

Ress Life Investments A/S

Remuneration Report

For the period 1 October 2022 - 31 December 2022

Nybrogade 12, 1203 Copenhagen K, Denmark

22 March 2023

CVR no. 33 59 31 63

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1. Introduction

This remuneration report (**hereinafter: “the Report”**) provides an overview of the total remuneration received by each member of the board of directors (**hereinafter: “the Board”**) and of the registered chief executive officer (**hereinafter: “Executive Manager”**) of Ress Life Investment A/S, CVR no. 33593163 (**hereinafter: “the Fund”**) for the period 1 October 2022 – 31 December 2022.

The remuneration of the Board and Executive Manager during the past financial year has been provided in accordance with remuneration policy of the Fund adopted on the annual general meeting on 5 January 2023, which is available on the Fund’s website: <https://www.resscapi.com/fund/#ress-life-investment-as> (**hereinafter: “the Remuneration Policy”**).

At the annual general meeting the 5 January 2023 it was elected to change the reporting period from 1 October – 30 September to 1 January – 31 December. The financial statements have therefore been prepared for 3-month period from 1 October 2022 – 31 December 2022, hence the amounts presented are not fully comparable, which is also the case in the remuneration report. The remuneration report for the reporting period 1 October 2021 – 30 September 2022 was approved at the annual general meeting the 5 January 2023.

According to The Danish Financial Statements Act the general rule is that the transition period must not exceed 12 months and the change must be commercially justified. The transition period may in certain cases cover up to 18 months if it is necessary to change the financial year in order to obtain the same reporting period in a group. This may be the case for establishment of group relationships, the establishment of participation in joint management or mergers. A longer reporting period can only be chosen in the year in which the group relationship is established, or the merger is completed. However, this does not apply to a group establishment with a newly formed subsidiary. Due to this, the transition year cannot be changed to a balance sheet day of 31.12 by extending the reporting period, but only by shortening it.

The information included in the Report has been derived from the audited annual report of the Fund for the period 1 October 2022 – 31 December 2022. All amounts are included in USD and some amounts are also stated in DKK or EUR.

The Report has been prepared in accordance with section 139 b of the Danish Companies Act and section 4.2.3 in Recommendations on Corporate Governance (**hereinafter: “the Recommendations”**) issued by the Danish Corporate Governance Committee.

The Report has been submitted to the auditor to verify that information pursuant to section 139 b (3) of the Danish Companies Act is included in the Fund’s Report for the financial year 2022.

2. Overview – Financial performance

This section includes a brief overview of relevant facts and developments in performance, operations and/or business environment of the Fund as well as other material decisions made which has had an impact on the remuneration.

Ress Life Investments A/S realized a net profit of USD 1,787,460 for the period 1 October 2022 – 31 December 2022. The net profit for the period corresponds to a net return on equity of 0.5 % and an increase in net asset value of USD 11 per share.

The increase in profit mainly relates to pay-outs of policies offset by administrative expenses and staff costs. Staff costs comprise fees to members of the Board and the Executive Board.

3. Remuneration of the Board of Directors

Members of the Board receive a fixed annual base fee approved by the annual general meeting and are elected by the general assembly for one year at a time.

Position	Annual fee
Chairman	DKK 180.000 / USD 25,816.98 ¹
Member	DKK 75.000 / USD 10,757.08

The Chairman receives a multiplier of the annual base fee for his extended duties.

Remuneration of the Board for the financial year 1 October 2022 – 31 December 2022			
Name and position	Annual fee		Total remuneration in USD
	Chairman:	Member:	
Søren Andersen, Chairman of the Board	DKK 45,000 USD 6,454.25		USD 6,454.25
Anne Buchardt, Board member		DKK 18,750 USD 2,689.27	USD 2,689.27
Jeppe Buskov, Board member		DKK 18,750 USD 2,689.27	USD 2,689.27
Ketil Poul Petersen, Board member		DKK 18,750 USD 2,689.27	USD 2,689.27
Total	DKK 45,000 USD 6,454.25	DKK 56,250 USD 8,067.81	USD 14,522.05

No member of the Board is entitled to receive any share-based incentive, other variable remuneration or pension contribution. The members of the Board do not receive any further allowance, benefits or other extraordinary remuneration. Except from Ketil Petersen neither of the members of the Board or the management hold shares, options, warrants or similar in the company.

As illustrated in the comparative overview in section 6 the remuneration to the board of directors has been reduced compared to prior year. This is due to the board being reduced from five members and a chairman to three members and a chairman.

¹ Exchange rate DKK→USD: 0.1434

4. Remuneration of the Executive Manager

The Executive Manager receives a fixed annual salary as determined by the Board. The annual compensation is payable by the Fund monthly in arrears. When determining the remuneration of the Executive Manager, the Board considers that the Fund is managed by the Fund Manager and that the central administration has been delegated to the Administrator.

The Executive manager is not entitled to variable remuneration or any performance-based remuneration and has not been granted non-monetary benefits. The Executive Manager is entitled to an annual remuneration in accordance with the Remuneration Policy, which consist of the following fixed remuneration components:

- fixed base salary
- termination and severance payments

The choice of these components creates a well-balanced remuneration package reflecting the Executive Managers responsibility.

Remuneration of the Executive Manager for the financial year 1 October 2022 – 31 December 2022				
Name and position	Base salary	Social security on wages	Miscellaneous social costs	Total remuneration
Michael Hovard Ekmann, Executive Manager	USD 3,528.68	USD 554.70	USD 2,807.61	USD 6,890.99

The Executive Manager do not hold shares, options, warrants or similar in the company.

4.1 Fixed salary

The fixed salary is DKK 200,000 and was approved by the Board of Directors in September 2022.

4.2 Termination and severance payments

The Executive Manager has entered into an executive service agreement with the Fund. The duration of the Contract is indefinite, and the employment may be terminated with 6 months' notice by either part.

The Executive Manager shall be entitled to receive a minimum cash compensation of an amount that will ensure that the Executive Manager has received at least DKK 100,000 (equal to 6 months compensation) during the term of the agreement between the parties.

The total value of remuneration relating to the notice period, including any severance pay, cannot exceed six months of remuneration.

5. Remuneration – The Fund Manager and The Administrator

Neither the Fund Manager nor the Administrator are part of the Fund's Executive Management and thus not regulated by the Remuneration Policy. However, for transparency purposes the Board has chosen to include information on the remuneration agreements with the Fund Manager and the Administrator in the remuneration policy.

5.1 The Fund Manager

The Fund Manager is entitled to receive a management fee of 1.5% per annum from the Fund, based on the latest available net asset value in USD. The management fee shall be invoiced on a monthly basis to the Fund and is payable in USD within 30 business days after receipt of the invoice.

The Fund Manager shall also receive out of the assets of the Fund, a performance fee equivalent to 15% of the performance above the hurdle rate, which is the 4 week US T-bill plus 1% per calendar year with a high watermark, which corresponds to the last net asset value per share on which a performance fee was paid. The performance fee will be capped at 1% per year. The performance fee will be calculated and accrued as an expense on a monthly basis and will be payable to the Fund Manager after the end of each calendar year.

Remuneration of the Fund Manager for financial year 1 October 2022 – 31 December 2022			
	Variable remuneration		
Fund Manager	Management fee	Performance fee	Total remuneration
RessCapital AB	USD 1,443,166	USD 0	USD 1,443,166

The management fee paid in the stub period of 1 October 2022 – December 2022 is less than a full year.

5.2 The Administrator

The Administrator is entitled to receive an annual fee of EUR 181,100 for provision of administration and management services and EUR 150 per new investor for compliance review & KYC collection.

Additional services will be charged on a time-spent basis. Hourly rates currently vary between EUR 120.00 and EUR 285.00 depending on the complexity of the work carried out and the seniority of the staff.

Remuneration of the Administrator for financial year 1 October 2022 – 31 December 2022				
	Fixed remuneration	Variable remuneration		
Administrator	Annual fee for provision of administration and managements services	Fee for compliance review & KYC collection	Fee for additional services	Total remuneration ²
Citco Denmark ApS	USD 193,161 ³	USD 0	USD 22,491	USD 215,652

In this financial year, the fee to the Administrator has been reduced due to a lesser amount of variable work regarding compliance reviews and KYC collection, compared to prior year. The fixed fee has increased.

² Including domiciliary fees

³ Exchange rate EUR→USD: 0.9748

6. Comparative overview

The development in the remuneration of the Board, Executive Manager. The Fund Manager and the Administrator has been included as well due to them being included in the remuneration policy. The development of the remuneration below has been commented on in continuation of the respective sections above.

Comparison of remuneration and Fund performance over the past five financial years					
Financial performance	2022 ⁴	22/21	21/20	20/19	19/18
Profit for the year	USD 1,787,460	USD 34,895,871	USD 12,312,282	USD 12,707,377	USD 8,963,683
Board	2022	22/21	21/20	20/19	19/18
Total Board remuneration	USD 14,522	USD 53,089	USD 63,065	USD 71,995	USD 78,886
Executive Management	2022	22/21	21/20	20/19	19/18
Executive Manager ⁵	USD 6,891	USD 22,278	USD 24,099	USD 17,043	USD 15,082
Fund Manager	2022	22/21	21/20	20/19	19/18
RessCapital AB	USD 1,434,039	USD 6,985,882	USD 5,650,180	USD 3,892,838	USD 1,842,576
Administrator	2022	22/21	21/20	20/19	19/18
Citco Denmark ApS	USD 193,161	USD 177,985	USD 254,165	USD 91,087	USD 84,743
Average remuneration for non-executive employees (FTE)	2022	22/21	21/20	20/19	19/18
Ress Life Investments A/S ⁶	0	0	0	0	0

7. Compliance with Remuneration Policy

The overall objective of the Remuneration Policy is to set out the frame for remuneration of the Fund's Board and Executive Manager and ensure that the remuneration contributes to the Fund's business strategy and long-term interests and sustainability by attracting and retaining a competent Board and Executive Manager and also by motivating the Fund Manager.

The remuneration of the Board, Executive Management, Fund Manager and Administrator for the financial year 1 October – 31 December 2022 is consistent with the framework provided by the Remuneration Policy. The financial statements are based on a 3-month period from 1 October – 31 December 2022, which means that the comparative figures in this remuneration report are not fully comparable.

⁴ The figures for 2022 is for the stub period of 1 October 2022 – 31 December 2022 due to change of reporting period. Therefore, the amounts presented are not fully comparable.

⁵ Exclusive termination and severance pay

⁶ Ress Life Investments A/S has no other employees than the executive manager

8. Statement by the Board of Directors

The Board of Directors has today considered and approved the remuneration report of Ress Life Investment A/S for the period 1 October 2022 – 31 December 2022.

The remuneration report has been prepared in accordance with section 139b of the Danish Companies Act.

In our opinion, the remuneration report is in accordance with the remuneration policy adopted at the Annual General Meeting, and is free from material misstatement and omissions, whether due to fraud or error.

The remuneration report will be presented for an advisory vote at the Annual General Meeting.

Copenhagen, 22 March 2023

Board of Directors

Søren Andersen
(Chairman of the Board)

Anne Buchardt

Jeppe Buskov

Ketil Poul Petersen