



**Copenhagen Infrastructure
Partners Holding P/S**

Amerika Plads 29, 2.
2100 København Ø
CVR No. 41980974

Annual report 2020

The Annual General Meeting adopted the
annual report on 01.02.2021

Jacob Christian Dyrvang
Chairman of the General Meeting

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Entity details

Entity

Copenhagen Infrastructure Partners Holding P/S
Amerika Plads 29, 2.
2100 København Ø

Business Registration No.: 41980974
Registered office: København Ø
Financial year: 29.12.2020 - 31.12.2020

Board of Directors

Jakob Baruël Poulsen
Christian Troels Skakkebæk
Christina Grumstrup Sørensen
Mogens Thorninger
Torsten Lodberg Smed

Executive Board

Christian Troels Skakkebæk
Mogens Thorninger

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Copenhagen Infrastructure Partners Holding P/S for the Group's financial year 01.01.2020 - 31.12.2020 and the Parent's financial year 29.12.2020 - 31.12.2020.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the Group's financial year 01.01.2020 - 31.12.2020 and the Parent's financial year 29.12.2020 - 31.12.2020.

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

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

Copenhagen, 01.02.2021

Executive Board



Christian Troels Skakkebæk



Mogens Thorninger

Board of Directors



Jakob Baruel Poulsen



Christian Troels Skakkebæk



Christina Grumstrup Sørensen



Mogens Thorninger



Torsten Lodberg Smed

Independent auditor's report

To the shareholders of Copenhagen Infrastructure Partners Holding P/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Copenhagen Infrastructure Partners Holding P/S for the Group's financial year 01.01.2020 - 31.12.2020 and the Parent's financial year 29.12.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the Group's financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and 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.

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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

Copenhagen, 01.02.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bill Haudal Pedersen

State Authorised Public Accountant
Identification No (MNE) mne30131

Michael Thorø Larsen

State Authorised Public Accountant
Identification No (MNE) mne35823

Management commentary

Financial highlights

	2020 DKK'000	2019 DKK'000
Key figures		
Revenue	389,723	167,903
Gross profit/loss	305,435	101,644
Operating profit/loss	168,171	17,784
Net financials	(2,233)	(798)
Profit/loss for the year	165,485	16,763
Balance sheet total	258,104	59,138
Equity	136,125	8,703
Cash flows from operating activities	194,452	20,681
Cash flows from financing activities	(38,201)	(37,500)
Ratios		
Gross margin (%)	78.37	60.54
Net margin (%)	42.46	9.98
Equity ratio (%)	52.69	14.72

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

Gross margin (%):

$$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$$

Net margin (%):

$$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$$

Equity ratio (%):

$$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$$

Primary activities

The Group's and the Company's primary activity is to manage and advise investment companies and engage in business associated therewith. CIP Holding P/S is the Parent company of Copenhagen Infrastructure Partners P/S, which is the licensed fund manager (AIFM) within the Group.

Development in activities and finances

The Group's activities primarily comprise fund management of the fund Copenhagen Infrastructure III K/S, Copenhagen Infrastructure New Markets Fund I K/S, Copenhagen Infrastructure IV K/S and CI Artemis II K/S incl. parallel funds.

The Group closed CI Artemis II K/S in February 2020 with a total commitment of EUR 0.3bn.

The Group reached first close for Copenhagen Infrastructure IV K/S in Q2 2020 and received commitment of EUR 5.1bn during 2020.

Profit/loss for the year in relation to expected developments

The Group has realised a profit for the year of DKK 165.5m, which is considered satisfactory.

Uncertainty relating to recognition and measurement

There is no material uncertainty relating to recognition and measurement for the consolidated financial statements and the parent financial statements. One of the reasons for this is that the Group's activity is solely to engage in management activities, with management fees as the only income and most costs being related to payroll, rental and facilitating the office operations. Furthermore, no unusual circumstances have affected recognition and measurement.

Outlook

The Group expects to continue its activities being the fund manager of both Copenhagen Infrastructure III K/S, Copenhagen Infrastructure New Markets Fund I K/S, CI Artemis II K/S and Copenhagen Infrastructure IV K/S.

The Group and the Parent profit for 2021 is expected in the range of DKK 200-250m.

The Group expects to reach Final Close for Copenhagen Infrastructure IV K/S during 1H 2021 reaching commitment of EUR 6-7bn.

Particular risks

Income of the Group comprises management fees from the managed funds. Risks related to income and earnings are considered interrelated, and the Group has not invested in securities or trading activities.

The Group's risks are related to the above and are considered low.

Knowledge resources

The Group's most important knowledge resources are attributable to financing and contractual competencies as well as knowledge of infrastructure assets.

Group relations

The Company has invested in Copenhagen Infrastructure Partners P/S, who has invested in CIP Management Holding ApS. The object of CIP Management Holding ApS is to hold management companies in the US, Japan, Germany and UK.

Statutory report on corporate social responsibility

As a member of the CIP-group of fund management companies, CIP Holding P/S' approach to Corporate Social Responsibility follows that of Copenhagen Infrastructure Partners P/S (CIP), the overall fund management company in the group, and the operational entity through which CIP Holding P/S' corporate social responsibility efforts are performed.

CIP recognises the importance of environmental, social and governance ("ESG") topics on the long-term performance of its funds under management. CIP sees the strong link between ESG and value creation, and as a fiduciary investment manager, is committed to managing ESG impacts in sustainable and responsible manner. CIP reports directly on ESG topics on a quarterly and annual basis to investors in its funds.

CIP's Ethical Policy is based on the main principles of the UN Principles for Responsible Investment (www.unpri.org/) and are summarized below:

Environmental principles concerning

- Obligations to identify and assess environmental consequences and issues of an investment, and to properly observe relevant law or regulation; and
- Minimisation of the environmental consequences related to the construction and ongoing operations of infrastructure assets in accordance with good industry practice.

Social principles concerning

- Identification and assessment of relevant social and human rights issues of an investment;
- Acknowledgement and adherence to the fundamental employees' rights by the investment project, including significant suppliers. A focus on HSE (Health Safety and Environment) and local labour laws are an important part of this; and
- No Investment in the manufacture of weapons, which in the course of normal intended use would breach fundamental humanitarian principles.

Governance principles concerning

- No corruption and/or bribery shall take place or be carried out directly or indirectly by any of the parties involved in an Investment;
- Active ownership of an investment shall be exercised, including exercise of voting rights;
- Governmental and community relations shall be promoted to the extent relevant;
- Appropriate disclosure on environmental, social and governance issues shall be promoted;
- Effective risk management shall be promoted; and
- Laws and regulations regarding, e.g. environmental, human rights and labour rights set out by relevant authorities, shall be complied with by all parties, including by significant suppliers, involved in an Investment.

Results of CIP's work on corporate social responsibility are presented in annual 'ESG Reports' to investors on the website <https://cippartners.dk/sustainability/>.

Consolidated income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Revenue	2	389,723	167,903
Other external expenses	3	(84,288)	(66,259)
Gross profit/loss		305,435	101,644
Staff costs	4	(134,699)	(83,860)
Depreciation, amortisation and impairment losses		(2,565)	0
Operating profit/loss		168,171	17,784
Other financial income		30	67
Other financial expenses		(2,263)	(865)
Profit/loss before tax		165,938	16,986
Tax on profit/loss for the year	5	(453)	(223)
Profit/loss for the year	6	165,485	16,763

Consolidated balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Leased assets		22,371	0
Property, plant and equipment	7	22,371	0
Other receivables		5,786	450
Fixed asset investments	8	5,786	450
Fixed assets		28,157	450
Other receivables		35,517	20,509
Receivables		35,517	20,509
Cash		194,430	38,179
Current assets		229,947	58,688
Assets		258,104	59,138

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		400	400
Share premium		8,303	0
Translation reserve		138	0
Retained earnings		27,284	8,303
Proposed dividend for the financial year		100,000	0
Equity		136,125	8,703
Subordinate loan capital		6,000	6,000
Other payables		19,594	0
Non-current liabilities other than provisions	10	25,594	6,000
Other payables		96,385	44,435
Current liabilities other than provisions		96,385	44,435
Liabilities other than provisions		121,979	50,435
Equity and liabilities		258,104	59,138
Events after the balance sheet date	1		
Contingent liabilities	12		
Transactions with related parties	13		
Subsidiaries	14		

Consolidated statement of changes in equity for 2020

	Contributed capital DKK'000	Share premium DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000
Contributed upon formation	400	8,303	0	0	0
Extraordinary dividend paid	0	0	0	(38,201)	0
Exchange rate adjustments	0	0	138	0	0
Profit/loss for the year	0	0	0	65,485	100,000
Equity end of year	400	8,303	138	27,284	100,000
					Total DKK'000
Contributed upon formation					8,703
Extraordinary dividend paid					(38,201)
Exchange rate adjustments					138
Profit/loss for the year					165,485
Equity end of year					136,125

The Parent company's nominal share capital is DKK 400,000, divided into shares of DKK 1. The shares are not divided into share classes.

Consolidated cash flow statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Operating profit/loss		168,171	17,784
Amortisation, depreciation and impairment losses		2,565	0
Working capital changes	11	27,338	3,923
Adjustments regarding leased assets		(2,154)	0
Cash flow from ordinary operating activities		195,920	21,707
Financial income received		8	67
Financial expenses paid		(1,023)	(870)
Taxes refunded/(paid)		(453)	(223)
Cash flows from operating activities		194,452	20,681
Free cash flows generated from operations and investments before financing		194,452	20,681
Dividend paid		(38,201)	(37,500)
Cash flows from financing activities		(38,201)	(37,500)
Increase/decrease in cash and cash equivalents		156,251	(16,819)
Cash and cash equivalents beginning of year		38,179	54,998
Cash and cash equivalents end of year		194,430	38,179
Cash and cash equivalents at year-end are composed of:			
Cash		194,430	38,179
Cash and cash equivalents end of year		194,430	38,179

Notes to consolidated financial statements

1 Events after the balance sheet date

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

2 Revenue

	2020 DKK'000	2019 DKK'000
Denmark	389,723	167,903
Total revenue by geographical market	389,723	167,903
Management fee	389,723	167,903
Total revenue by activity	389,723	167,903

3 Fees to the auditor appointed by the Annual General Meeting

	2020 DKK'000	2019 DKK'000
Statutory audit services	136	122
Other assurance engagements	25	0
Tax services	316	292
Other services	3,566	1,910
	4,043	2,324

4 Staff costs

	2020 DKK'000	2019 DKK'000
Wages and salaries	127,606	78,919
Pension costs	6,267	4,423
Other social security costs	826	518
	134,699	83,860
Average number of full-time employees	95	57

	Remuneration of manage- ment 2020 DKK'000	Remuneration of manage- ment 2019 DKK'000
Executive Board	7,962	5,915
	7,962	5,915

The Executive Board and Board of Directors do not receive remuneration from Copenhagen Infrastructure Partners Holding P/S. The above presented remuneration represents the total remuneration within the Group.

Further information is disclosed in the annual report 2020 for Copenhagen Infrastructure Partners P/S.

5 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Current tax	453	223
	453	223

6 Proposed distribution of profit/loss

	2020 DKK'000	2019 DKK'000
Ordinary dividend for the financial year	100,000	0
Extraordinary dividend distributed in the financial year	38,201	37,500
Retained earnings	27,284	(20,737)
	165,485	16,763

7 Property, plant and equipment

	Leased assets DKK'000
Additions	34,008
Disposals	(9,072)
Cost end of year	24,936
Impairment losses for the year	(2,565)
Depreciation and impairment losses end of year	(2,565)
Carrying amount end of year	22,371

The Group has subleased part of their leased assets (presented as disposals above), which is presented as a receivable. Leasing debt is presented as other debt.

8 Fixed asset investments

	Other receivables DKK'000
Cost beginning of year	450
Additions	5,336
Cost end of year	5,786
Carrying amount end of year	5,786

Additions relate to sublease.

9 Subordinate loan capital

The subordinated loan amounts DKK 6,000,000, and is set for repayment two years from the balance sheet date.

10 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK'000
Subordinate loan capital	6,000
Other payables	19,594
	25,594

11 Changes in working capital

	2020 DKK'000	2019 DKK'000
Increase/decrease in receivables	(12,593)	(12,308)
Increase/decrease in trade payables etc.	39,931	16,231
	27,338	3,923

12 Contingent liabilities

The Group has outstanding rental guarantees of DKK 6,870 thousand and USD 663 thousand in 2020 (2019: DKK 4,423 thousand).

The Group has no other contingent liabilities or assets, which can affect the Group's financial position.

13 Transactions with related parties

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

14 Subsidiaries

	Registered in	Corporate form	Ownership %	Equity DKK'000	Profit/loss DKK'000
Copenhagen Infrastructure Partners	Copenhagen	P/S	100	136,175	165,535
CIP Management Holding	Copenhagen	ApS	100	3,662	1,495
CIP	Japan	GK	100	1,187	705
CIP	Germany	GmbH	100	370	183
CIP	USA	Inc	100	1,750	666
CIP London	England	Ltd	100	218	186

Parent income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Other external expenses	2	(50)	0
Gross profit/loss		(50)	0
Income from investments in group enterprises		165,535	0
Profit/loss for the year	3	165,485	0

Parent balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Investments in group enterprises		136,175	0
Fixed asset investments	4	136,175	0
Fixed assets		136,175	0
Assets		136,175	0

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		400	0
Share premium		8,303	0
Reserve for net revaluation according to the equity method		27,472	0
Retained earnings		(50)	0
Proposed dividend for the financial year		100,000	0
Equity		136,125	0
Other payables		50	0
Current liabilities other than provisions		50	0
Liabilities other than provisions		50	0
Equity and liabilities		136,175	0

Events after the balance sheet date	1
Working conditions	5
Contingent liabilities	6
Related parties with controlling interest	7
Transactions with related parties	8

Parent statement of changes in equity for 2020

	Contributed capital DKK'000	Share premium DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000
Contributed upon formation	400	8,303	0	0	0
Extraordinary dividend paid	0	0	0	(38,201)	0
Value adjustments	0	0	138	0	0
Dividends from group enterprises	0	0	(138,201)	138,201	0
Profit/loss for the year	0	0	165,535	(100,050)	100,000
Equity end of year	400	8,303	27,472	(50)	100,000

	Total DKK'000
Contributed upon formation	8,703
Extraordinary dividend paid	(38,201)
Value adjustments	138
Dividends from group enterprises	0
Profit/loss for the year	165,485
Equity end of year	136,125

The Company's nominal share capital is DKK 400,000, divided into shares of DKK 1. The shares are not divided into share classes, but a shareholder agreement is in place which includes profit sharing.

On the 1 February 2020 the subsidiary Copenhagen Infrastructure Partners P/S held its Annual General Meeting where a dividend of DKK 100,000,000 was approved. In accordance with the Danish Financial Statements Act the approved dividend has been presented as free reserves.

Notes to parent financial statements

1 Events after the balance sheet date

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

2 Fees to the auditor appointed by the Annual General Meeting

	2020 DKK'000	2019 DKK'000
Statutory audit services	50	0
	50	0

3 Proposed distribution of profit and loss

	2020 DKK'000	2019 DKK'000
Ordinary dividend for the financial year	100,000	0
Extraordinary dividend distributed in the financial year	38,201	0
Retained earnings	27,284	0
	165,485	0

4 Fixed asset investments

	Investments in group enterprises DKK'000
Additions	8,703
Cost end of year	8,703
Exchange rate adjustments	138
Revaluations for the year	165,535
Revaluations end of year	165,673
Dividend	(38,201)
Impairment losses end of year	(38,201)
Carrying amount end of year	136,175

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

5 Working conditions

The Company has no employees.

The Management has not received remunerations.

6 Contingent liabilities

There are no guarantees or contingent liabilities of the Company.

7 Related parties with controlling interest

Copenhagen Infrastructure Partners Holding P/S does not have any related parties with controlling interests.

8 Transactions with related parties

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

Accounting policies

Reporting class

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

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

Non-comparability

The Parent company was established with in-kind contribution on 29 December 2020. It is the first financial year of the Parent why no comparative figures have been presented.

The consolidated financial statements of the Group are presented as a continuation of the consolidated financial statements of the underlying subsidiary, Copenhagen Infrastructure Partners P/S, including the additional transactions carried out in the Parent company since its establishment on 29 December 2020. Comparative figures for the Group are included in accordance with the Danish Financial Statement Act §122 (2).

Recognition and measurement

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

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

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

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

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

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for

consolidation have been prepared applying the Group's accounting policies.

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

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Income statement

Revenue

Management fees comprise administrative fees excl. expenses incurred regarding the financial year for the management of the investments in the managed funds.

Other external expenses

Other external expenses comprise expenses incurred during the year for company management and administration, including expenses for management, office premises and office expenses.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation comprise depreciation of leased assets, which is depreciated on a straight-line basis over the term of the lease period corresponding to 2.5 years.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, and net exchange rate adjustments on transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses and net exchange losses on transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.