



PKA Direct II K/S

Annual Report 2021

Approved at the company's general meeting

Secretary

Klaus Risager

Contents

Fund Information	2
Management review	3
Management's statement	5
Independent Auditor's Report	6
Income statement	8
Balance sheet	9
Statement of Changes in Equity	11
Cash flow statement	12
Notes	13

Fund Information

Company

PKA Direct II K/S

Rosenborggade 1B

1130 Copenhagen

CVR-nr.: 41 31 54 31

Founded: 01.04.2020

Accounting period: 1 January – 31 December

Registered in: Copenhagen

General Partner

PKA Direct GP ApS

Executive Board

Jannick Prehn Brøndum

Kasper Hansen

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

2900 Hellerup

Management review

Key figures for the Group

All amounts in '000 GBP	2021	2020*
Gross gain/loss	-6,673	23,444
Financial income & expenses	29,735	9,462
Net result	-2,339	39,507
Total Assets	428,317	824,094
Equity	426,237	821,321
Equity ratio	99.51%	99.66%
Return on equity	-0.55%	4.81%

* 2020 is the first fiscal year for PKA Direct II K/S and only includes 9 months.

Primary activities

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

- PKA Burbo Extension Holding ApS (100%)
 - PKA Burbo Extension Holding (UK) limited (100%) – Sold per 30 November 2021
 - Burbo Extension Holding limited (25%) – Sold per 30 November 2021
- PKA TeesRep Holding ApS (100%)
 - PKA TeesRep Holding (UK) limited (100%)
 - Chaptre Holdings limited (50%)
- PKA Walney Extension Holding ApS (100%)
 - PKA WLWF Holding (UK) limited (100%)
 - Anno 2017 Joint Holding (UK) limited (50%)

Development in activities and finances

The Company's Income Statement of the Financial year 1 January – 31 December 2021 shows a result of GBP -2,339 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 PKA TeesRep Holding (UK) limited or PKA WLWF Holding (UK) limited projects in addition to the commonly occurring risks within the companies' industry.

Changes to principal accounting policies

There are no changes to principal account policies in 2021.

Subsequent Events

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

Environment and Climate, Society, anti-corruption, human rights

Environment and Climate

The company has no independent policy for the environment and climate. The reason for this is that the company is a holding company whose purpose is to own investments and thus does not have an independent operation and direct impact on either the environment or the climate. It should be noted that the purpose of all companies' investments is to support the green transition and thus contribute to reducing total CO2 emissions.

Society

The company has no employees or in any other way influence on social or personnel conditions, which is why the company does not have a policy for this.

Anti-corruption and human rights

The company has no independent policy for anti-corruption and human rights. The reason for this is that the company is a holding company whose purpose is to own investments and thus does not have an independent operation and direct impact on either the anti-corruption or human rights.

Report on data ethics

Since the company has no employees and few stakeholders the Company has no policy on data ethics. The company still aims to be a digital responsible company so that our investors and collaborators can trust that the company treats data with respect and care.

Management Policies

As the company does not have its own policies for either Environment, and Climate, Society, Anti-corruption, Human rights or Data ethics the company relies on the policies drawn up by the funds administrator AIP Management P/S.

All general matters concerning the External Environment, Corporate Social Responsibility, Management, the fight against corruption and respect for human rights are described in the AIP Management P/S' [ESG-report](#), which is available on AIP Management P/S' website.

The ESG report covers all investments that are under the administration of AIP Management P/S, which is why it also applies to the group PKA Direct II K/S.

The ESG report describes how AIP Management P/S through their investments continuously works to reduce their climate footprint through e.g., sustainable investments, which includes the investments in the group PKA Direct II K/S.

The ESG report also contains thorough descriptions of how to take significant social responsibility, work to comply with current legislation and thereby fight corruption and respect human rights.

The company has no employees, which is why reference is made to the overall management policies.

Executive Board composition

No policy or objective for the composition of the Board of Directors or the Executive Board, but the company complies with the legislation in force in the area at any given time.

Management's statement

The Executive Board have today considered and adopted the Annual Report of PKA Direct II K/S for the financial year 1 January – 31 December 2021.

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 2021 of the Company and the Group and of the results of the Company and Group operations and cash flows for 1 January – 31 December 2021.

In our opinion, the Management review includes a true and fair account of the matter addressed in the review.

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

Copenhagen, 23 June 2022

Executive Board:

Jannick Prehn Brøndum

Kasper Hansen

Independent Auditor's Report

To the Shareholders of PKA Direct II 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 2021, 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 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of PKA Direct II K/S for the financial year 1 January - 31 December 2021, 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' 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 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 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 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, 23 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Per Rolf Larssen
State Authorised Public Accountant
mne24822

Casper Larsen
State Authorised Public Accountant
mne45855

Annual Report 2021

Income statement

All amounts in thousands of GBP

	Notes	2021 Group	2020* Group	2021 Parent	2020* Parent
Gross profit / loss		- 6,673	23,444	- 1,178	- 826
Income from group companies		-	-	168,468	27,355
Income from associated companies		51,194	6,760	-	-
Impairment		- 76,577	-	- 98,146	- 52,496
Profit before financial items		- 32,056	30,204	69,144	- 25,967
Financial income	3	29,738	9,468	29,638	22,453
Financial expenses	4	- 3	- 6	- 2	-
Profit before income taxes		- 2,321	39,666	98,780	- 3,514
Income taxes	5	- 18	- 159	-	-
Net result		- 2,339	39,507	98,780	- 3,514
<u>Proposed distribution of profit:</u>					
Dividend		432,501	46,175	432,501	46,175
Retained earnings		- 434,840	- 6,668	- 333,721	- 49,689
		- 2,339	39,507	98,780	- 3,514

* Income statement from the period 1 April 2020 - 31 December 2020.

Annual Report 2021

Balance sheet

At 31 December (in thousands GBP)

Assets	Notes	<u>2021 Group</u>	<u>2020 Group</u>	<u>2021 Parent</u>	<u>2020 Parent</u>
Non-current assets					
Financial assets					
Investments in group companies	6	-	-	285,043	383,189
Investments in associated companies	7	201,243	620,167	-	-
Receivables from group companies	8	-	-	215,340	431,873
Receivables from associated companies	9	216,558	191,808	-	-
Total financial assets		<u>417,801</u>	<u>811,975</u>	<u>500,384</u>	<u>815,062</u>
Total non-current assets		<u>417,801</u>	<u>811,975</u>	<u>500,384</u>	<u>815,062</u>
Current assets					
Receivables					
Short term receivable loan	8	-	-	-	9,981
Other receivables		296	8,824	4,249	-
Total receivables		<u>296</u>	<u>8,824</u>	<u>4,249</u>	<u>9,981</u>
Cash and cash equivalents		10,220	3,295	1,813	306
Total current assets		<u>10,516</u>	<u>12,119</u>	<u>6,061</u>	<u>10,287</u>
Total assets		<u><u>428,317</u></u>	<u><u>824,094</u></u>	<u><u>506,445</u></u>	<u><u>825,349</u></u>

Annual Report 2021

Balance sheet

At 31 December (in thousands GBP)

Equity and liabilities	Notes	<u>2021 Group</u>	<u>2020 Group</u>	<u>2021 Parent</u>	<u>2020 Parent</u>
Equity					
Share capital		881,076	829,370	889,609	874,971
Hedging reserves		6,957	- 1,381	-	-
Retained earnings		- 461,796	- 6,668	- 383,410	- 49,689
Total equity		<u>426,237</u>	<u>821,321</u>	<u>506,198</u>	<u>825,282</u>
Current liabilities					
Other liabilities		2,080	2,773	247	67
Total current liabilities		<u>2,080</u>	<u>2,773</u>	<u>247</u>	<u>67</u>
Total equity and liabilities		<u>428,317</u>	<u>824,094</u>	<u>506,445</u>	<u>825,349</u>
Principal accounting policies	1				
Employees	2				
Contingent liabilities	11				
Group and ownership relations	12				

Statement of Changes in Equity

At 31 December (in thousands GBP)

Change in equity - Group	Share capital	Suggested dividend	Hedging reserves	Retained earnings	Total
Equity at 1 January	829,370	-	- 1,381	- 6,668	821,321
Capital increase	51,706	-	-	-	51,706
Valuation changes	-	-	8,338	- 20,288	- 11,950
Proposed distribution of profit	-	432,501	-	- 434,840	- 2,339
Distributed capital	-	- 432,501	-	-	- 432,501
Equity at 31 December	881,076	-	6,957	- 461,796	426,237

Change in equity - Parent	Share capital	Suggested dividend	Hedging reserves	Retained earnings	Total
Equity at 1 January	874,971	-	-	- 49,689	825,282
Capital increase	14,637	-	-	-	14,637
Proposed distribution of profit	-	432,501	-	- 333,721	98,780
Distributed capital	-	- 432,501	-	-	- 432,501
Equity at 31 December	889,609	-	-	- 383,410	506,198

Cash flow statement

All amounts in thousands of GBP

	Notes	2021 Group	2020* Group
Net profit		- 2,339	39,507
Adjustments	10	- 3,374	- 16,223
Changes in working capital		7,835	- 7,433
Cash flow from operating activities		2,122	15,852
Investments in financial assets		- 14,638	- 811,975
Interests received		18,450	9,463
Disposal of financial assets		398,845	-
Dividend received		19,998	6,760
Other financial income		12	-
Cash flow from investing activities		422,667	- 795,752
Capital injected		14,637	829,370
Dividend paid		- 432,501	- 46,175
Cash flow from financing activities		- 417,864	783,195
Net cash flow for the period		6,925	3,295
Cash and cash equivalents at 1 January		3,295	-
Changes to liquid funds		6,925	3,295
Cash and cash equivalents at 31 December		10,220	3,295

* Cash flow statement from the period 1 April 2020 - 31 December 2020.

Notes

Note 1

Principal accounting policies

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

The accounting policies applied to group are identical to the rules applied to the parent.

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, intra-group 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.

Changes to principal accounting policies

No changes to the principal accounting policies are applied in 2021.

Presentation currency

The reporting currency is Pound sterling. All amounts are in thousands of GBP. The exchange rate per 31. December 2021 of 886.04 (823.78 in 2020) was used where translation from DKK to GBP was needed.

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.

Income from associated companies

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

Impairment

Impairment adjustments in 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

The company is not taxable independently, which is why the tax liability is incumbent on the company's investors. As a result, no tax and deferred tax has been set aside in the accounts.

Balance sheet

Investments in financial assets

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.

Cash and cash equivalents

Cash comprises cash in bank deposits. Cash and cash equivalents comprise cash and bank balances net of bank overdrafts.

Equity

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

Other Liabilities

Expenses with reference to the fiscal year are accrued for.

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.

Annual Report 2021

Note 2

Employees	2021 Group	2020 Group	2021 Parent	2020 Parent
Average number of employees	-	-	-	-

Note 3

Financial income	2021 Group	2020 Group	2021 Parent	2020 Parent
Interest from loans to group companies	-	-	29,638	22,453
Interest from Joint Ventures	7,505	5,654	-	-
Other financial income	22,233	3,814	-	-
Total financial income	29,738	9,468	29,638	22,453

Note 4

Financial expenses	2021 Group	2020 Group	2021 Parent	2020 Parent
Loss on foreign exchanges	-	- 5	-	-
Other financial expenses	- 3	- 1	- 2	- 1
Total financial expenses	- 3	- 6	- 2	- 1

Note 5

Taxes	2021 Group	2020 Group	2021 Parent	2020 Parent
Income taxes	- 18	- 159	-	-
Total income taxes	- 18	- 159	-	-

Annual Report 2021

Note 6

Investments in group companies	2021 Group	2020 Group	2021 Parent	2020 Parent
Cost at 1 January*	-	-	383,189	-
Additions in year	-	-	-	383,189
Disposals	-	-	-	-
Cost at 31 December	-	-	383,189	383,189
Impairment at 1 January*	-	-	-	-
Impairment in year	-	-	- 98,146	-
Impairment at 31 December	-	-	- 98,146	-
Total investments in group companies	-	-	285,043	383,189

* Beginning value of Cost in 2020 is measured at 1 April 2020.

The company has investment in subsidiaries located in Denmark with 100% ownership:

- PKA Burbo Extension Holding ApS
- PKA TeesRep Holding ApS
- PKA Walney Extension Holding ApS

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

Note 7

Investments in associated companies	2021 Group	2020 Group	2021 Parent	2020 Parent
Cost at 1 January*	620,167	-	-	-
Additions in year	-	620,167	-	-
Disposals in year	- 342,347	-	-	-
Cost at 31 December	277,821	620,167	-	-
Impairment at 1 January	-	-	-	-
Impairment in year	- 76,578	-	-	-
Impairment at 31 December	- 76,578	-	-	-
Total investments in associated companies	201,243	620,167	-	-

* Beginning value of Cost in 2020 is measured at 1 April 2020.

Note 8

Receivables from group companies

	2021	2020
Cost at 1 January	441,854	-
Additions in year	44,275	459,298
Repayments in year	- 270,789	- 17,444
Cost at 31 December	215,340	441,854
Total receivable from associated companies *	215,340	441,854

* The company expects repayments within the next year.

Note 9

Receivables from associated companies

	2021	2020
Cost at 1 January	191,808	-
Additions in year	29,533	193,678
Repayments in year	- 4,783	- 1,870
Cost at 31 December	216,558	191,808
Total receivable from associated companies *	216,558	191,808

* The company expects repayments within the next year.

Note 10

Cash flow statement - adjustments

	2021	2020
Dividends received	- 19,998	- 6,760
Impairment on Investments incl gain/loss from disposals	45,381	-
Financial expenses	3	6
Financial income	- 29,738	- 9,468
Other adjustments	978	-
Total adjustments	- 3,374	- 16,223

Note 11

Contingent liabilities

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

Note 12

Group and ownership relations

The fund is owned by:

- Pensionskassen for Sygeplejersker og Lægeseekretærer, Tuborg Boulevard 3, 2900 Hellerup, Owner

Annual Report 2021

- Pensionskassen for Socialrådgivere, Socialpædagoger og kontorpersonale, Tuborg Boulevard 3, 2900 Hellerup, Owner
- Pensionskassen for Sundhedsfaglige, Tuborg Boulevard 3, 2900 Hellerup, Owner

Other related parties include:

- PKA Direct GP ApS, Rosenborggade 1B, 1130 København K, Associated company

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.