

AIP Management P/S

Klareboderne 1,

1115 Copenhagen

CVR No. 39504308

Annual Report 2022

5. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 13 April 2023

Jannick Prehn Brøndum
Chairman

Contents

Management's Statement	3
Independent Auditor's Report	4
Company details	7
Management's Review	8
Key Figures and Financial Ratios	13
Accounting Policies	15
Income Statement	19
Balance Sheet	20
Statement of changes in Equity	22
Notes	23

Management's Statement

Today, Management has considered and adopted the Annual Report of AIP Management P/S for the financial year 1 January 2022 - 31 December 2022.

The Annual Report is presented in accordance with the Danish Alternative Investment Fund Managers Act, the Danish Financial Supervisory Authority's executive order on general rules on annual reports and audits of alternative investment funds and the Danish Financial Supervisory Authority's executive order on financial reports for credit institutions and investment companies etc.

In our opinion, the Consolidated Financial Statements and the parent company Financial Statements give a true and fair view of the assets, liabilities and financial position of the Group and the parent Company at 31 December 2022 and of the results of the Group's and the parent Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review gives a true and fair view of the developments, activities and financial position of the Group and the parent company, and describes significant risks and uncertainty factors that may affect the Group and the parent company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 13 April 2023

Executive Board

Kasper Hansen
CEO

Supervisory Board

Peter Damgaard Jensen
Chairman

Jon Steingrim Johnsen

Torsten Fels

Jan Erik Saugestad

Jannick Prehn Brøndum

Per Fredrik Karlsson

Independent Auditor's Report

To the shareholders of AIP Management P/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Alternative Investment Fund Managers Act, the Danish Financial Supervisory Authority's executive order on general rules on annual reports and audits of alternative investment funds and the Danish Financial Supervisory Authority's executive order on financial reports for credit institutions and investment companies etc.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of AIP Management P/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies for both the Group and the Parent Company ("financial statements").

Basis of 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 Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical 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 Alternative Investment Fund Managers Act, the Danish Financial Supervisory Authority's executive order on general rules on annual reports and audits of alternative investment funds and the Danish Financial Supervisory Authority's executive order on financial reports for credit institutions and investment companies etc.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Alternative Investment Fund Managers Act, the Danish Financial Supervisory Authority's executive order on general rules on annual reports and audits of alternative investment funds and the Danish Financial Supervisory Authority's executive order on financial reports for credit institutions and investment companies etc. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Alternative Investment Fund Managers Act, the Danish Financial Supervisory Authority's executive order on general rules on annual reports and audits of alternative investment funds and the Danish Financial Supervisory Authority's executive order on financial reports for credit institutions and investment companies etc., 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 Group's and the Parent 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 Group or the Parent Company 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 judgment and maintain professional skepticism 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 Group's and the Parent 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 Group's and the Parent 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 Group's and the Parent 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.

Independent Auditor's Report

- * Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Hellerup, 13 April 2023

PRICEWATERHOUSECOOPERS
STATSAUTORISERET REVISIONSPARTNERSELSKAB
CVR-no. 33771231

Per Rolf Larssen
State Authorised Public Accountant
mne24822

Casper Larsen
State Authorised Public Accountant
mne45855

Company details

Company AIP Management P/S
Klareboderne 1,
1115 Copenhagen

CVR No. 39504308
Date of formation 18 April 2018
Registered office Copenhagen
Financial year 1 January 2022 - 31 December 2022
FT-Number 23151

Supervisory Board Peter Damgaard Jensen, Chairman
Jon Steingrim Johnsen
Torsten Fels
Jan Erik Saugestad
Jannick Prehn Brøndum
Per Fredrik Karlsson

Executive Board Kasper Hansen, CEO

Auditors PRICEWATERHOUSECOOPERS
STATSAUTORISERET REVISIONSPARTNERSELSKAB
Strandvejen 44
2900 Hellerup
CVR-no.: 33771231

Management's Review

Main activity

The company's main activity is, as an independent investment manager, to invest in and manage energy and infrastructure assets and related companies on behalf of institutional investors and other business activities related to this.

The company is registered as an Alternative Investment Fund Manager licensed by the Danish Financial Supervisory Authority to operate as fund manager in accordance with the Danish Alternative Investment Fund Managers, etc., Act. In 2022 the company managed six alternative investment funds, AIFs (PKA Direct I K/S, PKA Direct II K/S, PKA Ophelia Holding K/S, AIP Infrastructure I K/S, AIP Infrastructure II K/S and AIP Swiss Feeder K/S).

In addition, the company manages certain administrative task for other investors with respect to investments where the investors of the funds managed by the company have joint ownership or similar in one or more of the investments.

Development in the year

The Group's Income Statement for the financial year 1 January 2022 - 31 December 2022 shows a result of DKK 5.8m and at 31 December 2022 a balance sheet total of DKK 146.1m, and an equity of DKK 45.2m. The Board of Directors propose a dividend of DKK 1.5m at the general meeting.

The company manages a total of 22 investments within offshore wind, onshore wind, solar PV, energy storage, biomass, gas infrastructure and telecommunications with a total fair value of DKK 23.13bn as at the balance sheet date.

In 2022 AIP Management has expanded its presence in North America and opened an office in New York.

During 2022 the funds managed by AIP Management signed binding agreements to complete 5 new investments.

The average number of employees grew by 21 during 2022.

The management is satisfied with the development in the year of 2022.

Knowledge resources

Employees are an important knowledge resource for the company's success. It is imperative for the company to maintain key competences within portfolio management, asset management, risk management, legal and compliance among its employees.

At year end AIP Management has 81 employees in our offices in Denmark, USA, Spain and UK.

Sustainability

The inherent societal importance of energy and infrastructure assets makes ESG an imperative component for AIP when investing in and managing such assets. We believe that a strong focus on responsible investing and ESG will create long-term value for our investors.

Consequently, we have integrated a range of ESG principles and valuations throughout all stages of our investment process; from initial screening and investment analysis, during due diligence, negotiation and closing of transaction, and thereafter in the asset management phase.

We actively monitor and work with ESG issues in our portfolio of assets and, in close cooperation with our co-investors and operating partners, we continuously strive to improve ESG performance metrics alongside traditional financial performance. At AIP, we advocate a strong awareness of ESG topics amongst our employees and make every effort to ensure our investment partners mirror these principles as well.

Management's Review

Risks

The company continuously develops its tools and processes to identify and manage risks. The Board of Directors lays down the overall related policies and regularly receives reports on developments. The daily risk management is conducted by the risk department.

The company's income is dependent on the development of the management fee and other fees. Please refer to note 10 regarding risks and uncertainties.

Uncertainties

Management believes that no material uncertainty is related to recognition and measurement of any of the assets or liabilities on the balance sheet.

Management has not identified any unusual circumstances that might have affected recognition or measurement in the financial statements.

Subsequent events

No events have occurred which are considered to have effect on the assessment of the Financial Statements.

Expected development

The pipeline of investment opportunities is attractive, and the company expects to continue its planned activities for 2023 including adding additional investments as well as investors to the funds managed.

Positions for the Executive Board and the Board of Directors

Kasper Hansen, CEO and Managing Partner

Executive Board:

- AIP Management P/S
- PKA AIP A/S
- AIP Infrastructure II GP ApS
- AIP Infrastructure I GP ApS
- PKA Direct GP ApS
- PKA Ophelia Holding GP ApS
- AIP Blafa GP ApS
- NSI DK HoldCo GP ApS
- AIP Zion GP ApS
- AIP El Campo Holding GP ApS
- AIP Escalade Holding GP ApS
- AIP Mallard Holding GP ApS
- AIP Dante Holding GP ApS
- AIP Porter Holding GP ApS
- AIP Partner Holding ApS
- 2020 Holding ApS
- Daem Holding ApS
- AIP CIV Komplementar ApS
- AIP Komplementar ApS
- AIP XLT Holding GP ApS
- AIP Pref NE GP ApS
- AIP Pref S.E. GP ApS
- AIP II Holding 7 GP ApS
- AIP II Holding 8 GP ApS.

Board of Directors:

- AIP Partner Holding ApS

Management's Review

Peter Damgaard, Chairman

Board of Directors:

- AIP Management P/S
- Investeringsforeningen Maj Invest
- PENM IV GP ERF Fonden
- Private equity new markets IV K/S
- Climate Investment Coalition F.M.B.A
- Fonden World Climate Foundation
- Nordic Impact Bridge ApS.

Torsten Fels

Executive Board:

- PenSam Holding A/S
- PenSam Pension Forsikringsaktieselskab
- PenSam Forsikring A/S
- PenSam Bank A/S.

Board of Directors:

- AIP Management P/S
- PenSam A/S
- Danish SDG Investment Fund
- Institutional Holding P/S.

Jannick Prehn Brøndum, General Counsel

Executive Board:

- AIP Infrastructure II GP ApS
- AIP Infrastructure I GP ApS
- PKA Direct GP ApS
- PKA Ophelia Holding GP ApS
- AIP Blafa GP ApS
- NSI DK HoldCo GP ApS
- AIP Zion GP ApS
- AIP El Campo Holding GP ApS
- AIP Escalade Holding GP ApS
- AIP Mallard Holding GP ApS
- AIP Dante Holding GP ApS
- AIP Porter Holding GP ApS
- PKA Sygeplejersker og Lægeseekretærer GP ApS
- PKA Socialrådgivere, Socialpædagoger og Kontorpersonale GP ApS
- PKA Sundshedsfaglige GP ApS
- PKA Walney Extension Holding ApS
- PKA Burbo Extension Holding ApS
- PKA TeesREP Holding ApS
- Brøndum Holding 2021 ApS
- AIP XLT Holding GP ApS
- AIP Pref NE GP ApS
- AIP Pref S.E. GP ApS
- AIP II Holding 7 GP ApS
- AIP II Holding 8 GP ApS.

Board of Directors:

- AIP Management P/S
- PKA AIP A/S
- AIP Partner Holding ApS.

Management's Review

Jon Johnsen

Executive Board:

- Pensionskassernes Administration A/S
- Pka+ Pension Forsikringsselskab A/S
- Pensionskassen for Farmakonomer,
- Pensionskassen for Sundhedsfaglige
- Pensionskassen for Sygeplejersker og Lægeseekretærer
- Pensionskassen for Socialrådgivere, Socialpædagoger og Kontorpersonale
- Sundhedsfagliges Ejendomsaktieselskab
- Sygeplejerskernes og Lægeseekretærernes Ejendomsselskab
- Farmakonomernes Ejendomsaktieselskab
- Socialrådgivernes, Socialpædagogernes og Kontorpersonalets Ejendomsaktieselskab
- Ejendomsaktieselskabet Dronningegården
- PKA Ejendomme af 2012 I/S
- Tuborg Havnevej I/S
- PKA Ejendomme I I/S
- PKA Projektselskab I/S
- PKA Ejendomme af 2013 I/S.

Board of Directors:

- AIP Management P/S
- Institutional Holding P/S
- Forstædernes Ejendomsaktieselskab
- IIP Denmark P/S
- IIP Denmark GP ApS
- PKA Private Funds III GP ApS
- PKA Private Funds IV GP ApS
- PKA Venture I GP ApS
- Forca A/S
- Poppelstykket 12 A/S
- Rugårdsvej Odense A/S
- PKA Skejby Komplementar ApS
- PKA Skejby P/S
- Farmapension A/S
- Ringkjøbing Landbobank A/S
- A/S Københavns Ejendomsselskab
- IIP Venture II GP ApS
- IIP Private funds V GP ApS
- Komplementarselskabet PKA Ejendomme ApS
- PKA Ejendomme P/S.

Fredrik Karlsson

Board of Directors:

- AIP Management P/S
- Frippco Konsult AB
- FrippCo AB
- Capillary Concrete AB
- Pegroco Invest AB
- Lekolar Group AB
- David Bonnier & Co Juristbyrå AB
- Nordstjernen Growth AB
- Golden Bell AB.

Management's Review

Jan Erik Saugestad

Executive Board:

- Storebrand Asset Management AS

Board of Directors:

- AIP Management P/S
- Institutional Holding P/S
- Capital Investment A/S
- Storebrand Fonder AB
- Skagen AS
- Verdipapirfondenes Forening
- Verdipapirfondenes Forening
- Næringspolitikk, Cubera Private Equity AS
- Wild Goose AS.

Key Figures and Financial Ratios

The development in the Group and Parent Company's key figures and financial ratios can be described as follows:

In TDKK

	2022	2021	2020	2019	2018
Group					
Administration fees	127,486	129,521	68,823	42,813	8,676
Other operating income	11,938	8,918	6,318	4,133	763
Expenses for personnel and administration	-130,603	-90,993	-72,723	-41,420	-8,975
Operating profit/loss	6,811	46,065	1,055	5,526	464
Profit/loss for the year	5,849	45,450	592	5,016	405
Total equity	45,234	50,547	5,597	10,021	5,405
Total assets	146,096	88,458	45,774	37,097	24,035
Solvency ratio (%)	31	57	12	27	22
Return on equity (ROE) (%)	12	162	7	65	8
Avg. number of full-time employees	65	44	33	22	16
Number of Alternative Investment Funds under administration	6	6	6	1	1
Assets under administration in bn. DKK	23.1	27.3	25.0	21.5	19.3
Parent					
Administration fees	127,486	129,521	68,823	42,813	8,676
Other operating income	11,893	8,873	6,280	4,133	763
Expenses for personnel and administration	-131,526	-90,965	-72,701	-41,420	-8,975
Operating profit/loss	6,279	46,048	1,040	5,526	464
Profit/loss for the year	5,611	45,443	583	5,016	405
Total equity	45,142	50,531	5,588	10,021	5,405
Total assets	142,051	88,399	45,726	37,097	24,035
Solvency ratio (%)	32	57	12	27	22
Return on equity (ROE) (%)	12	162	7	65	8
Avg. number of full-time employees	65	44	33	22	16
Number of Alternative Investment Funds under administration	6	6	6	1	1
Assets under administration in bn. DKK	23.1	27.3	25.0	21.5	19.3

Accounting Policies

Reporting Class

The Annual Report of AIP Management P/S for 2022 has been presented in accordance with the provisions of the Danish Alternative Investment Fund Managers Act, the Danish Financial Supervisory Authority's executive order on general rules on annual reports and audits of alternative investment funds and the Danish Financial Supervisory Authority's executive order on financial reports for credit institutions and investment companies etc.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including provision as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated into a monthly average rate of exchange and the balance sheet items are translated into the rates of exchange at the balance sheet date. Currency translation differences that occur when translating foreign subsidiaries' equity at the beginning of the year at the rates of exchange at the balance sheet date and when translating Income Statements from average rates at the rates of exchange at the balance sheet date are recognised directly in equity.

Translation adjustment of balances with separate foreign subsidiaries that is considered a part of the total investment in the subsidiary is recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments entered to assure net investments in foreign subsidiaries are recognised directly in equity.

Accounting Policies

Consolidated Financial Statements

The Consolidated Financial Statements comprise the parent company AIP Management P/S and subsidiaries in which AIP Management P/S directly or indirectly holds more than 50% of the voting rights or in other ways has control.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

General Information

Income Statement

Administration fees

Administration fee is recognised in the income statement in according with the management agreement.

Other operating income and expenses

Other operating income and expenses comprises items of a secondary nature to the activities of the enterprises.

Expenses for personnel and administration

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimburement, pensions and social security costs.

Administration costs include costs related to the purchase of services, rent, other administrative costs, etc.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Lease assets	1-7 years	0%
Other fixtures and fittings, tools and equipment	3-5 years	0%
Leasehold improvements	7 years	0%

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax repayment scheme.

Accounting Policies

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year for the company's foreign activities, less the part of the tax of the year that relates to changes in equity. Current tax regarding changes in equity is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to the enterprises in proportion to their taxable income.

Balance Sheet

Fixed assets

In accordance with IFRS 16 recognition lease assets, from the time the company has the right to use the asset. On initial recognition, the value of the asset is measured at present value of the payments. At the same time, the present value of the payments is recognized as a liability. In calculating the present value, the company's alternative financing interest rate on the asset is used.

Other fixed assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Prepaid expenses

Prepaid expenses recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Accounting Policies

Equity

Equity comprises corporate capital and a number of other equity items that may be statutory or provided for in the Articles of Association.

Dividend

Dividend distribution proposed by the Management for the year is disclosed as a separate equity item.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year for the company's foreign activities, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Liabilities are measured at amortised cost, which usually corresponds to the nominal value.

Accruals

Accruals consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Explanation of financial ratios

Key figures and financial ratios are determined based on "Recommendations & Financial Ratios" issued by the Danish Society of Financial Analysts.

$$\begin{array}{l} \text{Return on equity (\%)} \\ \\ \text{Solvency ratio (\%)} \end{array} = \begin{array}{l} \frac{\text{Profit/loss for the year}}{\text{Avg. equity}} \\ \\ \frac{\text{Total equity X 100}}{\text{Total assets}} \end{array}$$

Income Statement

		Group		Parent	
	Note	2022	2021	2022	2021
		DKK	DKK	DKK	DKK
Administration fees	1	127,486,127	129,520,681	127,486,127	129,520,681
Other operating income		11,938,198	8,918,191	11,893,198	8,873,191
Expenses for personnel and administration	2	-130,603,370	-90,992,559	-131,525,544	-90,964,509
Depreciation, amortisation expense and impairment losses of fixed assets recognised in profit or loss		-2,009,675	-1,381,243	-1,574,542	-1,381,243
Profit/loss before financial income and expenses		6,811,280	46,065,070	6,279,239	46,048,120
Other finance income		139	0	0	0
Other finance expenses	3	-608,177	-503,958	-429,585	-496,521
Profit from ordinary activities before tax		6,203,242	45,561,112	5,849,654	45,551,599
Tax expense on ordinary activities		-354,617	-111,171	-238,478	-109,074
Profit		5,848,625	45,449,941	5,611,176	45,442,525
Proposed distribution of results					
Proposed dividend recognised in equity		1,500,000	11,000,000	1,500,000	11,000,000
Retained earnings		4,348,625	34,449,941	4,111,176	34,442,525
Distribution of profit		5,848,625	45,449,941	5,611,176	45,442,525

Balance Sheet as of 31 December

	Note	Group 2022 DKK	2021 DKK	Parent 2022 DKK	2021 DKK
Assets					
Lease assets	4	53,272,379	1,744,076	49,845,775	1,744,076
Fixtures, fittings, tools and equipment	5	4,058,713	0	4,058,713	0
Leasehold improvements	6	2,154,441	0	2,154,441	0
Property, plant and equipment		59,485,533	1,744,076	56,058,929	1,744,076
Long-term investments in group enterprises	7	0	0	1,580,432	120,000
Investments		0	0	1,580,432	120,000
Fixed assets		59,485,533	1,744,076	57,639,361	1,864,076
Short-term receivables from group enterprises		0	0	491,509	0
Other short-term receivables		66,510,037	79,602,451	65,843,795	79,602,451
Prepaid expenses		2,721,760	2,046,989	2,630,362	2,046,989
Receivables		69,231,797	81,649,440	68,965,666	81,649,440
Cash and cash equivalents		17,378,729	5,064,285	15,446,282	4,885,095
Current assets		86,610,526	86,713,725	84,411,948	86,534,535
Assets		146,096,059	88,457,801	142,051,309	88,398,611

Balance Sheet as of 31 December

	Note	Group 2022 DKK	2021 DKK	Parent 2022 DKK	2021 DKK
Liabilities and equity					
Contributed capital		1,000,000	1,000,000	1,000,000	1,000,000
Retained earnings		42,733,622	38,547,380	42,641,788	38,530,612
Proposed dividend recognised in equity		1,500,000	11,000,000	1,500,000	11,000,000
Equity		45,233,622	50,547,380	45,141,788	50,530,612
Subordinated capital deposits	8	14,058,084	13,767,062	14,058,084	13,767,062
Subordinated capital deposits		14,058,084	13,767,062	14,058,084	13,767,062
Lease commitments		46,617,954	199,280	44,324,062	199,280
Long-term liabilities other than provisions	9	46,617,954	199,280	44,324,062	199,280
Tax payables		429,536	111,258	315,205	109,074
Other payables		32,978,106	22,227,721	32,686,799	22,187,483
Lease commitments	9	6,778,757	1,605,100	5,525,371	1,605,100
Short-term liabilities other than provisions		40,186,399	23,944,079	38,527,375	23,901,657
Liabilities other than provisions within the business		86,804,353	24,143,359	82,851,437	24,100,937
Liabilities and equity		146,096,059	88,457,801	142,051,309	88,398,611
Risks and uncertainties	10				
Contingent liabilities	11				
Collaterals and assets pledges as security	12				
Related parties	13				
Fees for auditors elected on the general meeting	14				

Statement of changes in Equity

Parent

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
Equity 1 January 2022	1,000,000	38,530,612	11,000,000	50,530,612
Dividend paid	0	0	-11,000,000	-11,000,000
Profit (loss)	0	4,111,176	1,500,000	5,611,176
Equity 31 December 2022	1,000,000	42,641,788	1,500,000	45,141,788

Parent

The company's nominal shareholding is 1,000,000 shares with a nominal value of DKK 1.00 per share.

The share capital has been unchanged since foundation.

Group

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
Equity 1 January 2022	1,000,000	38,547,380	11,000,000	50,547,380
Dividend paid	0	0	-11,000,000	-11,000,000
Profit (loss)	0	4,348,625	1,500,000	5,848,625
Foreign exchange rate adjustments	0	-162,383	0	-162,383
Equity 31 December 2022	1,000,000	42,733,622	1,500,000	45,233,622

Notes

	Group		Parent	
	2022	2021	2022	2021
1. Administration fees				
Gode Wind II Joint Holdco P/S and Industriens Pensions Service A/S	4,281,377	4,273,182	4,281,377	4,273,182
The managed funds	123,204,750	125,247,499	123,204,750	125,247,499
	127,486,127	129,520,681	127,486,127	129,520,681
2. Expenses for personnel and administration				
Wages and salaries	80,450,334	58,011,344	78,928,357	58,011,344
Post-employment benefit expense	5,152,717	4,159,203	5,152,717	4,159,203
Social security contributions	1,316,275	214,340	1,316,275	214,340
Other employee and administration expense	43,684,044	28,607,672	46,128,195	28,579,622
	130,603,370	90,992,559	131,525,544	90,964,509
Average number of employees	65	44	65	44
Details of remuneration to the board of directors and the executive board can be found at https://aipmanagement.dk				
3. Other finance expenses				
Financial cost on subordinated capital deposits	291,023	248,580	291,023	248,580
Other financial cost	101,695	197,926	92,675	190,489
Interest of lease obligation	215,459	57,452	45,887	57,452
	608,177	503,958	429,585	496,521
4. Lease assets				
Cost at the beginning of the year	4,487,674	4,087,020	4,487,674	4,087,020
Addition according to IFRS 16	53,531,170	400,654	49,676,241	400,654
Cost at the end of the year	58,018,844	4,487,674	54,163,915	4,487,674
Depreciation and amortisation at the beginning of the year	-2,743,598	-1,362,355	-2,743,598	-1,362,355
Depreciation according to IFRS 16	-2,002,868	-1,381,243	-1,574,542	-1,381,243
Impairment losses and amortisation at the end of the year	-4,746,466	-2,743,598	-4,318,140	-2,743,598
Carrying amount at the end of the year	53,272,378	1,744,076	49,845,775	1,744,076

Notes

	Group		Parent	
	2022	2021	2022	2021
5. Fixtures, fittings, tools and equipment				
Cost at the beginning of the year	0	0	0	0
Addition during the year	4,058,713	0	4,058,713	0
Cost at the end of the year	4,058,713	0	4,058,713	0
Carrying amount at the end of the year	4,058,713	0	4,058,713	0
6. Leasehold improvements				
Cost at the beginning of the year	0	0	0	0
Addition during the year	2,154,441	0	2,154,441	0
Cost at the end of the year	2,154,441	0	2,154,441	0
Carrying amount at the end of the year	2,154,441	0	2,154,441	0

7. Long-term investments in group enterprises

Name	Registered office	Share held in %	Equity	Profit
PKA Direct GP ApS	Copenhagen, Denmark	100	46,265 DKK	2,642 DKK
AIP Infrastructure I GP ApS	Copenhagen, Denmark	100	47,329 DKK	2,762 DKK
AIP Infrastructure II GP ApS	Copenhagen, Denmark	100	51,981 DKK	3,402 DKK
AIP Management US INC.	Delaware, New York	100	243,036 USD	43,036 USD

Notes

8. Subordinated capital deposits (Parent)

Loan Pensionskassen for Farmakonomer

Amount of the loan: 350,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 7,835 (2021: 6,689)

Loan Pensionskassen for Socialrådgivere m.m.

Amount of the loan: 2,730,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 61,115 (2021: 52,170)

Loan Pensionskassen for Sundhedsfaglige

Amount of the loan: 2,120,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 47,459 (2021: 40,513)

Loan Pensionskassen for Sygeplejersker og Lægeseekretærer

Amount of the loan: 4,800,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 107,454 (2021: 91,728)

Loan PenSam Pension Forsikringsaktieselskab

Amount of the loan: 3,000,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 13 March 2029

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 67,159 (2021: 57,480)

Notes

Subordinated capital deposits (Group)

Loan Pensionskassen for Farmakonomer

Amount of the loan: 350,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 7,835 (2021: 6,689)

Loan Pensionskassen for Socialrådgivere m.m.

Amount of the loan: 2,730,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 61,115 (2021: 52,170)

Loan Pensionskassen for Sundhedsfaglige

Amount of the loan: 2,120,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 47,459 (2021: 40,513)

Loan Pensionskassen for Sygeplejersker og Lægesekretærer

Amount of the loan: 4,800,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 10 October 2028

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 107,454 (2021: 91,728)

Loan PenSam Pension Forsikringsaktieselskab

Amount of the loan: 3,000,000

Currency on the loan: DKK

The interest rate: CIBOR 6M + 2%

Expiration Date: 13 March 2029

The loan is unredeemable

The loan can not under certain circumstances be required to be repaid more quickly.

Interest expences in DKK: 67.159 (2021: 57.480)

Notes**9. Long-term liabilities****Koncern**

	Due after 1 year	Due within 1 year	Due after 5 years
Lease commitments	46,617,954	6,778,757	17,438,230
	46,617,954	6,778,757	17,438,230

Parent

	Due after 1 year	Due within 1 year	Due after 5 years
Lease commitments	44,324,062	5,525,371	17,438,230
	44,324,062	5,525,371	17,438,230

10. Risks and uncertainties

The income of the company consists of management fee from funds under management and other fees. The management fee is dependent on the number, size and classification of funds under management as well as the company's ability to attract investors to raise new funds from time to time as the current funds are being invested and realised. The management fee for the funds managed by the company is however secured under the limited partnership agreements and the fee agreements governing the funds managed. With respect to financial risk management the company follows the risk and liquidity policy, which sets guidelines and objectives.

11. Contingent liabilities

The company has liabilities of DKK 4,5m.

12. Collaterals and assets pledges as security

No securities or mortgages exist at the balance sheet date.

Notes

13. Related parties

There are no related parties with controlling influence.

Related parties with significant influence:

The shareholders are Institutional Holding P/S (49,9% of the shares), AIP Partner holding ApS (49,9% of the shares) and AIP Komplementar ApS (0,2% of the shares). The shareholders have each contributed capital of DKK 2.5m.

Board of Directors and Executive Board:

There have been no other transactions with the board of directors and management other than those specified in note 2.

Other related parties:

The four PKA pension funds Pensionskassen for Farmakonomer, Pensionskassen for Socialrådgivere, Socialpædagoger og Kontorpersonale, Pensionskassen for Sundhedsfaglige og Pensionskassen for Sygeplejersker og Lægeseekretærer and Pensam Pension Forsikringsaktieselskab have provided subordinated loan capital for DKK 13m.

The managed funds are also considered related parties and comprise of the following:

PKA Direct I K/S

PKA Direct II K/S

AIP Infrastructure I K/S

AIP Infrastructure II K/S

AIP Infrastructure II Swiss Feeder K/S

PKA Ophelia Holding K/S

The general partner is also considered a related party and comprises the following

AIP Komplementar ApS

	Group		Parent	
	2022	2021	2022	2021
14. Fees for auditors elected on the general meeting				
Statutory audit	79,000	61,515	54,625	39,015
Tax consultancy	308,209	399,719	308,209	399,719
Other services	68,821	124,234	68,821	124,235
	456,030	585,468	431,655	562,969