

AIP Infrastructure I K/S

1 April – 31 December 2020

Approved at the company's general meeting

Secretary

Klaus Risager

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Fund Information

Company

AIP Infrastructure I K/S

Rosenborggade 1B

1130 Copenhagen

CVR-nr.: 41 31 53 50

Accounting period: 1 April – 31 December

Registered in: Copenhagen

Executive Board

Jannick Prehn Brøndum

Kasper Hansen

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

2900 Hellerup

Management's statement

The Executive Board have today considered and adopted the Annual Report of AIP Infrastructure I K/S for the financial year 1 April – 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and the Group and of the results of the Company and Group operations and cash flows for 1 April – 31 December 2020.

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

Copenhagen, 18 June 2021

Executive Board:

Jannick Prehn Brøndum

Kasper Hansen

Management review

Key figures for Group

All amounts in '000 DKK	2020*
Gross profit / (loss)	-25,919
Financial income & expenses	54,776
Net result	377,923
Total Assets	5,702,571
Equity	5,592,526
Equity ratio	98.07%
Return on equity	6.76%

* 2020 is the first fiscal year for AIP Infrastructure I K/S.

Primary activities

The principal activities of the Company in the period under review were to own shares of:

- NSI DK HoldCo GP ApS (100%)
- NSI DK HoldCo K/S (99.97%)
 - North Sea Infrastructure AS (97.8%)
 - Vestproces DA (23%)
 - Nyhamna JV (13.70%)
- AIP Blafa GP ApS (100%)
- AIP Blafa Mezzanie K/S (99.97%)
- AIP Blafa Equity K/S (99.97%)
 - Blakliden Fäbodberget Holding AB (30%)
- AIP Zion Holding GP ApS (100%)
- AIP Zion Holding K/S (99.89%)
 - AIP Zion Holding (US) GP (100%)
 - AIP Zion Holding (US) LP (100%)
 - RE Cantua Holdings LLC (100%)
 - RE Floral Holdings LLC (100%)
 - RE Tranquility LLC (49%)
 - RE Mojave Holdings LLC (100%)
 - RE Pelican Holdings LLC (100%)
 - RE Silverlake Holdings LLC (49%)
 - AIP Zion Battery LLC (100%)
 - SP Solar Storage Development Holdings LLC (49%)
- AIP El-Campo Holding GP ApS (100%)
- AIP El-Campo Holding K/S (99.97%)
 - AIP El Campo Holding (US) GP (100%)
 - AIP El Campo Holding (US) LP (100%)
 - El Campo Wind Renewables LLC (50%)
 - AIP Prospero LLC (100%)
 - Prospero Renewables LLC (50%)
 - AIP Little Bear LLC (100%)
 - Grandma Bear LLC (50%)

Development in activities and finances

The Company's Income Statement of the Financial year 1 April 2020 – 31 December 2020 shows a result of TDKK 182,093 which is in line with the management's expectations.

Uncertainty in recognition and measurement

It is assessed that there is no significant uncertainty in the recognition and measurement of financial figures.

Principal risks and uncertainties

The management does not see any special risks to the company in connection with the ownership of the shares in above companies and their projects in addition to the commonly occurring risks within the companies' industry.

Management sees no special risk of affecting the external environment in connection with the ownership of the shares in above companies and their projects.

Subsequent Events

No subsequent events have occurred after the balance sheet date that required adjustment to or disclosure in the financial statements.

Unusual conditions affecting recognition and measurement

No unusual conditions have occurred that has affected recognition and measurement in the financial statements.

Expected development

Management expects the fund to continue producing positive cash flows in the future.

Independent Auditor's Report

To the Shareholders of AIP Infrastructure I K/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2020, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 April - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of AIP Infrastructure I K/S Group for the financial year 1 April - 31 December 2020, 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, as well as consolidated statement of cash flows ("financial statements").

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 Group 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. 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 Financials Statements Act.

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

In preparing the financial statements, Management is responsible for assessing the 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 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 based on 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 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 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.
- 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, 18 June 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR-nr. 33 77 12 31

Per Rolf Larssen

State Authorised Public Accountant

Mne24822

Income statement

All amounts in thousands of DKK

	Notes	<u>2020 Group</u>	<u>2020 Parent</u>
Gross profit / (loss)		- 25,919	- 18,345
Staff expense	2	- 2,339	-
Result before financial income and expense		- 28,258	- 18,345
Income from group companies		-	278,092
Income from associated companies		451,611	-
Financial income	3	56,229	54,105
Financial expenses	4	- 1,453	- 131,759
Profit before income taxes		478,129	182,093
Income taxes	5	- 100,206	-
Net profit		377,923	182,093
Proposed distribution of profit:			
Proposed dividend for the year		402,327	402,327
Minority interests' share of net profit/loss of subsidiaries		665	-
Retained earnings		- 25,069	- 220,234
		377,923	182,093

Balance sheet

At 31 December (in thousands DKK)

Assets	Notes	2020 Group	2020 Parent
Non-current assets			
Financial assets			
Investments in groups companies	6	-	4,851,221
Investments in associated companies	7	4,528,434	-
Receivable from group companies		-	1,200,809
Receivable from associated companies		1,049,408	-
Other receivable		55,081	-
Total financial assets		5,632,923	6,052,030
Total non-current assets		5,632,923	6,052,030
Current assets			
Receivables			
Short term receivable from group companies		-	60,521
Other receivables		6,531	305
Prepayments		3,998	-
Total receivables		10,529	60,826
Cash and cash equivalents		59,119	2,187
Total current assets		69,648	63,013
Total assets		5,702,571	6,115,043

Balance sheet

At 31 December (in thousands DKK)

Equity and liabilities	Notes	2020 Group	2020 Parent
Equity			
Share capital		6,054,010	6,332,129
Reserve for exchange rate conversion		- 436,415	-
Retained earnings		- 25,069	- 220,234
Equity attributable to shareholders of the Parent Company		5,592,526	6,111,895
Minority interests		3,228	-
Equity		5,595,754	6,111,895
Non-current liabilities			
Other provision	8	55,081	-
Total non-current liabilities		55,081	-
Current liabilities			
Trade payables		4,186	3,148
Corporation tax		45,983	-
Other liabilities		1,567	-
Total current liabilities		51,736	3,148
Total liabilities		106,817	3,148
Total equity and liabilities		5,702,571	6,115,043
Principal accounting policies	1		
Contingent liabilities	9		
Group and ownership relations	10		

Statement of changes in equity

Change in equity - Group	Share capital	Suggested dividend	Reserve for	Retained earnings	Minority interests	Total
			exchange rate conversion			
Equity at 1 April	-	-	-	-	-	-
Capital increase	6,054,010	-	-	-	2,917	6,056,927
Valuation changes Exchange adjustments relating to foreign entities	-	-	- 436,415	-	- 243	- 436,658
Proposed distribution of profit	-	402,327	-	- 25,069	665	377,923
Distributed capital	-	- 402,327	-	-	- 111	- 402,438
Equity at 31 December	6,054,010	-	- 436,415	- 25,069	3,228	5,595,754

Change in equity - Parent	Share capital	Suggested dividend	Reserve for	Retained earnings	Total
			exchange rate conversion		
Equity at 1 April	-	-	-	-	-
Capital increase	6,332,129	-	-	-	6,332,129
Proposed distribution of profit	-	402,327	-	- 220,234	182,093
Distributed capital	-	- 402,327	-	-	- 402,327
Equity at 31 December	6,332,129	-	-	- 220,234	6,111,895

Cash flow statement

All amounts in thousands of DKK

	2020 Group
Net profit	377,923
Adjustments	- 517,730
Changes in working capital	- 340,370
Cash flow from operating activities	- 480,177
Investments in financial assets	- 5,632,923
Interests received	54,591
Dividend received	463,139
Cash flow from investing activities	- 5,115,193
Capital injected	6,056,927
Dividend paid	- 402,438
Cash flow from financing activities	5,654,489
Net cash flow for the period	59,119
Cash and cash equivalents at 1 April	-
Changes to liquid funds	59,119
Cash and cash equivalents at 31 December	59,119

Notes

Note 1

Accounting policies

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

The accounting policies applied to group are identical to the rules applied to the parent. This is the first fiscal year for the parent company and as a group. Comparative figures are therefore not available.

Consolidated financial statements

The consolidated financial statement comprises the parent and the group enterprises that are controlled by the parent. Control of a subsidiary is achieved by the parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way exercising controlling influence. Enterprises in which the group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared based on the financial statements of the parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intragroup income, expenses, accounts and dividends are eliminated. The financial statements used for consolidation have been prepared applying the group accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Presentation currency

The reporting currency is DKK. All amounts are in thousands of DKK.

Recognition and measurement

Revenue is recognized in the income statement as it is earned, including value adjustments of financial assets and liabilities measured at fair value or amortized costs.

In addition, expenses incurred to achieve the year's earnings are recognized, including depreciation, write-downs, provisions, and reversals because of changed accounting estimates of amounts previously recognized in the income statement.

Assets are recognized in the balance sheet when it is probable because of a prior event that future economic benefits will flow to the company, and the value of the asset can be measured reliably. Liabilities are recognized in the balance sheet when the company has a legal or constructive obligation because of a prior event, and it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured.

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

Recognition and measurements consider the gains, losses and risks that arise before the annual report is presented and which corroborates or invalidates conditions that existed at the balance sheet date.

The group accounts are consolidated based on the subsidiaries individual accounts adjusted for any inter-company transactions and equity interest.

Foreign currency translation

Foreign currency transactions are translated at the exchange rate at the transaction date. Exchange rate differences arising between the exchange rate at the transaction date and the rate at the payment date are recognized in the income statement as a financial item.

Receivables, payables, and other monetary items in foreign currencies that have not been settled on the balance sheet date are translated at the exchange rate at the balance sheet date. The difference between the exchange rate at the balance sheet date and the exchange rate at the transaction date is recognized in the income statement as a financial item.

Income statement

Gross profit / loss

Gross profit / loss is calculated with reference to §32 of the Danish Financial Statements Act as a summary of other external costs.

Other external costs

Other external costs include costs for administration, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

Income from group and associated companies

Dividend income from group and associated companies is presented in the Income statement in the year of which it was declared.

Financial items

Financial income and expenses include interest income and expenses, realized and unrealized gains and losses on debt, fair value of investments & loans and transactions in foreign currencies.

Tax

Income taxes for the year, is recognized in the income statement with the part that can be attributed to the profit for the year.

Balance sheet

Investments in group and associated companies

Investments in subsidiaries and associates are recognized and measured at cost. If there is an indication of a need for impairment, an impairment test is performed. Where the carrying amount exceeds the recoverable amount it is written down to this lower value.

Receivable from group and associated companies

Other fixed asset investments consist of long-term receivables.

Other Receivables long term

The receivables are assets held as securities against other provision.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions, and interest.

Cash and cash equivalents

Cash comprises cash in bank deposits.

Equity

Dividend distributions proposed by the management for the financial year are shown as a separate item under equity.

Other provision

Estimation of the cost for removing and dismantling of oil and gas installations calculates after the present value method. Change in estimates of the cost is recognised in the provision.

Other liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognized in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments

and repayment under the on account taxation scheme is recognised in the income statement in financial income and expenses.

Cash flow statement

Cash flow from operating activities includes all cash transactions other than cash flows arising from investments, received dividends, paid, and received financial items and equity transactions.

Cash flow statement is calculated based on the indirect method where the cash flow is based on the difference between year start and year end with adjustments for non-cash items.

Note 2		
Staff expenses	2020	2020
	Group	Parent
	<hr/>	<hr/>
Wages and salaries	- 2,010	-
Pensions	- 42	-
Other social security expenses	- 271	-
Other staff expenses	- 16	-
	<hr/>	<hr/>
Total staff expenses	- 2,339	-
	<hr/>	<hr/>
Average number of employees	4	-
	<hr/>	<hr/>
Note 3		
Financial income	2020	2020
	Group	Parent
	<hr/>	<hr/>
Interest from loans to group companies	-	52,479
Interest from loans to associated companies	54,591	-
Other financial income	5	-
Exchange gains	1,633	1,626
	<hr/>	<hr/>
Total financial income	56,229	54,105
	<hr/>	<hr/>
Note 4		
Financial expenses	2020	2020
	Group	Parent
	<hr/>	<hr/>
Other financial expenses	- 1,453	- 12
Exchange loss	-	- 131,747
	<hr/>	<hr/>
Total financial expenses	- 1,453	- 131,759
	<hr/>	<hr/>
Note 5		
Income taxes	2020	2020
	Group	Parent
	<hr/>	<hr/>
Current tax for the year	- 106,663	-
Adjustment of tax concerning previous years	6,457	-
	<hr/>	<hr/>
Total income taxes	- 100,206	-
	<hr/>	<hr/>

Note 6**Investments in group companies**

	2020 Group	2020 Parent
Cost at 1 April	-	-
Additions in year	-	4,851,872
Cost at 31 December	-	4,851,872
Fair value adjustments at 1 April	-	-
Fair value adjustments in year	-	- 651
Fair value adjustments at 31 December	-	- 651
Total investments in associated companies	-	4,851,221

The company has investment in subsidiaries located in Denmark with approximately 99.9% ownership:

- NSI DK Holding K/S
- NSI DK Holding GP APS
- AIP Blafa GP ApS
- AIP Blafa Mezzanie K/S
- AIP Blafa Equity K/S
- AIP Zion Holding GP ApS
- AIP Zion Holding K/S
- AIP El-Campo Holding GP ApS (100%)
- AIP El-Campo Holding K/S (99.97%)

The detailed ownership structure is presented in the Primary activities section of the Management review.

Note 7**Investments in associated companies**

	2020 Group	2020 Parent
Cost at 1 April	-	-
Additions in year	4,528,434	-
Cost at 31 December	4,528,434	-
Total investments in associated companies	4,528,434	-

Note 8**Other provision**

The provision of DKK 55 million in the company North Sea Infrastructure AS includes dismantling obligation, including removal of oil and gas installations. The Norwegian authorities and the OSPAR-Convention are used to determine the size of the obligation. The operator's estimates are used for determining the obligation. There is uncertainty about several of the factors including the removal method, technology, and time of removal. The removal obligation will be paid by the shippers who use the plant, and therefore a long-term receivable has also been recognized against the shippers at the same value as the company's obligation.

Note 9
Contingent liabilities

The company has no contingent liabilities apart from the liabilities already recognized in the balance sheet.

Note 10
Group and ownership relations

The fund is owned by:

- Pensionskassen for Sygeplejersker og Lægesekretærer (36.92%), CVR: 71 97 15 11
- Pensionskassen for Socialrådgivere, Socialpædagoger og Kontorpersonale (21%), CVR: 71 97 43 16
- Pensionskassen for Sundhedsfaglige (16.31%), CVR: 71 97 35 14
- Pensionskassen for Farmakonomer (2.69%), CVR: 10 49 68 37
- PenSam Pension forsikringselskab (23.07%), CVR: 14 63 89 03

Other related parties include:

- AIP Infrastructure I GP ApS, CVR: 41 26 84 17

Besides the investment transactions shown in the financial statement and general partner fee, there are no transactions with related parties.

The Group is not part of any other consolidated financial statements.