NAXS AB (publ)
Half-year financial report January-June 2021

First half-year 2021

- Net profit for the half-year amounted to MSEK 81.1 (-61.0).
- Earnings per share amounted to SEK 7.27 (-5.47).
- Net asset value amounted to MSEK 732 (SEK 65.66 per share) at June 30, 2021, compared to MSEK 679 (SEK 60.87 per share) at December 31, 2020.
- Net cash amounted to MSEK 268 (SEK 24.00 per share) at June 30, 2021, compared to MSEK 219 (SEK 19.65 per share) at December 31, 2020.
- The 2021 Annual General Meeting resolved to pay a dividend of 3.00 SEK per share for FY 2020.

Second quarter 2021

- Net profit/loss for the quarter amounted to MSEK 36.4 (-57.0).
- Earnings per share amounted to SEK 3.27 (-5.11).

Comments by the CEO

NAXS continued to deliver a steady performance during the second quarter of 2021 with the NAV/share increasing by 4.2%, and by 23.9% over 12 months, including the dividend paid.
In May, NAXS's majority shareholder, QVT Financial LP, requested that the company convene an extraordinary general meeting to replace the current board of directors in its entirety and consider the election of 5 new directors nominated by QVT. The request was based on QVT's views that, as NAXS's portfolio matures and evolves, the company is entering a new phase and requires new leadership. A stated ambition of the proposed new board is to evaluate and potentially evolve NAXS's investment mandate and, where possible, to streamline the company's structure in order to optimize the outcome for all shareholders.
In June, NAXS made a MEUR 1 commitment to Nordic Capital Evo I, the new mid-market funds launched by Nordic Capital. The fund will target mid-market investments across Northern Europe and will closely replicate Nordic Capital's established strategy focusing on non-cyclical growth opportunities within the Healthcare, Technology & Payments and Financial Services sectors.
During the quarter, NAXS´s underlying funds acquired 6 new portfolio companies and exited 1 company.

Lennart Svantesson

Financial summary

	2021 1/1–30/6	**2020** 1/1–30/6
Net profit/loss for the period, KSEK	81,050	-60,960

	2021 30/6	**2020** 31/12
Private equity fund investments, KSEK	426,460	428,651
Private equity fund investments in % of equity	58	63
Remaining commitments, KSEK	152,947	128,762
Total exposure to private equity fund investments, KSEK	579,407	557,413
Other investments, KSEK	39,060	31,695
Net cash, KSEK	267,649	219,127
Private equity fund investments per share, SEK	38.24	39.42
Other investments per share, SEK	3.50	3.66
Net cash per share, SEK	24.00	20.60
Net asset value per share, SEK	65.66	63.63
Share price, SEK	55.20	49.30

Operations

NAXS AB (publ) ("NAXS" or the "Company") is a company listed on NASDAQ Stockholm and investing primarily in private equity funds with a Nordic focus. NAXS may also make direct investments or co-investments alongside private equity or other alternative assets funds. In addition, NAXS may, to a limited extent, make other types of investments. Operations commenced on April 17, 2007, and the Company was listed on First North on May 14, 2007, where it traded until its change of listing to NASDAQ Stockholm on June 8, 2010.
NAXS is the Group's parent company and is headquartered in Stockholm. In addition to the parent company, the Group consists of an operational Danish subsidiary, NAXS A/S, headquartered in Copenhagen, and a Norwegian subsidiary, NAXS Nordic Access Buyout AS, headquartered in Oslo. The Danish subsidiary operates as the holding company for the Group's investments.
Naccess Partners AB has been contracted as the investment advisor to the Danish subsidiary.

Market review

The financial markets continued to perform well during the second quarter, albeit with some more volatility than during the first quarter as a result of growing concerns regarding potential higher future inflation and its impact on interest rates. Private equity buyout activity continued to be strong during the quarter.

Investments

Private equity fund investments

At June 30, 2021, NAXS had commitments to 14 private equity funds (13 buyout funds and 1 special situations fund):

- private equity fund investments amounted to MSEK 426, which corresponds to 58.2 percent of the Company's equity;
- remaining commitments amounted to MSEK 153.

Other investments

At June 30, 2021, NAXS held 5 direct investments, 3 of which were listed and 2 unlisted:

- 120 437 shares in Scout Gaming Group AB (publ). Scout is a provider of fantasy sport and daily fantasy sports solutions to online gaming operators. As of June 30, 2021, the holding of NAXS in Scout Gaming Group was valued at MSEK 3.2 (5.8).
- 828,319 shares in Awilco Drilling Plc, a UK-based drilling contractor. The shares are listed on the Oslo Stock Exchange. As of June 30, 2021, the holding of NAXS in Awilco Drilling was valued at MSEK 3.0 (3.7).
- 65 572 shares in Keurig Dr Pepper, a leading producer and distributor of hot and cold beverages. The shares are listed on Nasdaq. As of June 30, 2021, the holding of NAXS in Keurig Dr Pepper was valued at MSEK 19.6 (17.2).
- An investment in Pret Panera Company which, as of June 30, 2021, was valued at MSEK 0.8 (-). Part of the investment was divested during the second quarter which generated a profit of MSEK 0.9.
- A co-investment alongside JAB Holding in Krispy Kreme Doughnuts which, as of June 30, was valued at MSEK 5.1 (-).

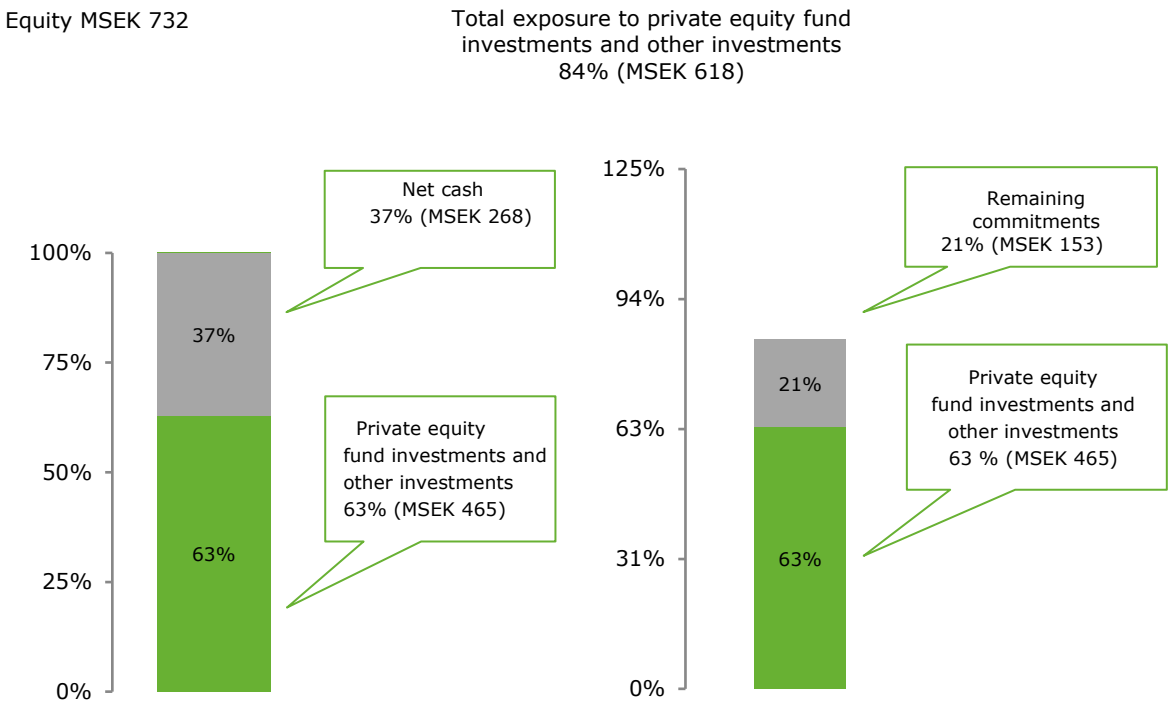
In addition, NAXS held at June 30, 2021, 2 bonds issued by Jacktel AS, a wholly owned subsidiary of Macro Offshore AS:

- 1 senior secured bond issued in 2018 with a tenor of 5 years and a coupon of 10% p.a. At June 30, 2021, the holding of NAXS in was valued at MSEK 5.5 (5.0).
- 1 super senior bond issued in 2021, maturing in December 2023 and with a coupon of 10% p.a. At June 30, 2021, the holding of NAXS was valued at MSEK 1.7 (-).

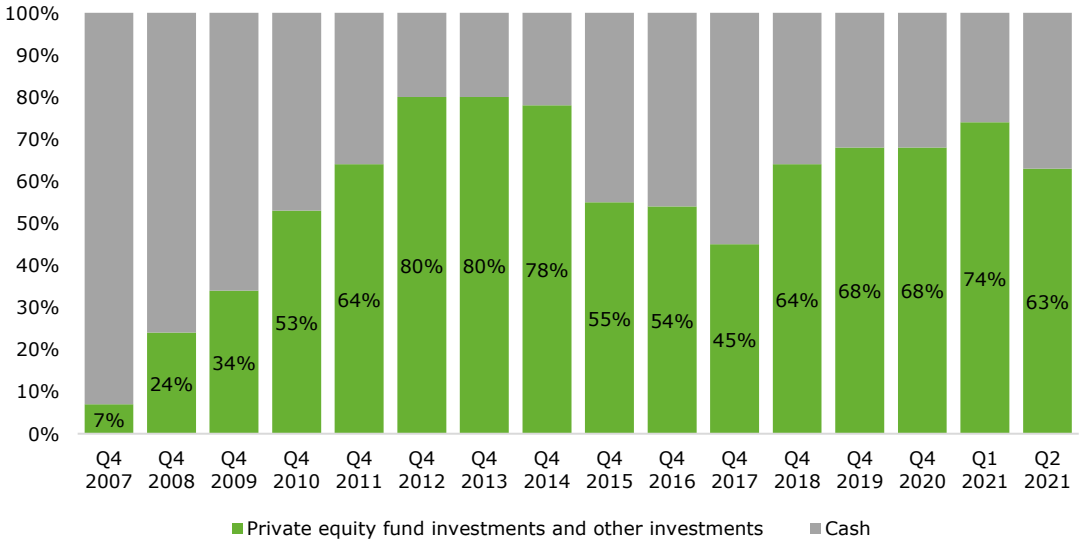
Exposure to private equity fund investments and other investments

At June 30, 2021, the total exposure to private equity fund investments and other investments amounted to MSEK 618, which corresponds to 84 percent of the Company's equity.

Private equity fund investments and other investments, and total exposure to private equity fund investments and other investments (in % of equity)

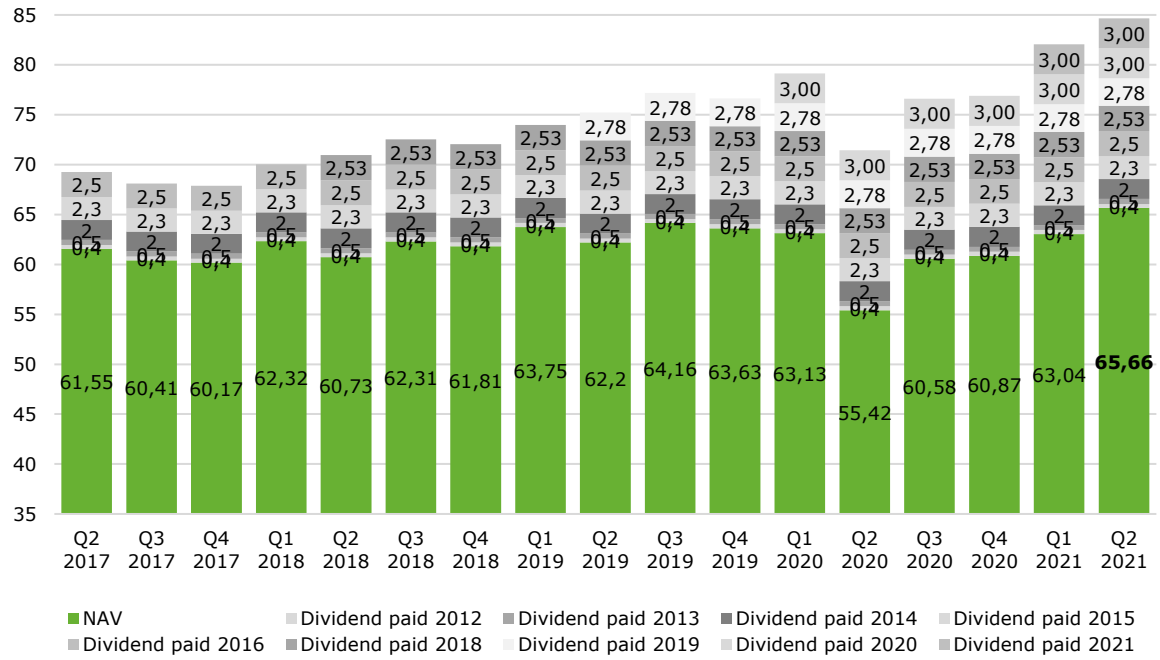


Evolution of private equity fund investments and other investments (in % of equity)



The net asset value (NAV) per share increased by 4.2% during the second quarter of 2021 and by 23.9% over 12 months (including dividend paid).

NAV per share in SEK



New investments, acquisitions and liquidity events

Commitments
NAXS made a MEUR 1 commitment to Nordic Capital Evolution Fund I during the quarter. The fund will target mid-market investments across Northern Europe and will closely replicate Nordic Capital's established strategy focusing on non-cyclical growth opportunities within the Healthcare, Technology & Payments and Financial Services sectors. Nordic Capital Evolution I held its first and final close in June at MEUR 1,200.

Investments
NAXS made during the quarter an investment of MUSD 0.2 in a super senior bond issued in April by Jacktel AS. The bond is maturing in December 2023 and has a coupon of 10% p.a.

Acquisitions
6 new portfolio companies were acquired by underlying funds during the second quarter as summarized below:

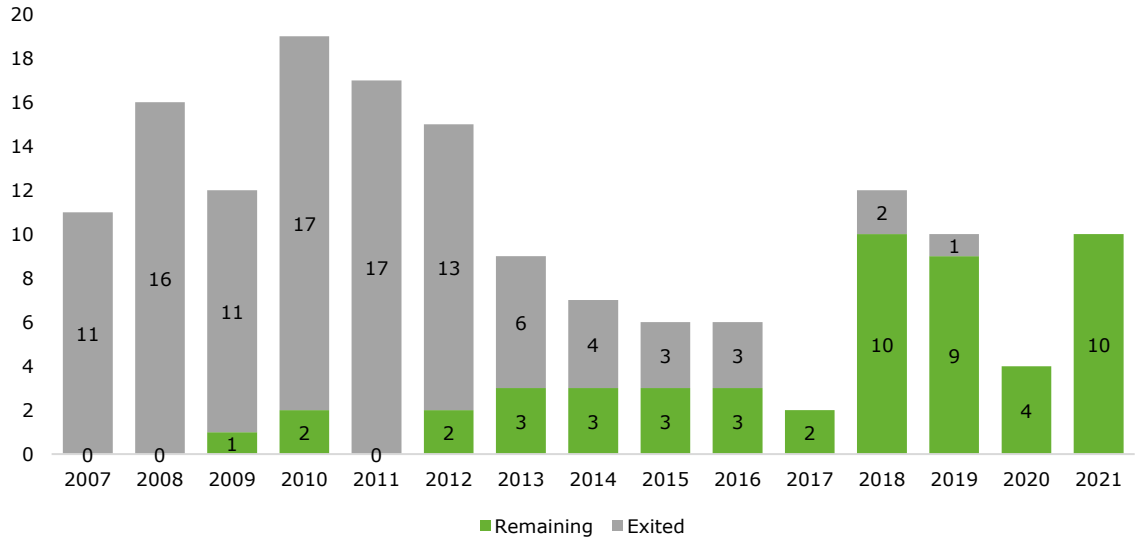
Portfolio company	Sector	Geography	Fund
AdvanzPharma	Healthcare	Europe	Nordic Capital X
ArisGlobal	Healthcare	US	Nordic Capital X
UVC	Healthcare	US	Nordic Capital X
Boost.ai	Financial & business services	Europe	Nordic Capital Evo I
Riggtech Entreprenad	Building & construction	Norway	Equip I
Ryde Technology	Consumer goods & services	Norway	Equip I

Liquidity events
1 full exit was closed during the second quarter:

Portfolio company	Sector	Year of investment	Fund
Rototec	Building & construction	2014	Intera II

At June 30, 2021, NAXS underlying funds had acquired a total of 156 companies, 104 of which had been fully divested. These 104 exits have generated an average gross IRR of 18%. The average holding period for the remaining 52 portfolio companies is approximately 3.5 years.

No. of portfolio companies acquired per year



June 30, 2021
- Total exposure to private equity fund investments: 79% of total equity
- Private equity fund investments: 58% of total equity
- Number of full exits since inception: 104
- Average gross IRR since inception generated by the 104 exits: 18%

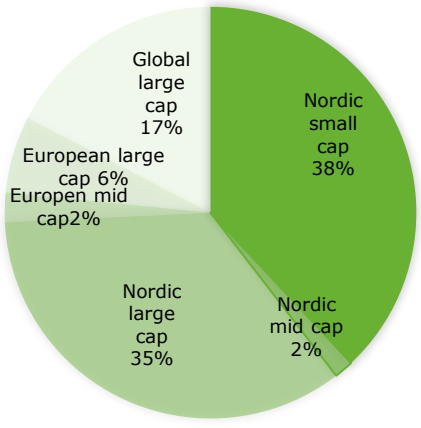
Portfolio composition/diversification

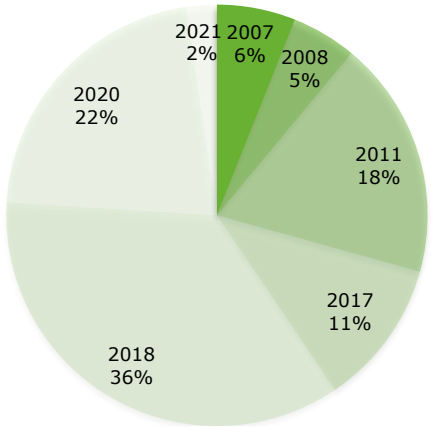
At June 30, 2021, NAXS provided the following exposure:

- 14 private equity funds (13 buyout funds and 1 special situations fund) from 9 managers:

Fund	Commitment Year	Commitment Currency	Initial Commitment Amount (in 000s)
Apax Europe VII LP	2007	EUR	15,000
Equip Capital Fund I LP	2020	NOK	20,000
FSN Capital III LP	2008	EUR	10,000
Herkules Private Equity III LP	2008	NOK	40,000
Intera Fund I KY	2007	EUR	7,000
Intera Fund II KY	2011	EUR	7,250
JAB Consumer Fund – Global Consumer Brands II	2018	USD	5,000
JAB Consumer Fund – Global Consumer Brands III	2020	EUR	5,000
Mimir Invest AB	2017	SEK	50,000
Nordic Capital CV1	2018	EUR	15,394
Nordic Capital Fund VII LP	2008	EUR	20,000
Nordic Capital Fund X LP	2020	EUR	2,000
Nordic Capital Evo Fund I LP	2021	EUR	1,000
Valedo Partners Fund II AB	2011	SEK	65,000

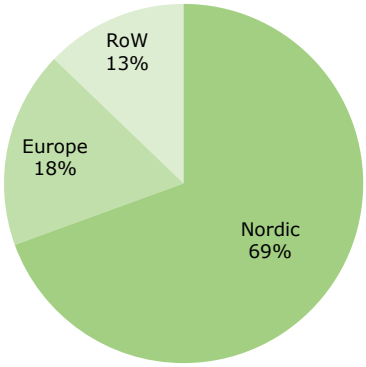
- 7 different fund vintages and a diversification in terms of size segments, as illustrated below (based on current commitments):

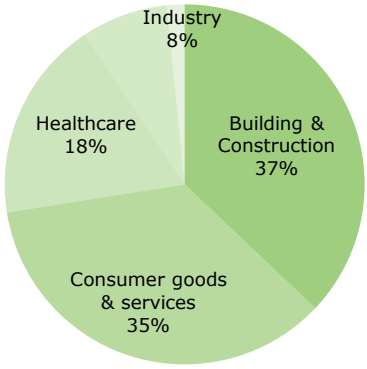




- 52 portfolio companies (remaining after 104 exits) acquired by underlying funds over a period of approximately 12 years, with the 10 largest portfolio companies accounting for about 50% of the total equity and no single portfolio company accounting for more than 12% of the total equity.

- a diversification of portfolio companies per sector and geography, as illustrated below (based on the fair value of the current portfolio companies):





- direct investments in 3 listed companies, 2 unlisted companies and 2 high-yield bonds as per table below.

Company	Sector	Type of instrument	Timing of initial investment	Reported value
Scout Gaming Group	iGaming	listed share (NASDAQ First North)	Q4 2017	MSEK 3.3
Awilco Drilling	Energy	listed share (Oslo Exchange)	Q1 2018	MSEK 3.0
Jacktel/Master Marine	Energy	senior secured bond	Q4 2018	MSEK 5.5
Keurig Dr Pepper	Consumer goods & services	Nasdaq	Q3 2020	MSEK 19.6
Pret Panera	Fast food casual	unlisted shares	Q1 2021	MSEK 0.8
Krispy Kreme Doughnuts	Fast food casual	unlisted shares	Q1 2021	MSEK 5.1
Jacktel/Master Marine	Energy	super senior bond	Q2 2021	MSEK 1.7

Underlying funds

Summary information regarding NAXS' current underlying funds is provided below:

Fund	Fund size	Segment	Vintage	Geographic focus	# of portfolio companies	# of exits
Apax Europe VII	MEUR 11,000	large cap	2008	Europe/Global	5	31
Equip Capital I	MNOK 1,900	small/mid cap	2020	Norway/Nordic	9	0
FSN Capital III	MEUR 375	mid cap	2008	Norway/Nordic	1	9
Herkules PE III*	MNOK 6,000	mid cap	2008	Norway/Nordic	0	11
Intera Partners I**	MEUR 125	small cap	2007	Finland	0	7
Intera Partners II	MEUR 200	small cap	2011	Finland	4	8
JAB Consumer Fund – GCB II	MUSD 5,000	large cap	2018	Global	4	0
JAB Consumer Fund – GCB III	N/A	large cap	2020	Global	1***	0
Mimir Invest	<MSEK 500	small cap	2017	Primarily Nordic	6	2
Nordic Capital VII****	MEUR 4,300	mid/large cap	2008	Primarily Nordic	0	19
Nordic Capital CV1	MEUR 2,500	mid/large cap	2018	Primarily Nordic	6	3
Nordic Capital X	MEUR 6,100	large/mid cap	2020	Primarily Nordic & DACH	9	0
Nordic Capital Evolution	MEUR	midcap	2021	Europe	1	0
Valedo Partners II	MSEK 2,000	small cap	2011	Sweden	6	5

* The fund exited its last remaining portfolio company during Q2 2020
** The fund exited its last remaining portfolio company during Q4 2019
*** a portfolio company also in JAB Consumer Fund - GCB II
**** The fund exited its last remaining portfolio company in Q1 2021

Group

Financial performance, second quarter 2021

Operating profit/loss

The operating profit/loss amounted to KSEK 35,293 (-61,010) for the quarter. The operating profit/loss includes a change in value of KSEK 39,775 (-57,113), whereof KSEK 41,769 (-58,388) is a change in value of private equity fund investments and KSEK -1,994 (1,275) is a change of value of other financial investments. The currency effects are included in the changes in value and amounted to KSEK 2,194 (-7,281) for the second quarter. Operating expenses amounted to KSEK 4,482 (3,897).

Financial performance, first half-year 2021

Operating profit/loss

The operating profit/loss amounted to KSEK 83,157 (-61,866) for the first half-year. The operating profit/loss includes a change in value of KSEK 91,314 (-54,717), whereof KSEK 90,912 (-33 107) is a change in value of private equity fund investments, and KSEK 402 (-21,610) is a change in value of other investments. Realized profit/loss in investments in private equity funds amounted to KSEK 23,647 (-14,830), and unrealized profit/loss amounted to KSEK 67,265 (-18,277). The currency effects are included in the changes in value and amounted to KSEK -2,078 (5,066) for the first half-year. Realized profit/loss, dividends and interest from other investments amounted to KSEK 980 (1,420), and unrealized profit/loss amounted to KSEK -578 (–23,030). Operating expenses amounted to KSEK 8,157 (7,149).

January 1– June 30, 2021
- Changes in value of private equity fund investments: KSEK 90,912, whereof currency effects on private equity fund investments KSEK -2,078
- Changes in value of other investments: KSEK 402

Financial items

Financial items net totaled KSEK -2,107 (906) for the first quarter. Interest expenses on cash in banks amounted to -268 (-91). Exchange rate profit/loss amounted to KSEK -1,839 (997).

Tax and net profit

The Group's profit/loss after financial items for the first half-year amounted to KSEK 81,050 (-60 960). Income taxes amounted to KSEK 0 (0). Net profit/loss after tax amounted to KSEK 81,050 (-60 960). Earnings per share were SEK 7.27 (-5.47).

Investments, financing and liquidity

Private equity fund investments

During the first half-year, net investments (-)/repayments (+) from private equity funds amounted to KSEK 93,103 (17,360) whereof KSEK 23,647 (-14,830) is realized profit/loss in investments in private equity funds. As of June 30, 2021, private equity fund investments amounted to KSEK 426,460 (428,651).

June 30, 2021
• Private equity fund investments per share: SEK 426,460

Other investments

As of June 30, 2021, Other Investments amounted to KSEK 39,060 (31,695). During the first half-year KSEK 9,177 (3,262) was invested in Other Investments.

Financing

The Group is financed with shareholders' equity. Shareholders' equity amounted to KSEK 732,279 (678,900) at the end of the first half-year, corresponding to SEK 65.66 (60.87) per share and an equity/asset ratio of 99,8 (100) percent. Dividend to shareholders for the financial year 2020 amounted to KSEK 33,458 (33,458) corresponding to SEK 3,00 (3.00) per share.

June 30, 2021
• Private equity fund investments per share: SEK 65.66

Net cash

At the end of the first half-year, net cash amounted to KSEK 267,649 (219,127), which corresponds to SEK 24.00 (19.65) per share. During the first half-year, cash and cash equivalents were invested in interest-bearing instruments or held on interest-bearing bank accounts, in accordance with the Company's policy.

June 30, 2021
• Net cash per share: SEK 24.00

Significant risks and uncertainty factors

Significant risks and uncertainty factors are described in the Annual Report 2020.

Events after the end of the Interim Period

An extraordinary general meeting was held on July 1 at the request of NAXS's majority shareholder, QVT Financial LP. The general meeting elected 5 new board directors nominated by QVT in replacement of the current board. The new directors are Daniel Gold (chairman), Meg Eisner, Nikolai Jebsen, Borge Johansen and Synne Syrrist.

Future prospects

Financial markets continue to discount a positive economic outcome after the pandemic and focus has shifted to concerns regarding potential future inflation and its impact on interest rates. We believe that private equity buyout funds, which are NAXS's primary focus and invest in mature and profitable businesses with strong cash flows should be able to continue to perform well in a more inflationary environment. However, we remain mindful of the risks related to the Covid-19 pandemic and the market volatility on the performance and valuations of underlying portfolio companies.

Parent company

The parent company has not had any sales during the first half-year. The profit/loss after financial items amounted to KSEK -3,155 (-1,774). The net interest income amounted to KSEK 71 (94) and exchange rate profit/loss amounted to KSEK 237 (182). Income tax amounted to KSEK 0 (0). The net profit/loss amounted to KSEK -3,155 (-1,774).

Organization

The Company's CEO is Lennart Svantesson. The Board of Directors consists of Daniel Gold (chairman), Meg Eisner, Nikolai Jebsen, Borge Johansen and Synne Syrrist, who were elected at the July 2021 extraordinary general meeting.

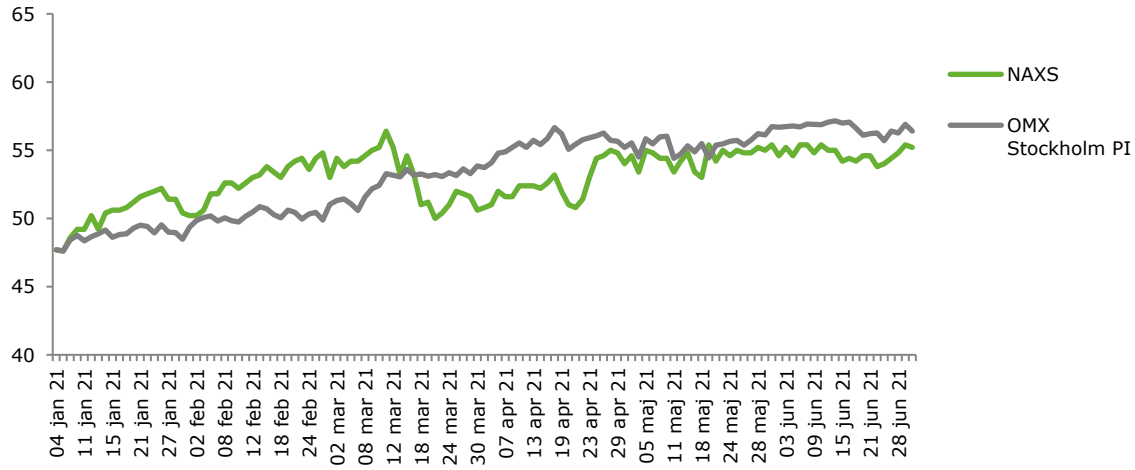
The share

The NAXS share was initially listed on First North on May 14, 2007. Since June 8, 2010, the share is traded on NASDAQ Stockholm. The share trades under the designation "NAXS".

The number of outstanding shares in the Company at the beginning and the end of the interim period was 11,152,585.

At June 30, 2021, the NAXS share price was SEK 55.20 and the total shareholders' equity per share was SEK 65.66. The Company's market capitalization was MSEK 616 and the number of shareholders was 4,187.

Evolution of the share price during the first half-year 2021



Accounting principles

The condensed consolidated financial statements have been established in accordance with the International Financial Reporting Standards (IFRS), as recognized by the EU. This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Reporting legislation.
The accounting principles applied in this report are described in the Annual Report 2020. The Parent Company follows the Swedish Annual Reporting legislation and the Swedish Financial Reporting Board RFR 2 for legal entities, which provides that the IFRS principles shall apply.

Financial information

Interim report (9 months): October 21, 2021
Year-end report 2021: January 27, 2022

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Ticker codes

NAXS.SS in Bloomberg
NAXS.ST in Reuters

This information is information that NAXS AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 20.45 CET on July 14, 2021.

This report is an in-house translation of the original report in Swedish

The Board of Directors declares that the undersigned year-end report provides a true and fair overview of the Parent Company's and the Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, July 14, 2021

Daniel Gold Chairman	Meg Eisner Director	Nikolai Jebsen Director
Borge Johansen Director	Synne Syrrist Director	Lennart Svantesson Chief Executive Officer

This report has not been subject to review by the Company's auditors.

This report and other information are available on www.naxs.se

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Financial reports summary

Consolidated Income Statement

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-30/6	2021 1/4-30/6	2020 1/4-30/6
Change in value	91 314	-54 717	39 775	-57 113
Operating costs	-8 157	-7 149	-4 482	-3 897
Operating profit (loss)	83 157	-61 866	35 293	-61 010
Net financial items	-2 107	906	1 137	3 999
Profit/loss after financial items	81 050	-60 960	36 430	-57 010
Income taxes	-	-	-	-
Net profit/loss	81 050	-60 960	36 430	-57 010
Attributable to:				
Parent company shareholders	81 050	-60 960	36 430	-57 010
Earnings per share, SEK*	7,27	-5,47	3,27	-5,11
Average number of shares, 000s*	11 153	11 153	11 153	11 153

* Basic and diluted

Consolidated Statement of Comprehensive Income

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-30/6	2021 1/4-30/6	2020 1/4-30/6
Net profit/loss	81 050	-60 960	36 430	-57 010
Other comprehensive income *Items which will be reversed to the income statement*				
Exchange differences	5 787	2 860	-7 154	-28 900
Total comprehensive income	86 837	-58 100	29 276	-85 910
Attributable to:				
Parent company shareholders	86 837	-58 100	29 276	-85 910
Total comprehensive income	86 837	-58 100	29 276	-85 910

Consolidated Balance Sheet

Amounts in SEK 000s

	2021 30/6	2020 31/12
Assets		
Private equity fund investments	426 460	428 651
Other long-term holdings of securities	39 060	31 695
Total non-current assets	465 520	460 346
Other receivables	286	256
Cash and cash equivalents	267 649	219 127
Total current assets	267 935	219 383
Total assets	733 455	679 729
Equity	732 279	678 900
Current liabilities	1 176	829
Total equity and liabilities	733 455	679 729

Consolidated Net cash

Amounts in SEK 000s

	2021 30/6	2020 31/12
Cash, bank and short-term investments	267 649	219 127
Total net cash	267 649	219 127

Consolidated Statement of Changes in Equity

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-31/12	2020 1/1-30/6
Equity at the beginning or the year	678 900	709 659	709 659
Dividend	-33 458	-33 458	-33 458
Total comprehensive income for the period	86 837	2 699	-58 100
Shareholder's equity at the end of the period	732 279	678 900	618 101

Consolidated Statement of cash flows analysis

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-30/6
Profit/loss after financial items	81 050	-60 960
Adjustment for non-cash items, etc.	-64 958	55 143
Income tax paid	-	-
Cash flow from operating activities before changes in working capital	16 092	-5 817
Cash flow changes in working capital	316	-16
Cash flow from operating activities	16 408	-5 833
Acquisitions of private equity fund investments	-7 611	-23 946
Disposals of private equity fund investments	77 067	41 306
Acquisitions of other long-term holdings of securities	-9 177	-
Disposals of other long-term holdings of securities	5 315	-
Cash flow from investing activities	65 594	17 360
Dividend	-33 458	-33 458
Cash flow from financing activities	-33 458	-33 458
Cash flow during the period	48 544	-21 931
Cash and cash equivalents, beginning of the year *	219 127	229 748
Exchange-rate differences in cash and cash equivalents	-22	-403
Cash and cash equivalents at the end of the period	267 649	207 414

* Including short-term investments

Parent Company Income Statement

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-30/6	2021 1/4-30/6	2020 1/4-30/6
Net income	228	-	-	-
Operating costs	-3 691	-2 050	-2 167	-814
Operating profit/loss	-3 463	-2 050	-2 167	-814
Net financial items	308	276	-249	-1 441
Profit /loss after financial items	-3 155	-1 774	-2 416	-2 255
Income taxes	-	-	-	-
Net profit/loss for the period	-3 155	-1 774	-2 416	-2 255

Parent Company Statement of Comprehensive Income

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-30/6	2021 1/4-30/6	2020 1/4-30/6
Net profit/loss for the period	-3 155	-1 774	-2 189	-2 255
Total comprehensive income for the period	-3 155	-1 774	-2 189	-2 255

Parent Company Balance Sheet

Amounts in SEK 000s

	2021 30/6	2020 31/12
Assets		
Shares in subsidiaries	481 802	481 802
Receivables on group companies	26 053	25 816
Total non-current assets	507 855	507 618
Other receivables	286	256
Cash and cash equivalents	31 901	68 635
Total current assets	32 187	68 891
Total assets	540 042	576 509
Equity	539 061	575 674
Current liabilities	981	835
Total equity and liabilities	540 042	576 509

Parent Company Statement of Changes in equity

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-31/12	2020 1/1-30/6
Equity at the beginning of the year	575 674	614 399	614 399
Dividend	-33 458	-33 458	-33 458
Total comprehensive income for the period	-3 155	-5 267	-1 774
Shareholder's equity at the end of the period	539 061	575 674	579 167

Note 1

Operating costs

Amounts in SEK 000s

	2021 1/1-30/6	2020 1/1-30/6	2021 1/4-30/6	2020 1/4-30/6
Fee to the investment advisor	-3 206	-3 269	-1 602	-1 664
Carried interest to the investment advisor	-832	-1 528	-1 250	-1 776
Personnel expenses	-760	-761	-381	-410
Other operating costs	-3 294	-1 591	-664	-916
	-8 092	-7 149	-3 897	-4 766

No related party transaction occurred during the period, except for remunerations to the board members and the managing director.

Note 2

Financial assets and liabilities

NAXS's financial instruments consist of fund investments, cash and cash equivalents and accounts payable. Level 3 investments include only the Company's publicly traded share of the fund holdings / securities of unlisted companies (in some cases, also listed companies). When observable prices are not available for these securities, the fund manager uses one or more valuation techniques (e.g. yield methods or income-based methods), or a combination of techniques, for which sufficient and reliable data are available. Within Level 3, the market approach generally uses earnings multiples of comparable companies, while the income-based approach generally uses the present value of estimated future cash flows, adjusted for liquidity, credit, market and/or other risk factors.
For NAXS, the book value of all financial assets and liabilities corresponds to fair value. All amounts are shown in the reported balance sheets.

Definitions and Alternative performance measures

NAXS applies the guidelines issued by the European Securities and Markets Authority (ESMA) for alternative key ratios. Alternative key figures are financial measures of historical or future earnings trend, financial position, financial results or cash flows that are not defined or specified in the applicable rules for financial reporting
Alternative key ratios are stated when, in their context, they provide clearer or more in-depth information than the measures defined in applicable financial reporting rules. The alternative key figures are derived from the consolidated financial statements. Alternative key ratios are stated when, in their context, they supplement the measures defined in IFRS. The starting point for the provided alternative key figures is that they are used by management to assess the financial development and are thus considered to provide valuable information to analysts and other stakeholders. NAXS regularly uses alternative key ratios as a complement to those key ratios that generally constitute good accounting practice.

Below are definitions and all the alternative key figures used.

Buyout fund
A private equity fund, whose strategy is to acquire a controlling interest in the targeted companies

Cash & cash equivalents
Cash, bank and short-term investments

Cash per share*
Cash & cash equivalents in relation to the number of outstanding shares at the end of the period

Commitment
The maximum amount that a limited partner agrees to invest in a fund

Current commitments
Acquisition cost for private equity fund investments, plus remaining commitments to private equity funds

Equity ratio*
Equity in relation to total assets.

Gross IRR
The internal rate of return generated annually at the underlying private equity funds' level, before the deduction of the management fees and carried interest. The calculation includes all payments to the funds and all distributions from the funds since their inception, but excludes the management fees and carried interest

Net asset value (NAV)*
The fair value of total assets, less net debt (corresponds to equity)

Net asset value (NAV) per share*
The fair value of total assets, less net debt (corresponds to shareholders' equity attributable to the Parent Company's shareholders) in relation to the number of outstanding shares at the end of the period

Net cash*
Cash and cash equivalents, short-term investments and interest-bearing current and long-term receivables, less interest-bearing current and long-term liabilities

Other long-term holdings of securities/ Other investments
Investments in financial instruments other than private equity funds

Private equity fund investments
Fair value of investments in private equity funds

Profit per share
Profit for the year attributable to the Parent Company's shareholders divided by the average number of shares.

Special situations fund
A private equity fund, whose strategy is to acquire companies, where an active ownership is required, such as under-performing companies, and/or imply complex transactions, such as carve-outs from larger conglomerates.

Total assets*
All assets and liabilities not included in net cash.

Total exposure to private equity fund investments
Private equity funds investments and remaining commitments to private equity funds.

Total exposure to private equity fund investments and other investments
Total exposure to private equity funds increased with other investments.

** Refers to alternative key figures according to the European Securities and Markets Authority (ESMA).*

Reconciliations of significant alternative key ratios

Below are reconciliations of significant alternative key figures against the most directly reconcilable item, sub-sum or total sum stated in the financial statements for the corresponding period.

Net cash

Net cash or cash available at short notice, are defined as cash and cash equivalents, current investments, financial investments and interest-bearing current and short-term receivables. Deductions are made for interest bearing short- and long-term liabilities.

Group, MSEK	2021-06-30	2020-12-31
Cash and cash equivalents	267 649	219 127
Net cash	**267 649**	**219 127**

Total assets

The net of all assets and liabilities that are not included in the net cash.

Group, MSEK	2021-06-30	2020-12-31
Equity	732 279	678 900
Net cash	-267 649	-219 127
Total assets	**464 630**	**459 773**

Net asset value, SEK per share

Equity attributable to the Parent Company's shareholders in relation to the number of shares outstanding on the balance sheet date.

Group June 30, 2021 TSEK			Net asset value, SEK per share
Net asset value / Number of shares outstanding	732 279 / 11 152 585	=	65,66

Group December 31, 2020 TSEK			Net asset value, SEK per share
Net asset value / Number of shares outstanding	678 900 / 11 152 585	=	60,87