


CI-II VM A K/S
Nørregade 21
1165 Copenhagen
Business Registration No
36914769

Annual report 2019

The Annual General Meeting adopted the annual report on *27/6-2020*

Chairman of the General Meeting



Name: Thomas Hinrichsen

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2019	8
Balance sheet at 31.12.2019	9
Statement of changes in equity for 2019	11
Notes	12
Accounting policies	13

Entity details

Entity

CI-II VM A K/S
Nørregade 21
1165 Copenhagen

Central Business Registration No (CVR): 36914769

Founded: 05.06.2015

Registered in: Copenhagen

Financial year: 01.01.2019 - 31.12.2019

Executive Board

John Michael Hannibal
Felix Pahl
Thomas Hinrichsen
Christina Grumstrup Sørensen
Henrik Tordrup
Christian Troels Skakkebæk

Bank

Nordea Bank Danmark A/S

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of CI-II VM A K/S for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 22.06.2020


Executive Board


John Michael Hannibal

Christina Grumstrup Sørensen


Felix Pahl

Henrik Tordrup


Thomas Hinrichsen

Christian Troels Skakkebæk

Independent auditor's report

To the shareholder of CI-II VM A K/S

Opinion

We have audited the financial statements of CI-II VM A K/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 22.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556



Bill Haudal Pedersen

State Authorised Public Accountant

Identification No (MNE) mne30131



Michael Thorø Larsen

State Authorised Public Accountant

Identification No (MNE) mne35823

Management commentary

	2019	2018	2017	2016	2015
	<u>EUR'000</u>	<u>EUR'000</u>	<u>EUR'000</u>	<u>EUR'000</u>	<u>EUR'000</u>
Financial highlights					
Key figures					
Gross profit/loss	(43)	(4)	(4)	(3)	(3)
Operating profit/loss	(43)	(4)	(4)	(3)	(3)
Net financials	25,600	19,160	17,815	16,201	7,606
Profit/loss for the year	25,557	19,156	17,811	16,198	7,603
Total assets	201,288	191,621	191,621	173,806	157,606
Equity	201,237	191,604	191,610	173,799	157,602
Ratios					
Return on equity (%)	12.7	10.0	9.8	9.8	4.8
Equity ratio (%)	100.0	100.0	100.0	100.0	100.0

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Calculation formula reflects
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The Company's main activity is directly or indirectly to carry on business in Denmark and abroad through financing of and investments in infrastructure and energy assets and other business related hereto.

Development in activities and finances

The Company has realised a profit of EUR 25,557 thousand compared with a profit of EUR 19,156 thousand last year.

The development in the financial year's activities is as expected.

Outlook

Management expects a positive result in 2020, in the range of EUR 16,000 – 20,000 thousand.

Material assumptions and uncertainties

The valuation of the receivables can be affected by material changes in power prices, the risk-free interest rate and the general cost of risk in the market.

Events after the balance sheet date

The emergency of the coronavirus (COVID-19) and the resulting financial market declines from the end of February until the adoption of the Annual Report may have an adverse influence on the Company's earnings expectations for 2020. At the time of publication of the Annual Report, it is not possible to determine the scale of any adverse influence.

No other events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Income statement for 2019

	<u>Notes</u>	<u>2019</u> <u>EUR'000</u>	<u>2018</u> <u>EUR'000</u>
Other external expenses	1	<u>(43)</u>	<u>(4)</u>
Operating profit/loss		(43)	(4)
Other financial income		25,602	19,162
Other financial expenses		<u>(2)</u>	<u>(2)</u>
Profit/loss for the year	2	<u>25,557</u>	<u>19,156</u>

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 EUR'000</u>	<u>2018 EUR'000</u>
Other receivables		<u>191,621</u>	<u>191,621</u>
Fixed asset investments	3	<u>191,621</u>	<u>191,621</u>
Fixed assets		<u>191,621</u>	<u>191,621</u>
Cash		<u>9,667</u>	<u>0</u>
Current assets		<u>9,667</u>	<u>0</u>
Assets		<u>201,288</u>	<u>191,621</u>

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 EUR'000</u>	<u>2018 EUR'000</u>
Contributed capital		5,000	5,000
Retained earnings		<u>196,237</u>	<u>186,604</u>
Equity		<u>201,237</u>	<u>191,604</u>
Bank loans		0	2
Payables to group enterprises		44	12
Other payables		<u>7</u>	<u>3</u>
Current liabilities other than provisions		<u>51</u>	<u>17</u>
Liabilities other than provisions		<u>51</u>	<u>17</u>
Equity and liabilities		<u>201,288</u>	<u>191,621</u>
Contingent liabilities	4		
Group relations	5		

Statement of changes in equity for 2019

	Contributed capital EUR'000	Retained earnings EUR'000	Proposed extraordinary dividend EUR'000	Total EUR'000
Equity beginning of year	5,000	186,604	0	191,604
Extraordinary dividend paid	0	0	(15,924)	(15,924)
Profit/loss for the year	0	9,633	15,924	25,557
Equity end of year	5,000	196,237	0	201,237

Notes

1. Other external expenses

The Company has no employees.

The Executive Board has not received remuneration.

	2019	2018
	EUR'000	EUR'000
2. Proposed distribution of profit/loss		
Extraordinary dividend distributed in the financial year	15,924	19,162
Retained earnings	9,633	(6)
	25,557	19,156
		Other
		receivables
		EUR'000
3. Fixed asset investments		
Cost beginning of year		150,000
Cost end of year		150,000
Revaluations beginning of year		41,621
Other adjustments		19,162
Reversal regarding disposals		(19,162)
Revaluations end of year		41,621
Carrying amount end of year		191,621

4. Contingent liabilities

There are no guarantees or contingent liabilities of the Company.

5. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
CI-II VM HoldCo K/S, Denmark

Only related party transactions not conducted on an arm's length basis are disclosed in the financial statements. All related party transactions during the financial year have been conducted on an arm's length basis.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

Reporting currency is Euro (EUR).

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Other financial income

Other financial income comprises interest income from the committed mezzanine loan.

Other financial expenses

Other financial expenses comprise interest expenses.

Accounting policies

Balance sheet

Receivables

Receivables comprises a mezzanine loan including the interest measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Cash

Cash comprises cash in bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

Cash flow statement has not been prepared for the Company as the cash flow is included in the cash flow statement of the group.