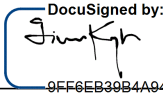


# Africa Infrastructure Fund I K/S

*Esplanaden 50  
DK 1263 Copenhagen*

**Business Registration No. 38 84 19 47**

**Annual Report 2022**

Chairman   
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*Simon Krogh*

Adopted at the annual general meeting on 27 April 2023

## CONTENTS

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Statement by the General Partner .....	2
Independent auditor's report .....	3
Company information .....	5
Management's review .....	6
Statement of comprehensive income .....	8
Balance sheet 31 December .....	9
Statement of changes in equity .....	10
Cash flow statement .....	11
Notes to the financial statements .....	12
Supplementary report .....	26

## STATEMENT BY THE GENERAL PARTNER

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The General Partner has today discussed and approved the Annual Report of Africa Infrastructure Fund I K/S for the financial year 1 January 2022 - 31 December 2022.

The Annual Report has been prepared in accordance with the International Financial Reporting Standards, which is approved by EU and further disclosure requirements in the Danish Financial Statements Act and disclosure requirements in accordance with the Danish Alternative Investment Fund Managers Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of the Company's operations and cash flows for the financial year 1 January 2022 - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed herein.

The General Partner recommends the annual report for adoption at the annual general meeting.

Copenhagen, 13 April 2023

On behalf of the General Partner:  
**Africa Infrastructure Fund I GP ApS**

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Finn Louis Meyer  
Director

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Henrik Dahl  
Director

## INDEPENDENT AUDITOR'S REPORT

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### To the Shareholders of Africa Infrastructure Fund I K/S

#### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and further disclosure requirements in the Danish Financial Statements Act and in the Danish Alternative Investment Fund Managers Act.

We have audited the Financial Statements of Africa Infrastructure Fund I K/S for the financial year 1 January - 31 December 2022, which comprise statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act and the Danish Alternative Investment Fund Management Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act and in the Danish Alternative Investment Fund Managers Act. We did not identify any material misstatement in Management's Review.

#### 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 International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and in the Danish Alternative Investment Fund Managers 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT

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### 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 judgment and maintain professional scepticism throughout the audit. We also:

- 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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.

Copenhagen, 13 April 2023

### PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

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Thomas Wraae Holm  
State Authorised Public Accountant  
mne30141

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René Otto Poulsen  
State Authorised Public Accountant  
mne26718

## COMPANY INFORMATION

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<b>Company</b>	Africa Infrastructure Fund I K/S
<b>Business Registration No.</b>	38 84 19 47
<b>Address</b>	Esplanaden 50 DK 1263 Copenhagen
<b>Financial Year</b>	1 January – 31 December 2022
<b>Fund Manager</b>	A.P. Møller Capital P/S Authorised Manager of Alternative Investment Funds (FSA no.: 23.129)
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
<b>Depository</b>	Intertrust Depositary Services (Denmark) A/S c/o Harbour House Sundkrogsgade 21 DK-2100 Copenhagen
<b>General Partner</b> <i>(Authorised to sign for the Company)</i>	Africa Infrastructure Fund I GP ApS Esplanaden 50 DK 1263 Copenhagen

## MANAGEMENT'S REVIEW

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### Primary activity

Africa Infrastructure Fund I K/S was established in August 2017 and is managed by A.P. Møller Capital P/S. The Company's primary objective is to generate capital appreciation and yield through equity and equity-related investments in infrastructure related assets and activities in Africa with focus on transportation and logistics, as well as energy and utilities. Infrastructure and infrastructure related assets are in this connection defined as assets and activities that provide, or assist in providing, the basic physical and organizational structures applied for the good functioning of a society or enterprise. The Company aims to create long-term value for its investors through active ownership and value creation in the portfolio companies with such assets and activities.

The General Partner of Africa Infrastructure Fund I K/S authorised to sign for the Company is Africa Infrastructure Fund I GP ApS.

### Investments

At the end of 2022, Africa Infrastructure Fund I K/S had eight investments in the portfolio Impala Energy Holding LLC, Arise P&L Ltd, East Africa Infrastructure Platform, Mass Céréales Al Maghreb, Lumika Renewables Ltd, Eranove SA, KEG Holdings and Cabeolica S.A.

### Development in activities and finances

Total Comprehensive income for the year is according to expectations. The result reflects value adjustments of investments both due to performance of the portfolio companies and development in currencies, as well as management fee and the expenses of the Company incurred in accordance with the Limited Partnership Agreement.

Paid-in capital to the Company at the end of 2022 corresponds to 76% of the committed capital as of the balance sheet date, before recycling pursuant to Clause 8.5 of the Limited Partnership Agreement. Total equity of the Company reflects the Company's paid-in capital, distributions, revaluation reserve and retained earnings since inception.

The investment period ended in Q2 2022, well ahead of the investment period end date.

Management confirms that the 2022 financial statements have been prepared on a going concern basis.

### Information in relation to the Alternative Investment Fund Managers Directive

Alternative investment funds have to make a number of disclosures in connection with their financial statements, according to the Alternative Investment Fund Managers Directive Article 22.

There have been no changes in the matters below during the reporting period:

- The total committed capital in the Alternative Investment Fund;
- Arrangements for managing the Fund's liquidity;
- The Fund's risk profile and risk management systems, however the risk management framework has been further developed;
- Maximum level of leverage which the Fund Manager can use on behalf of the Fund, incl. the right to use collateral or any guarantee with the agreement allowing for the leverage.

### Investments and activities planned for 2023

Focus the years ahead will be on committing the remaining capital, as well as development and value creation in the existing portfolio.

## MANAGEMENT'S REVIEW

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### **Consolidated financial statements**

The Company meets the conditions of being an investment entity and is exempt from preparing consolidated financial statements for 2022. For further explanation, please refer to the accounting policies.

### **Supplementary report - Periodic disclosure for Article 8 Financial products**

The Company, prioritises investments that support sustainable economic growth and prosperity in the markets where we operate, while also delivering competitive returns. A.P. Moller Capital understands that infrastructure investments made today, have an impact into the future. Therefore, we integrate Environmental, Social, and Governance ("ESG") considerations into our investment process at every stage, from screening and due diligence to exit.

The Company is an Article 8 fund under the Sustainable Finance Disclosure Regulation ((EU) 2019/2088) ("SFDR"), and promotes environmental and social characteristics for all its investments. Seeking majority ownership of assets or strategic minority positions, A.P. Moller Capital on behalf of the Company, uses its influence at the board of portfolio companies to ensure the companies continuously work towards implementing high ESG standards by, for example, introducing measures that minimise health and safety risks or reduce greenhouse gas emissions. It is a prerequisite that each portfolio company has good governance practices.

To monitor progress, fund-level indicators as well as relevant Principle Adverse Impact indicators (PAIs) are used to track portfolio companies' ESG performance. The supplementary report on periodic disclosure for article 8 financial products on page 26-32, which is an integrated part of Management's Review details the environmental and social characteristics of the Company in accordance with the periodic reporting referred to in the SFDR.



## STATEMENT OF COMPREHENSIVE INCOME

	<u>Note</u>	<u>2022</u> USD ('000)	<u>2021</u> USD ('000)
Value adjustment of investments	4, 5	98,581	67,410
Other external costs	7	<u>-15,898</u>	<u>-16,312</u>
<b>Operating profit/(loss) (EBIT)</b>		<b>82,683</b>	<b>51,098</b>
Financial income	8	15,531	12,437
Financial expenses		<u>-650</u>	<u>-556</u>
<b>Net profit/(loss) for the year</b>		<b>97,564</b>	<b>62,979</b>
<b>Total comprehensive income for the year</b>		<b><u>97,564</u></b>	<b><u>62,979</u></b>

## BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2022</u> USD ('000)	<u>2021</u> USD ('000)
<b>ASSETS</b>			
Investments in portfolio companies	4+5	880,086	572,315
<b>Total non-current assets</b>		<b>880,086</b>	<b>572,315</b>
Other receivables		1,389	5,439
Receivables from portfolio companies		706	470
Other investments		12	12
<b>Total receivables</b>		<b>2,107</b>	<b>5,921</b>
Cash and cash equivalents		1,739	1,340
<b>Total cash and cash equivalents</b>		<b>1,739</b>	<b>1,340</b>
<b>Total current assets</b>		<b>3,846</b>	<b>7,261</b>
<b>Total assets</b>		<b>883,932</b>	<b>579,576</b>
<b>EQUITY AND LIABILITIES</b>			
Contributed capital	6	753,046	546,370
Retained earnings/(losses)		130,065	32,501
<b>Total equity</b>		<b>883,111</b>	<b>578,871</b>
Trade payables		743	607
Other payables		78	98
<b>Total short-term liabilities</b>		<b>821</b>	<b>705</b>
<b>Total liabilities</b>		<b>821</b>	<b>705</b>
<b>Total liabilities and equity</b>		<b>883,932</b>	<b>579,576</b>

## STATEMENT OF CHANGES IN EQUITY

	Contributed capital	Reserve for hedges	Retained earnings	Equity
	USD ('000)	USD ('000)	USD ('000)	USD ('000)
<b>Equity 1 January 2021</b>	<b>405,243</b>	<b>0</b>	<b>-30,478</b>	<b>374,765</b>
Profit/loss for the year	0	0	62,979	62,979
Other comprehensive income for the year	0	0	0	0
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>62,979</b>	<b>62,979</b>
Net contributions from Limited Partners	141,127	0	0	141,127
<b>Total transactions with Limited Partners</b>	<b>141,127</b>	<b>0</b>	<b>0</b>	<b>141,127</b>
<b>Limited partners equity total 31 December 2021</b>	<b>546,370</b>	<b>0</b>	<b>32,501</b>	<b>578,871</b>

	Contributed capital	Reserve for hedges	Retained earnings	Equity
	USD ('000)	USD ('000)	USD ('000)	USD ('000)
<b>Equity 1 January 2022</b>	<b>546,370</b>	<b>0</b>	<b>32,501</b>	<b>578,871</b>
Profit/loss for the year	0	0	97,564	97,564
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>97,564</b>	<b>97,564</b>
Net contributions from Limited Partners	206,676	0	0	206,676
<b>Total transactions with Limited Partners</b>	<b>206,676</b>	<b>0</b>	<b>0</b>	<b>206,676</b>
<b>Limited partners equity total 31 December 2022</b>	<b>753,046</b>	<b>0</b>	<b>130,065</b>	<b>883,111</b>

## CASH FLOW STATEMENT

	<b>2022</b>	<b>2021</b>
	USD ('000)	USD ('000)
Operating profit/(loss) (EBIT)	82,683	51,098
Value adjustments	-98,581	-67,410
Purchase of financial investments (portfolio Companies)	-209,190	-138,254
Change in working capital	3,106	2,433
Financial income received	15,531	12,437
Financial expense paid	-650	-556
<b>Cash flow from operating activities</b>	<b>-207,101</b>	<b>-140,252</b>
Paid in contributed capital	212,249	182,933
Distributions paid to limited partners	-5,573	-41,806
Distributions paid to limited partners (non-cash)	824	0
<b>Cash flow from financing activities</b>	<b>207,500</b>	<b>141,127</b>
<b>Net increase in cash and cash equivalents</b>	<b>399</b>	<b>875</b>
Cash and cash equivalents at the beginning of the year	1,340	465
<b>Cash and cash equivalents at the end of the year</b>	<b>1,739</b>	<b>1,340</b>

## NOTES TO THE FINANCIAL STATEMENTS

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	<b>Page</b>
1. Summary of significant accounting policies	13
2. Critical accounting estimates and judgments	17
3. Financial risks and financial instruments	17
4. Fair value estimation	18
5. Financial assets at fair value through profit or loss	21
6. Limited partners equity	23
7. Personnel expenses	23
8. Financial income	24
9. Related party transactions	24
10. Subsequent events	25
11. Contingent liabilities	25

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. Summary of significant accounting policies

#### **General information**

The Annual Report of the Company has been prepared in accordance with the provisions of the International Financial Reporting Standards which are approved by the EU and further disclosure requirements according to the Danish Financial Statements Act for Class B (small entities) including certain requirements from reporting class C, and disclosure requirements in accordance with the Danish Alternative Investment Fund Managers Act.

The Annual Report is prepared in USD which is the functional currency of the Company.

The accounting policies applied are consistent with those of last year.

The most significant elements of the accounting principles applied are described below.

#### **New standards, amendments and interpretations not yet adopted**

All of the new and amended Standards and Interpretations which are relevant to the Fund and which came into force with effect for financial years beginning 1 January 2022 have been applied when preparing the financial statements.

The General Partner further believes that other amended Standards and Interpretations, which have not entered into force, will not have any significant impact on the financial statements, and they will not be adopted early.

#### **Explanation on omitting consolidated financial statements**

Africa Infrastructure Fund I K/S has multiple unrelated investors and holds portfolio investments in subsidiaries. The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- 1) The Company has obtained funds for the purpose of providing investors with professional investment management services,
- 2) the Company's business purpose, which was communicated directly to investors, is investing for capital appreciation and investment income and
- 3) the investments are measured and evaluated on a fair value basis.

As the Company meets the conditions above, it is exempt from consolidating its subsidiaries. Instead, it records its investments in portfolio companies as financial assets at fair value through profit or loss.

#### **Foreign currency translation**

Transactions denominated in foreign currencies are translated at the exchange rates at the date of the transaction.

Receivables, liabilities, and other items in foreign currencies which have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Realised and unrealised exchange rate adjustments are included in the income statement as financial income/expenses.

## NOTES TO THE FINANCIAL STATEMENTS

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### ***Carried interest expense/recovery***

In accordance with the Limited Partner Agreement (LPA), A.P. Møller Capital P/S, its Affiliates and members, officers, and employees of A.P Møller Capital P/S and its Affiliates, acting via one or several carried interest vehicles (“the Carried Interest Entitled Unitholders”) are entitled to receive a share of the realized profits of the Company.

The carried interest is measured at amortised cost and calculated based on the fair value of the investments of the Company as measured at the reporting date. Carried interest represents incentive for services and should give rise to a liability as soon as the services are rendered and not only when gain is realised by the Company. Therefore, based on the calculation described above, the Company recognises a financial liability based on the estimated fair value of its assets at the balance sheet date. Carried interest is paid when the particular payment distribution arrangements as set out in the LPA are met.

## NOTES TO THE FINANCIAL STATEMENTS

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### Balance sheet

#### ***Investments in portfolio companies etc.***

Investments in portfolio companies are measured according to the International Private Equity and Venture Capital (IPEV) Valuation Guidelines, which is how investments are recognised at fair value at the balance sheet date.

Investments comprise investments in portfolio companies and are measured at fair value on the balance sheet date. Value adjustments are recognised in the income statement.

When selecting the appropriate valuation method or technique, the Company considers the following factors: (i) relative applicability of the techniques used given the nature of the industry and current market conditions; (ii) quantity, quality and reliability of the data used; (iii) ability of the portfolio company to generate maintainable profits or positive cash flows; (iv) supply and comparability of market, industry and company data; (v) stage of development of the portfolio company; (vi) additional considerations unique to the portfolio company; and (vii) results from calibration techniques and inputs to replicate the Purchase Price of the investment.

The Price of a Recent Investment generally represents Fair Value as of the transaction date. Similarly, to the calibration of Purchase Price at investment, the Company calibrates the Fair Value indicated by a recent transaction in the portfolio company with various valuation methodologies. At subsequent measurement dates, the Company assesses whether changes or events subsequent to the relevant transaction would imply a change in the investment's Fair Value.

For greenfield investments, the Company would normally have a set of agreed milestones established at the time of making the investment decision to ensure that capital is disbursed to the project in line with their successful completion of the goals set at commitment. In subsequent periods, the Company adjusts the value from the prior valuation period based on industry analysis, sector analysis or milestone analysis.

#### ***Fair value estimation***

Fair Value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Given the unquoted nature of the Company's investments, the calculation of Fair Value assumes that the investment is realized or sold at the measurement date regardless of the Company's intention to sell.

Valuations will factor in, among other items, the portfolio company's financial position and operating results, recent rounds of financing, exit or bid at portfolio company, subsequent events, exit strategy, shareholder rights and liquidation preferences, current developments including investment specific as well as industry/region related and commodity related events (if applicable).

In determining fair value, the Fund Manager in many instances relies on the financial data of investee portfolio companies and on estimates by the management of the investee portfolio companies as to the effect of future developments. Although the Fund Manager uses its best judgement, and cross-references results of primary valuation models against secondary models in estimating the fair value of investments, there are inherent limitations in any estimation techniques.



## NOTES TO THE FINANCIAL STATEMENTS

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The fair value estimates presented herein are not necessarily indicative of an amount the Company could realise in a current transaction. Future confirming events will also affect the estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

For further information about the measurement of fair values, please refer to note 4.

### ***Receivables***

Receivables are measured at amortised cost. Write-downs for bad debt are based on individual assessment of receivables.

For financial assets that do not have a significant financing component, e.g. trade receivables, a simplified approach is permitted. For receivables, the loss is measured on initial recognition and throughout the lifetime of the receivable at an amount equal to lifetime expected credit loss.

### ***Equity***

Unrealized value adjustments on hedge instruments are presented as “reserve for hedges”.

### ***Liabilities***

Liabilities are measured at amortised cost equal to nominal value.

### **Comprehensive income statement**

#### ***Value adjustments of investments***

The value adjustment of investments into portfolio companies comprises value adjustments realized from sale and value adjustments unrealized from any revaluation or impairment of investments in portfolio companies at fair value.

#### ***Other external costs***

Other external costs comprise management fee for the period calculated according to the Limited Partnership Agreement and expenses for managing the operations of the company, including audit costs, legal advisors and other general expenses.

#### ***Financial items***

Financial income and expense and similar items are recognised in the income statement with the amounts relating to the reporting period. Net financials include interest income and expense and realised and unrealised exchange rate gains and losses on foreign currency transactions.

#### ***Cash Flow Statement***

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents. Cash flows from operating activities furthermore include cash flows from purchase or sale of portfolio companies.

Cash flows from financing activities comprise cash flows from payments/distributions and contributions to and from shareholders/limited partners.

Cash and cash equivalents comprise “cash and cash equivalents”. The cash flow statement cannot be immediately derived from the published financial records.

## NOTES TO THE FINANCIAL STATEMENTS

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### 2. Critical accounting estimates and judgements

Africa Infrastructure Fund I K/S makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, include the fair value of investments and the valuation techniques applied, however, not exhaustive.

The valuation techniques are encompassed with uncertainties as regard to the applied assumptions. Please refer to note 4 for further details on the valuation process.

### 3. Financial risks and financial instruments

The General Partner is ultimately responsible for the overall risk management for the Company but has delegated the responsibility to the Fund Manager, A.P. Møller Capital P/S.

The Company invests according to the investment policy that has been agreed with the Limited Partners. This includes investing in equity or equity related investments in infrastructure assets that provide the basic physical and organizational structures applied for the good functioning of a society in Africa. The primary sectors are transport and logistics as well as energy and utilities.

The Fund Manager has adopted a risk management framework for the Company. This includes tools to identify, measure, report and mitigate risks so as to minimize their potential adverse impact on the Company's performance.

The Company is exposed to several financial risks, which are highlighted below:

#### **Currency risk**

The Company is denominated in USD but can invest in other currencies. The Fund Manager is regularly monitoring the effect of the currency fluctuations on its performance and will consider implementing hedging in cases where currency risk increases. The currency risk is considered as part of the whole investment risk and hence, the Company does not separately hedge the currency risk relating to its investments in portfolio companies.

As of the balance sheet date approximately 73% of the assets are deemed to have an exposure in EUR. A 10% change in the EUR/USD rate would have an impact of approximately USD 65m.

#### **Market risks**

Africa Infrastructure Fund I K/S is exposed to market risk arising from changes in market variables such as interest rates, inflation, foreign exchange rates, equity and commodity prices, or an issuer's creditworthiness. Further, the Fund is exposed to political risk such as political instability, risk of civil unrest and violence, frequent corporate law changes, immature judiciary systems, expropriation risk and corruption. The investment recommendations are reviewed and approved by the Fund Manager before the investment decisions are implemented. To manage the market price risk, the Fund Manager reviews the performance of the portfolio companies on a quarterly basis and is often in contact with the management of the portfolio companies for business and operational matters.

The portfolio of investments will be well diversified among various industries. However, the investments are based in Africa and a negative event in the African capital markets where Africa Infrastructure Fund I K/S holds investments would most likely affect the financing and/or exit possibilities in general.

## NOTES TO THE FINANCIAL STATEMENTS

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### ***Interest rate risks***

The Company is less sensitive to changes in the interest level, so the interest rate risk is not considered material. Cash carries current interest at fixed-term deposits.

### ***Liquidity risk and capital risk management***

Africa Infrastructure Fund I K/S is exposed to liquidity risk resulting from inability to sell or liquidate a project/ platform company. Given the long-term nature of the Company, the liquidity risk at this time is considered to be low.

The capital of the Company is represented by the net assets attributable to the partners. The Company's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities. In order to maintain or adjust the capital structure, the Fund Manager may call unfunded commitment from the limited partners or distribute funds to the limited partners.

### ***Credit risks***

The Company has no significant receivables, why the credit risk is not considered material. In addition, the Company is exposed to credit risk in case of inability to drawdown uncalled commitments from investors. However, due to the investors being primarily major institutional investors (pension funds), the credit risk is assessed as low. The Fund Manager is monitoring the credit quality of the investors on a continuous basis.

## **4. Fair value estimation**

### ***Methods and assumptions in determining fair value***

#### ***The valuation process***

The valuations are prepared by the investment team and are reviewed on a quarterly basis and in connection with each investment and divestment. The Fund Manager has established a Valuation Committee that is responsible for the valuations, including application and implementation of the Valuation Policy and for control and approval of all valuations made.

The Committee meets on quarterly basis or whenever deemed necessary to: (i) determine and approve the Fair Value of investments held by the Company; (ii) review the models and techniques used for the quarterly valuation process; and (iii) monitor the material aspects of the Company's Valuation Policy and Procedures. The valuation committee considers the appropriateness of the valuation model itself, the significant and key inputs as well as the valuation results using various valuation methods and techniques generally recognized as standard within the industry.

The Company's Risk Management function reviews the valuation models, the Policy and procedures, the appropriateness in relation to the Company's risk profile and, where relevant, provides support. Additionally, attending all Valuation Committee meetings, the Risk Manager monitors that the Valuation Policy, the valuation procedures, and designated valuation methodologies are applied accurately and consistently and will escalate to the Compliance function for further investigation if deemed that this is not the case.

## NOTES TO THE FINANCIAL STATEMENTS

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In determining the continued appropriateness of the chosen valuation techniques, the Risk Management function will perform back-testing when the Fund Manager starts divesting investments to consider the various models' actual results and how they have historically aligned with the market transactions.

The fair value of investments in portfolio companies that are not quoted in an active market are determined by using valuation techniques described below. The Company's Fund Manager seeks to adhere both to Invest Europe and to the IPEV Valuation Guidelines, which are in line with IFRS.

- **Discounted Cash Flow (DCF):** Present value of future free cash flows, discounted at the Weighted Average Cost of Capital ("WACC"), or Cost of Equity when starting point is Equity Value.
- **Multiples Approach:** Appropriate and reasonable multiples from comparable recent transactions or quoted comparables applied to a performance measure (such as revenue and earnings) given the size, risk profile and earnings growth prospects
- **Industry Valuation Benchmarks:** Industry-specific valuation benchmarks, such as price per MW/km/barrel, mostly used as a sanity check of values produced using other techniques
- **Available Market Prices:** Assets traded in an active market valued at the most representative point in bid / ask spread
- **Net Asset Value:** Enterprise value derived by assessing liquidation value of assets (and liabilities)
- **Price of Recent Investment (Calibration):** Calibrate the price of recent investments using the techniques above and apply market inputs to calculate inputs such as WACC, multiples, etc.

The DCF approach is the primary approach applied to assess the fair values as of 31 December 2022.

### ***Fair value hierarchy for financial instruments***

International Financial Reporting Standards require Africa Infrastructure Fund I K/S to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: inputs are quoted (unadjusted) in active markets for identical assets or liabilities that Africa Infrastructure Fund I K/S can access at the measurement date;

Level 2: inputs are inputs other than quoted prices included within level 1 that are observable for the assets or the liability, either direct or indirect;

Level 3: inputs are unobservable inputs that have been applied in valuing the respective asset or liability.

## NOTES TO THE FINANCIAL STATEMENTS

The determination of what constitutes “observable” requires significant judgement by Africa Infrastructure Fund I K/S. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are involved in the relevant market.

The following table shows the classification of the financial instruments, measured at fair value. The values are classified in respect of the fair value hierarchy.

	Level 1 USD ('000)	Level 2 USD ('000)	Level 3 USD ('000)	Total USD ('000)
<b>2022</b>				
Unquoted investments (portfolio Companies)	0	0	880,086	<b>880,086</b>
<b>Financial instruments, measured at fair value</b>	<b>0</b>	<b>0</b>	<b>880,086</b>	<b>880,086</b>
<b>2021</b>				
Unquoted investments (portfolio Companies)	0	0	572,315	<b>572,315</b>
<b>Financial instruments, measured at fair value</b>	<b>0</b>	<b>0</b>	<b>572,315</b>	<b>572,315</b>

### Development in Level 3 financial instruments

	1 January 2022 USD ('000)	Acquisitions USD ('000)	Value Adjustments USD ('000)	31 December 2022 USD ('000)
Unquoted investments (portfolio Companies)	572,315	209,190	98,581	<b>880,086</b>
<b>Financial instruments, measured at fair value</b>	<b>572,315</b>	<b>209,190</b>	<b>98,581</b>	<b>880,086</b>

### Significant unobservable inputs at level 3

Investments classified within level 3 have been valued based on significant unobservable inputs, as they trade infrequently. As quoted market prices are not available for these investments, the Fund Manager has used the valuation techniques described in this note to determine fair value. In order to assess the valuation made for investments within level 3, the Fund Manager reviews the performance of the portfolio companies. Furthermore, the Fund Manager is regularly in contact with the management of the portfolio companies in order to make assessments of business and operational matter which are considered in the valuation process.

The discount rate (CoE) used to value investments is considered the most significant unobservable input, and the applied range for the discount rate is between 11.8-19.6% depending on the risks of the underlying investments.

### Sensitivity analysis

The fair value of the Company's investments is affected by developments in the applied Cost of Equity and future earnings expectations for these investments. A decline or increase in the material unobservable inputs stated above and changes in macroeconomic conditions might have a direct effect on the calculation of the investments.

The effect of a change of 1%-point in the applied discount rate (CoE) would have an impact of USDm -52.9/69.7 to the Fair Value of the portfolio.

## NOTES TO THE FINANCIAL STATEMENTS

Due to the nature of the investments the effects are subject to some uncertainty, as other factors can in some scenarios have a reverse effect.

### 5. Financial assets at fair value through profit or loss

Industry of investment	Stage of initial investment	Geography	2022		2021	
			Cost of investment	Fair value	Cost of investment	Fair value
			USD ('000)	USD ('000)	USD ('000)	USD ('000)
Energy	Brownfield and Greenfield	Africa	248,206	319,817	183,261	210,992
	Brownfield and Greenfield	Africa	436,392	560,269	292,147	361,323
Ports & Logistics						
<b>Total portfolio</b>			<b>684,598</b>	<b>880,086</b>	<b>475,408</b>	<b>572,315</b>

## NOTES TO THE FINANCIAL STATEMENTS

In accordance with the requirements of IFRS 12, certain disclosures must be provided for an investment company's non-consolidated subsidiaries, and the following information is deemed relevant in this respect:

The Company's investments are not classified as investment entities under IFRS 10 because they are all engaged in developing or owning infrastructure projects. There are no restrictions on the Company's right to receive dividend from or have loans repaid by the investments, except that distributions from current operating activities of the equity investments must be made allowing for debt servicing by such companies.

### *Investments in portfolio companies*

Investment	Place of registered office	Currency ('000)	Share capital ('000)	Votes and ownership	Equity at last reporting date	Net profit/loss for the last reported year
Impala Energy Holdings LLP	London, UK	USD	26,549	90.6%	14,780	-5,455
AIF East Africa Power & Energy LLP	London, UK	USD	0	99.0%	16,637	-99
AIF Ports & Logistics LLP	London, UK	USD	0	99.0%	279,332	-22
African Energy Transition Holding LLP	London, UK	USD	0	99.0%	17,064	-4
AIF I Africa C&I Renewable Energy LLP	London, UK	USD	0	99.0%	5,105	-4
AIF CC LLP	London, UK	USD		99.0%	N/A	N/A
AIF Africa Power & Energy GP ApS	Copenhagen, DK	DKK	40	100.0%	49	4
Africa Infrastructure Fund Ports & Logistics K/S	Copenhagen, DK	USD	0	100.0%	2,916	-18
Africa Infrastructure Fund Ports & Logistics GP ApS	Copenhagen, DK	DKK	40	100.0%	49	4
Impala Energy ApS	Copenhagen, DK	DKK	40	100.0%	42	1
AIF I C&I Renewable Energy GP ApS	Copenhagen, DK	DKK	40	100.0%	45	5
AIF I Africa C&I renewable energy K/S	Copenhagen, DK	USD	0	100.0%	10	-42
AIF Power and Water ApS	Copenhagen, DK	USD	6	100.0%	112,648	2,961
AIF Roads ApS	Copenhagen, DK	DKK	40	100.0%	-7	-47
AIF Africa Power & Energy K/S	Copenhagen, DK	USD	0	100.0%	284	-26
AIF CC ApS	Copenhagen, DK	DKK	40	100.0%	N/A	N/A

No annual reports have been published for the entities with N/A

### **6. Limited partners equity**

Limited Partners' and General Partner's total committed capital is USD 991,750k of which USD 800,425k was called at 31 December 2022.

The Limited Partnership capital has been divided into three classes. These classes are class A investors (i.e. investors not included in class B and C), class B investors and Class C investors.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. Personnel expenses

The Company (Africa Infrastructure Fund I K/S) has no expenses to personnel.

Average number of employees 2022, 0.

Average number of employees 2021, 0.

According to article 61, section 3, number 5 in the Danish Alternative Investment Fund Managers Act, alternative investment funds must disclose information about the total remuneration of the entire staff of the Fund Manager (A.P. Møller Capital P/S) and the number of beneficiaries. Furthermore, remuneration to material risk-takers must be disclosed:

	2022	2021
	USD	USD
	('000)	('000)
Wages and salaries	12,936	10,243
Pensions	462	311
Other social security costs	45	44
Special payroll tax based on total payroll	-398	-487
Other administration expenses	6,085	3,931
	<b>19,129</b>	<b>14,041</b>
<b>Average number of employees</b>	<b>34</b>	<b>32</b>
Hereof remuneration to Management and Board of Directors:		
Board of Directors	129	84
Management:		
Fixed	3,372	2,903
Variable	0	0
Pension	186	127
	<b>3,687</b>	<b>3,113</b>
Number of employees in the above	9	9

Three of the Board of Directors receive remuneration. Management is not entitled to variable salary or pension, except for DIFC Workplace Savings Plan (DEWS).

The individual remuneration to the Executive management and the Board of Directors, has been published separately on our website <https://apmollercapital.com/en/>



## NOTES TO THE FINANCIAL STATEMENTS

### Remuneration of other material risk takers

A.P. Møller Capital P/S is required to identify all employees whose professional activities could have a material impact on the risk profile of A.P. Møller Capital P/S in accordance with current legislation. Other material risk takers do not include members of the Board of Directors or the Executive Leadership Team. At the end of 2022, 6 other material risk takers were designated (end of 2021: 3 other material risk takers). During 2022, 6 full-time equivalents (FTEs) were designated as other material risk takers (2021: 3 FTEs). The 6 FTEs designated as other material risk takers earned remuneration of USD 819k (2021: 3 FTEs earned remuneration of USD 387k), with fixed remuneration amounting to USD 794k and variable amounting to USD 25k (2021: USD 366k and USD 21k respectively).

The Board of Directors of the Fund Manager A.P. Møller Capital P/S has further adopted a remuneration policy in order to ensure that the employees and Management are remunerated according to among others the Danish Executive Order on remuneration policy and disclosure requirements on remuneration for managers of alternative investment funds.

The adopted remuneration policy is especially meant to promote the following in relation to the Fund Manager, A.P. Møller Capital P/S:

- That the Company shall be able to attract, develop and retain high-performing and motivated employees in a competitive international market,
- That employees, including the Partners, shall be offered competitive and market aligned remuneration packages,
- That employees, including the Partners, shall feel encouraged to create sustainable results and manage sustainability risks, and
- That a sound risk management culture is promoted and that excessive risk-taking is not induced.

A.P. Møller Capital P/S acts as Fund Manager for Africa Infrastructure Fund I K/S and A.P. Møller Capital - Emerging Markets Infrastructure Fund II K/S

No carried interest has been paid out by Africa Infrastructure Fund I K/S during the financial period.

## 8. Financial income

Specification of the Financial income

	2022	2021
	USD ('000)	USD ('000)
Dividend received	15,182	12,425
Interest, income	34	2
Realized gain, F/X	315	10
<b>Total Financial income</b>	<b>15,431</b>	<b>12,437</b>

## NOTES TO THE FINANCIAL STATEMENTS

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### 9. Related party transactions

The following transactions has occurred with other related parties:

	2022	2021
	USD ('000)	USD ('000)
General Partner Fee, Africa Infrastructure Fund I GP ApS	4	3
Management fee, A.P. Møller Capital P/S	13,282	14,787
Payroll tax/fees, A.P. Møller Capital P/S	462	698
Shared deal costs	-798	-259
<b>Total transactions with related parties</b>	<b>12,950</b>	<b>15,229</b>

### 10. Subsequent events occurring after end of the reporting period

No events of importance to the Annual Report have occurred during the period from the balance sheet date until the presentation of the Financial Statements

### 11. Contingent liabilities

As of 31 December 2022, the Company has entered into commitments to portfolio companies that have not yet been called amounting to USD 103m (2021: USD 144m).

# SUPPLEMENTARY REPORT PERIODIC DISCLOSURE FOR ARTICLE 8 FINANCIAL PRODUCTS

## ANNEX IV

### Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Africa Infrastructure Fund I K/S

**Legal entity identifier:** 894500XU8CUIUoCoHD79

#### Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ____% <div style="margin-left: 40px;"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy         </div> <div style="margin-left: 40px;"> <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy         </div> <input type="checkbox"/> It made sustainable investments with a social objective: ____%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments <div style="margin-left: 40px;"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy         </div> <div style="margin-left: 40px;"> <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy         </div> <div style="margin-left: 40px;"> <input type="checkbox"/> with a social objective         </div> <input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments



#### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund complied with the exclusion list that applies to the manager (A.P. Moller Capital P/S) as well as not investing in businesses/projects that generate energy based on coal, and robustly justifying any investments in heavy fuel oil fired power plants in terms of providing reliable, affordable power compared to alternatives.

The Fund met its environmental and social characteristics through investments with a positive purpose of supporting employment and contributing to economic growth. At the same time, the Fund monitored sustainability or environmental, social and governance ("ESG") indicators seeking to improve ESG performance and reduce greenhouse gas emissions, and at the same time meeting the Fund's ESG standards and minimum safeguards. It is also crucial that each portfolio company implements good governance practices. The characteristics were measured through the Fund-level indicators energy consumption, occupational health and safety, jobs, taxes paid, and anti-corruption.

## SUPPLEMENTARY REPORT

### PERIODIC DISCLOSURE FOR ARTICLE 8 FINANCIAL PRODUCTS

#### *How did the sustainability indicators perform?*

The Fund monitored the following indicators for each investee company:

- **Energy consumption:** The company's own fuel consumption per type. Where the company is connected to the grid, the purchased electricity consumption is monitored. This is used to calculate GHG emissions (scope 1 and 2).
- **Safety:** A critically important indicator in many infrastructure projects, the number of lost time injuries is tracked for all companies.
- **Jobs:** Direct hires by the company, including third parties, are monitored, including the number of workers that are female.
- **Taxes:** Taxes are the total amount paid by the company to the government including direct and indirect taxes, import duties, withholding taxes and employee taxes. We believe that there is a social benefit from paying taxes in the country in which profits are generated.
- **Anti-corruption:** We take a zero-tolerance approach to bribery and corruption and require our portfolio companies to adopt an anti-corruption policy and procedures meeting our standards.

Furthermore, the Fund monitored extensive ESG-related data for each investee company, some of which will be included in the PAI reporting in Annex I of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 ("SFDR RTS").

Fund-level indicators		
Energy	Units	FY2022
Consumption	GWh	12,968
Of which: electricity	GWh	350
Of which: fuel	GWh	12,618
Safety		
Accident prevention policy	%	100%
Fatalities	Number	3
Lost time injuries (LTIs)	Number	156
Jobs		
Total number of workers	Number	13,098
Direct employees	Number	10,727
Of which: female employees	%	20%
Taxes		
Total paid	m USD	128
Anti-corruption		
Policy in place	%	100%
Incidents	Number	4
Insufficient action taken	Number	0

All investee companies in the Fund have an accident prevention policy in place, typically as part of an externally certified occupational health and safety management system (ISO 45001). Despite this, three fatalities occurred during 2022. Two fatalities were related to trucking operations in connection with a port terminal. To prevent a recurrence, a safety audit was carried out and a road safety management system will be implemented (ISO 39001). The third fatality involved a contractor who received an electric shock whilst working and was not following procedures. Appropriate follow up actions have been taken.

## SUPPLEMENTARY REPORT

### PERIODIC DISCLOSURE FOR ARTICLE 8 FINANCIAL PRODUCTS

All investee companies have an anti-corruption policy in place. During 2022, 4 minor incidents occurred at one of the investee companies. In each case appropriate measures were taken to address the incidents including court proceedings initiated by the company to enforce the zero-tolerance to corruption. Fines incurred by former employees were less than EUR 1,000 for all four cases combined.

The positive social impact of the Fund in terms of jobs supported and contribution to GDP were estimated using the Joint Impact Model (JIM). GHG emissions (scope 1 and 2) and energy production are calculated based on data from the investee companies.

Fund-level impact		
Jobs supported	Number	146,000
GDP contribution	m USD	1,181
GHG emissions (scope 1+2)	ktCO <sub>2</sub> e	2,575
Energy production	GWh	5,693
Of which: renewable	%	28%

#### ***...and compared to previous periods?***

As this is the first report according to the SFDR RTS, there is no reference period for comparison.

#### ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

This Fund did not have sustainable investments as its objective.

#### ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

This Fund did not have sustainable investments as its objective.

*How were the indicators for adverse impacts on sustainability factors taken into account?*

This Fund did not have sustainable investments as its objective

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

This Fund did not have sustainable investments as its objective.

*The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

## SUPPLEMENTARY REPORT

### PERIODIC DISCLOSURE FOR ARTICLE 8 FINANCIAL PRODUCTS



#### How did this financial product consider principal adverse impacts on sustainability factors?

During due diligence and following the successful completion of an investment, A.P. Moller Capital monitored a range of sustainability indicators during the investment period, which also included principal adverse impact indicators.

The Fund collected data on the mandatory and some voluntary principal adverse impact indicators as laid out in Annex I of the SFDR RTS. The Fund engaged with investee companies on data collection as well as to reduce adverse sustainability impacts and improve performance.



#### What were the top investments of this financial product?

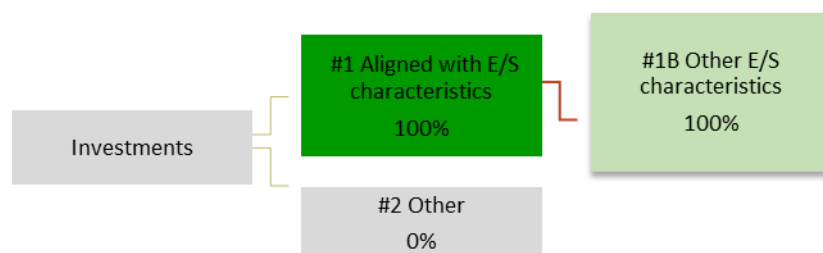
The table below shows the investments made by the Fund as per 31 December 2022

Largest investments	Sector	% Assets	Country
Arise P&L Limited	Ports & Logistics		IVC & Gabon
Cabeólica S.A.	Energy		Cape Verde
EAIP	Energy		Kenya
ECP Power and Water	Energy		Ivory Coast
Impala Energy Holding LLC	Energy		Nigeria
KEG Holdings (Mauritius)	Ports & Logistics		Mauritius
Lumika	Energy		South Africa
Mass Céréales al Maghreb	Ports & Logistics		Morocco
Total		100%	



#### What was the proportion of sustainability-related investments?

##### *What was the asset allocation?*



## SUPPLEMENTARY REPORT

### PERIODIC DISCLOSURE FOR ARTICLE 8 FINANCIAL PRODUCTS

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

#### **In which economic sectors were the investments made?**

The Fund invests in two primary sectors: Ports & Logistics and Energy.

The following economic sectors account for more than 5% of total Fund revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade of fossil fuels:

- Production of electricity (D.35.11): 25%
- Trade of gas through mains (D.35.23): 12%



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?<sup>1</sup>**

☐ Yes

☐ In fossil gas

☐ In nuclear energy

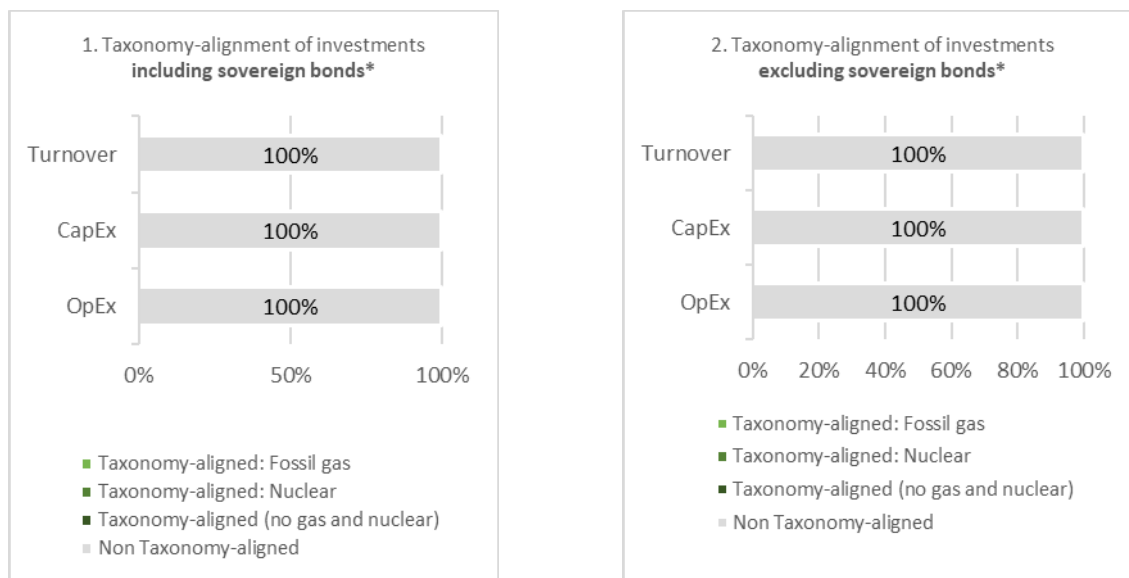
☒ No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

## SUPPLEMENTARY REPORT

### PERIODIC DISCLOSURE FOR ARTICLE 8 FINANCIAL PRODUCTS

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

#### What was the share of investments made in transitional and enabling activities?

The Fund did not have sustainable investments as its objective and did not make investments in transitional and enabling activities as defined by the EU Taxonomy.

#### How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first report according to the SFDR RTS, there is no reference period for comparison.



#### What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This Fund did not have sustainable investments as its objective.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



#### What was the share of socially sustainable investments?

This Fund did not have sustainable investments as its objective.



#### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The Fund held less than 1% cash instruments, which in their nature do not have environmental or social safeguards, to cover for costs.



## SUPPLEMENTARY REPORT

### PERIODIC DISCLOSURE FOR ARTICLE 8 FINANCIAL PRODUCTS



#### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund tracked the ESG performance of each of our portfolio companies. Any gaps against the international ESG standards identified during the pre-investment due diligence process are addressed during active ownership through the company board and the post investment 100-day plan or ESG action plan.

As an active owner, seeking majority ownership of assets or strategic minority positions, The Fund used its influence at the board to ensure portfolio companies continuously work towards implementing its ESG standards. The Fund applied international best practice in respect of corporate governance.



#### **How did this financial product perform compared to the reference benchmark?**

A reference benchmark has not been designated for this Fund

- **How does the reference benchmark differ from a broad market index?**

Not applicable as a reference benchmark has not been designated for this Fund.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable as a reference benchmark has not been designated for this Fund.

- **How did this financial product perform compared with the reference benchmark?**

Not applicable as a reference benchmark has not been designated for this Fund.

- **How did this financial product perform compared with the broad market index?**

Not applicable as a reference benchmark has not been designated for this Fund.

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## Finn Louis Meyer

Direktør

På vegne af: AP Møller

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IP: 2.105.xxx.xxx

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## Henrik Dahl

Direktør

På vegne af: AP Møller

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## René Otto Poulsen

Statsautoriseret revisor

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2023-04-15 08:38:31 UTC



## Thomas Wraae Holm

Statsautoriseret revisor

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Serienummer: CVR:33771231-RID:18972118

IP: 83.136.xxx.xxx

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