Depending on the achievement of certain performance targets during the performance year, an amount may be awarded which after the performance period is settled in the number of options that corresponds to the amount awarded. With certain limited exceptions, no vesting conditions apply during the three-year holding period. The option exercise period commences after the holding period. Based on the number of shares as of 31 December 2022, the maximum dilution for the EQT Option Program is four percent in total. EQT intends, over time, to repurchase shares to offset the dilution related to the EQT Option Program⁴.

EQT share program (2019) summary¹

Performance period	Grant year	Shares granted	Dilution impact from shares granted
2020	2021	348,106	0.04%
2021	2022	385,499	0.04%
2022	2023	496,056	0.05%
Total		1,229,661	0.13%

EQT share program (2023) summary (indicative)²

Performance period	Grant year	Shares to be granted	Dilution impact from shares to be granted
2023	2024	679,983	0.06%

EQT option program (2023) summary (indicative)³

Performance period	Grant year	Options to be granted	Max dilution - options
2023	2024	3,825,939	0.24%

Performance targets and cost

EQT 2023 Share program

Performance in relation to targets for Adjusted Revenue growth, Adjusted EBITDA margin and a sustainability assessment has resulted in a gross share grant level of EUR 34m, of which EUR 17m was cash cost.

EQT 2023 Option program

The granting of options is based on participants' individual fulfilment of targets in the performance framework including (i) Building and developing cross-platform collaboration, (ii) Responsible and appropriate cost management, (iii) Growth from a business line focused management to firm wide leadership, (iv) Tangible contribution to the sustainability goals of the company, (v) Developing new business areas for EQT. Total grant level recognized in 2023 was EUR 25m of which none was cash cost.

Non-cash cost

The total non-cash cost for the incentive programs for 2023 amounts to EUR 42m, whereof EUR 23m related to H2 2023.

Dilution

Assuming a share price corresponding to year end 2023 of SEK285, 679,983 shares² and 3,825,939³ options would be granted, respectively, in 2024. As a result, the dilution impact from the Share program would be 0.06%. The option program will only be dilutive in case the EQT AB share price at exercise is above the share price at grant. The exercise price is capped at 4x the share price at grant. Given the net strike mechanics, any gain above the share price at grant and up to the cap will be settled in shares. As such, dilution in relation to the option program is capped at 75% of the number of options granted, or 0.24%.

1) Shares granted and subject to holding period at year end stemming from grants 2021-2023 are C shares not yet converted to ordinary shares. Dilution metrics calculated based on share count at IPO (952, 983, 900).

2) Indicative figures assuming a share price corresponding to year end 2023 of SEK 285. To be granted in March 2024. Dilution metrics calculated based on share count as of 31 December 2022 (1, 186, 127, 535).

3) Indicative figures assuming a share price of SEK 285 (year end 2023) and a corresponding option value of SEK 72. To be granted in March 2024. Dilution metrics calculated based on share count as of 31 December 2022 (1, 186, 127, 535).

4) EQT intends, over time, to repurchase shares to offset the dilution related to the EQT Share Program and EQT Option Program. During 2023 EQT has completed a repurchase of 1.8m shares.

Notes to the consolidated financial statements

Note 7 business combinations

Bear Logi

As of 27 January 2022 EQT completed the acquisition of Bear Logi. Bear Logi, founded in Tokyo, Japan in 2009, was a value-add logistics investment manager focused on acquisitions, development, construction and leasing, with extensive knowledge of the Japanese and Korean logistics markets, with around 25 employees by the time of closing. To date, Bear Logi has invested capital based on single asset funding, and will as part of EQT Exeter create a fund-setup within logistics properties similar to EQT Exeter's existing structure in the US and Europe.

Bear Logi generated approximately USD 1m in revenues during 2021. The transaction did not have a material impact on EQT AB's financial numbers and did not add any fee-generating assets under management to EQT AB at closing.

Total upfront consideration amounted to USD 8.7m with a right to potential earn-out payments if certain revenue and fundraising targets are met. The earn-out payments are conditioned to continued employment at the date of vesting why this from an accounting perspective will be recorded as personnel expenses over the vesting period of 3-6 years.

Total transaction costs amounted to EUR 1m whereof EUR 0m are included in other operating expenses during 2023.

LSP

As of 28 February 2022 EQT completed the acquisition of Life Sciences Partners (LSP), a leading European life sciences venture capital firm with, by the time of closing, approximately EUR 2.2bn of fee-generating assets under management (FAUM) and a team of 34 employees. LSP, headquartered in Amsterdam, the Netherlands, was a venture capital firm that invested in

innovative companies with strong scientific and clinical rationale across several life sciences strategies. It was founded in 1998 and was one of Europe's largest and most experienced life sciences investment firms. LSP strengthened EQT's position as one of the leading and most active private market investors in the healthcare sector.

LSP generated approximately EUR 37m in revenues and approximately EUR 24m in EBITDA (excluding carried interest) during 2021. EQT acquired 100 percent of the LSP management company and 20 percent of the right to carried interest in selected LSP funds. In addition, EQT AB are entitled to 35 percent of the carried interest of future funds, which is in line with existing EQT practice.

The total consideration was EUR 366m, comprising new EQT AB publicly traded shares EUR 228m (corresponding to 7,548,384 shares) and cash EUR 112m, a liability taken over of EUR 24m and potential earn-out of EUR 2m. Of the total consideration, EUR 74m in shares to management are subject to vesting conditions under a "Leaver put option clause", meaning that if the management person becomes a bad leaver, such as voluntary resignation or termination for cause, the person will need to return the unvested shares to EQT for nil consideration. The Leaver put option arrangement have from an accounting perspective been separated from the business combination. The consideration has initially been accounted for as a prepayment and will be recorded as employee expenses over the vesting period of 2-4 years. The purchase consideration for the business combination was EUR 292m. The transaction was subject to customary closing conditions, including antitrust, regulatory and certain fund investor clearances.

The fair value of the shares is calculated with reference to the quoted price of the EQT AB shares at the date of acquisition, which was SEK 320.90 per share.

Total transaction costs (including M&A insurance) amounted to EUR 5m whereof EUR 0m are included in other operating expenses during 2023.

Total consideration

EURm	
Shares issued, at fair value	228
Cash consideration	112
Liability taken over	24
Fair value of cash based earn-out	2
Total consideration	366
Employment linked consideration (Shares issued, at fair value)	-74
Purchase consideration for the business combination	292

Notes to the consolidated financial statements

Assets acquired and liabilities assumed

The fair value of the identifiable assets and liabilities as at the date of acquisition were:

EURm	Fair value recognized on acquisition
Investor contracts	131
Investor relationships	77
Trademark and trade name	0
Right of use assets	3
Tangible fixed assets	0
Deferred tax asset	0
Receivables	1
Other current assets	2
Cash and cash equivalents	3
Interest bearing liabilities	-5
Lease liabilities	-3
Deferred tax liability – Intangibles	-54
Current liabilities	-8
The fair values of the identifiable assets and liabilities	148
Goodwill	144
Purchase consideration for the business combination	292

Analysis of cash flows on acquisition

EURm	
Cash consideration (included in cash flows from investing activities)	-112
Deferred payment (included in cash flows from investing activities)	16
Net cash acquired (included in cash flows from investing activities)	3
Transaction costs of the acquisition (included in cash flows from operating activities)	-5
Net cash flow on acquisition	-98

The earn-out is conditional upon LSP's Dementia fund reaching a target level of capital raised. There is an additional earn-out which is included in the row Cash consideration, relating to LSP's LSP 7 fund capital raising, because the fund raising target had been met at the acquisition date.

The goodwill mainly comprises assembled work force, the opportunity to attract new investors and the platform to develop future business opportunities and funds. Goodwill is allocated entirely to the segment Private Capital.

Goodwill will not be tax deductible.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities.

During 2022 LSP contributed EUR 41m of revenue and EUR 28m to profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of 2022, revenue from continuing operations would have been EUR 1,506m and profit before tax from continuing operations for the Group would have been EUR 269m.

RCG

As of 10 June 2022 EQT completed the acquisition of Redwood Capital Group (RCG), a residential core plus and value-add investment manager headquartered in Chicago, Illinois, USA. RCG was founded in 2007 and is deeply experienced in all operating areas, including acquisition, asset management, construction management and property management. RCG has successfully executed 79 multifamily investments in high-growth US markets, including 48 realized investments that achieved in excess of 2x equity returns across more than 22,000 units.

Investments comprise deal-by-deal joint ventures on behalf of multiple institutional clients, including global fund sponsors, insurance companies and family offices.

22 employees joined EQT Exeter as of closing. The transaction was not deemed to have a material impact on EQT AB's financial numbers and did not add any fee-generating assets under management to EQT AB at closing.

Total upfront cash consideration amounted to USD 34m with a right to potential earn-out payments if certain fundraising targets are met.

Total transaction costs amounted to EUR 2m whereof EUR 0m are included in other operating expenses during 2023.

BPEA

As of 18 October 2022 EQT completed the acquisition of Baring Private Equity Asia (BPEA), a leading private market investment firm in Asia with approximately EUR 22bn of FAUM at the time of closing. Operating since 1997, BPEA has built a platform with deep sector-based expertise and a value-driven active ownership approach. It invests in mid to large-cap companies in Asia, mainly focused on Private Equity, but also Real Estate and more recently Growth. With 10 regional offices, BPEA combines local execution with a Pan-Asian reach, mirroring EQT's local-with-locals approach.

The combination represented a step-change in EQT's global reach with immediate Pan-Asian presence at scale and with its thematic investment approach, supporting companies from early stage to maturity, EQT will continue to scale and expand its range of strategies across its European, North American, and Asian core markets and deliver for its clients.

EQT acquired 100% of the BPEA management company, the

Notes to the consolidated financial statements

BPEA general partner entities which control the BPEA funds, and the right to carried interest in selected existing funds (including 25% in BPEA VI and 35% in BPEA VII). EQT will invest in and be entitled to 35% of the carried interest in all future funds, starting with BPEA VIII, in line with existing EQT practice.

The total consideration was EUR 5,053m, comprising new EQT AB shares EUR 3,603m (corresponding to 191,200,000 shares) and cash EUR 1,450m. Of the total consideration, EUR 766m in shares to management are subject to vesting conditions under a "Leaver put option clause", meaning that if the management person becomes a bad leaver, such as voluntary resignation or termination for cause, the person will need to return the unvested shares to EQT for nil consideration. The Leaver put option arrangement has from an accounting perspective been separated from the business combination. The consideration was initially accounted for as a prepayment and will be recorded as personnel expenses over the vesting period of 1-4 years. The purchase consideration for the business combination was EUR 4,287m.

The fair value of the shares is calculated with reference to the quoted price of the EQT shares at the date of acquisition, which was SEK 207.30 per share.

Total transaction cost (including M&A insurance) amounted to EUR 57m, whereof EUR 0m are included in other operating expenses during 2023.

Total consideration

EURm	
Shares issued, at fair value	3,603
Cash consideration	1,450
Total consideration	5,053
Employment linked consideration (Shares issued, at fair value)	-766
Purchase consideration for the business combination	4,287

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

EURm	Fair value recognized on acquisition
Investor contracts	1,854
Investor relationships	1,075
Trademark and trade name	137
Contingent carried interest	513
Right of use assets	28
Tangible fixed assets	3
Financial investments	123
Cash and cash equivalents	126
Other receivables	65
Deposits, prepayments	2
Deferred tax liability – Intangibles	-391
Deferred liabilities	-104
Lease liabilities, short and long term	-28
Current liabilities	-235
The fair values of the identifiable assets and liabilities	3,169
Goodwill	1,118
Purchase consideration for the business combination	4,287

Analysis of cash flows on acquisition

EURm	
Cash consideration (related to cash flows from investing activities)	-1,450
Net cash acquired (included in cash flows from investing activities)	126
Transaction costs of the acquisition (included in cash flows from operating activities)	-57
Transaction costs attributable to issuance of shares (included in cash flow from financing activities)	0
Net cash flow on acquisition	1,380

Trademarks and trade names relate to BPEA.

The goodwill mainly comprises assembled work force, the opportunity to attract new investors and the platform to develop future business opportunities and funds. Goodwill is allocated entirely to the segments Private Capital and Real Assets.

Goodwill will not be tax deductible.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities.

If the combination had taken place at the beginning 2022, revenue from continuing operations would have been EUR 1,800m, EBITDA would have been EUR 712m and profit before tax from continuing operations for the Group would have been EUR 462m.

If the combination had taken place at the beginning of 2022, adjusted revenue from continuing operations would have been EUR 1,864m, adjusted EBITDA would have been EUR 1,060m and profit before tax from continuing operations for the Group would have been EUR 965m.

Notes to the consolidated financial statements

Measure	Definition	Reason for use
Adjusted total Revenue	Total revenue adjusted for fair value step-up on acquired contractual right to carried interest. For revenue adjustments related to the accounting treatment of change of entitlement to revenue, see Note 1.	Total revenue adjusted for fair value step-up on acquired contractual right to carried interest, 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 less directly incurred expenses by business segment. For revenue adjustments related to the accounting treatment of change of entitlement to revenue, 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 and amortization of acquisition related 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.

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.

Notes to the consolidated financial statements

Measure	Definition	Reason for use
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, 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.
Fee-related EBITDA	Adjusted EBITDA less adjusted carried interest and investment income.	Fee-related EBITDA is a useful measure that presents the recurring fee-related profitability.
Fee-related EBITDA margin, %	Fee-related EBITDA divided by management fees.	Fee-related EBITDA margin is a useful measure that presents the recurring fee-related profitability, relative to management fees generated by the Group during the period.
Adjusted EBT excluding carried interest and investment income	Fee-related EBITDA less depreciation and amortization and net financial income and expenses.	Adjusted EBT excluding carried interest and investment income is a useful measure in establishing a like-for-like measurable adjusted Effective Tax Rate (ETR) over time.
Adjusted net income	Net income adjusted for items affecting comparability and revenue adjustments. Items affecting comparability means items that are reported separately due to their character and amount, see Note 1. Revenue adjustments related to the accounting treatment of change of entitlement to revenue, see Note 1.	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 / net debt	Cash, cash equivalents and short-term loan receivable less interest-bearing liabilities (current and non current).	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.

Notes to the consolidated financial statements

Adjusted total revenue

EURm	H2 2023	H2 2022	2023	2022
Total revenue	1,078	765	2,084	1,497
Revenue adjustments	34	39	46	39
Adjusted total revenue	1,112	804	2,131	1,536

Adjusted EBITDA / Adjusted net income / Adjusted EPS

EURm	H2 2023	H2 2022	2023	2022
Net income for the period from continuing operations	128	-58	139	176
Income taxes	39	58	100	87
Net financial income and expenses	18	42	35	46
Operating profit (EBIT)	185	42	275	309
Amortization of acquisition related intangible assets	184	108	364	154
Depreciation and amortization	28	24	54	44
EBITDA	397	174	693	506
Revenue adjustments	34	39	46	39
Items affecting comparability	222	203	487	284
Adjusted EBITDA	653	416	1,226	829
Less adjusted carried interest and investment income	-76	-45	-165	-208
Adjusted fee-related EBITDA	577	372	1,062	621
Depreciation and amortization	-28	-24	-54	-44
Net financial income and expenses	-18	-42	-35	-46
Adjusted EBT excluding adjusted carried interest and investment income	530	306	972	532
Adjusted carried interest and investment income	76	45	165	208
Income taxes	-55	-60	-117	-86
Adjusted net income for the period from continuing operations	551	291	1,019	654

Adjusted earnings per share, basic

	H2 2023	H2 2022	2023	2022
Adjusted net income from continuing operations, EURm	551	291	1,019	654
Average number of shares, basic	1,185,133,096	1,071,198,573	1,185,754,323	1,031,955,891
Adjusted earnings per share for continued operations, basic, EUR	0.465	0.272	0.860	0.634

Adjusted earnings per share, diluted

	H2 2023	H2 2022	2023	2022
Adjusted net income from continuing operations, EURm	551	291	1,019	654
Average number of shares, diluted	1,185,813,079	1,071,837,164	1,186,434,306	1,032,594,481
Adjusted earnings per share for continued operations, diluted, EUR	0.464	0.272	0.859	0.634

Financial net cash / (net debt)

EURm	2023	2022
Cash and cash equivalents	1,114	645
Interest-bearing liabilities - non-current 1)	-2,000	-2,000
Financial net cash / (net debt)	-886	-1,355

1) Nominal amount

Definitions

Active funds

Funds currently investing or with not yet realized investments.

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 invested capital.

Effective management fee rate

Weighted average management fee rate for all EQT funds contributing to FAUM at a specific date.

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 (for the avoidance of doubt excluding the EQT funds and their portfolio companies).

Adjusted Effective Tax Rate

Adjusted income taxes in relation to Adjusted EBT excluding carried interest and investment income.

Exits (FAUM table)

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 invested capital upon realization.

FAUM

Fee-generating Assets Under Management ("FAUM") represents the total assets and commitments from fund investors based on which the EQT AB Group is entitled to receive management fees.

Final close

The last date determined for each fund upon which admissions of investors to the fund are accepted by the fund manager.

FTE

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

FTE+

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. Refers to signed realizations in a given period.

Gross MOIC

Total value of investments divided by total invested capital.

Invested capital

Committed capital that fund investors have invested in a fund.

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.

Investments

Signed investments by an EQT fund.

Key funds

Funds with commitments that represent more than 5% of total commitments in active funds.

Net invested capital

Invested capital 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 EQT Ventures, EQT Life Sciences, EQT Healthcare Growth, EQT Growth, EQT Private Equity, EQT Private Capital Asia, EQT Public Value and EQT Future.

Real Assets

Business segment comprised of business lines EQT Value-Add Infrastructure, EQT Active Core Infrastructure and EQT Exeter.

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 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 charged 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.

Total AUM

Total Assets Under Management ("Total AUM") represents the sum of (i) FAUM, (ii) value appreciation (depreciation) of investments in funds on which FAUM is calculated upon, (iii) fair market value of non-fee-generating co-investments as well as (iv) committed but undrawn capital from fund investors on which EQT AB Group is not currently entitled to receive management fees but that, following investment, would be fee generating.

About EQT

EQT is a purpose-driven global investment organization focused on active ownership strategies. With a Nordic heritage and a global mindset, EQT has a track record of almost three decades of developing companies across multiple geographies, sectors and strategies. EQT has investment strategies covering all phases of a business' development, from start-up to maturity. EQT has EUR 232 billion in total assets under management (EUR 130 billion in fee-generating assets under management), within 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 more than 20 countries across Europe, Asia and the Americas and has more than 1,800 employees.

More info: www.eqtgroup.com

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Our values What we stand for

High performing
Respectful
Entrepreneurial
Informal
Transparent

Purpose

Why we exist

To future-proof companies and make a positive impact for all.

Vision

What we strive for

To be the most reputable investor and owner.

Mission

What we do and how

With differentiated talent and the best global network, EQT uses a thematic investment strategy and distinctive value creation approach to create superior returns for EQT's investors.