

CI Artemis II Holdco ApS

Gdanskgade 18, 12.
2150 Nordhavn
CVR No. 41161302

Annual report 2023

The Annual General Meeting adopted the annual report on 28.06.2024

Mikkel Nyborg
Chairman of the General Meeting

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Entity details

Entity

CI Artemis II Holdco ApS

Gdanskgade 18, 12.

2150 Nordhavn

Business Registration No.: 41161302

Date of foundation: 10.02.2020

Registered office: Copenhagen

Financial period: 01.01.2023 - 31.12.2023

Executive Board

Thomas Hinrichsen

Ulrik Kloss Fenneberg

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Denmark

Statement by the Management on the annual report

The Executive Board has today considered and approved the annual report of CI Artemis II Holdco ApS
financial period 01.01.2023- 31.12.2023 .

The annual report is presented in accordance with the IFRS Accounting Standards as adopted by the EU and
additional disclosure requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023
and of the results of its operations and the cash flows for the financial period 01.01.2023 31.12.2023

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

Copenhagen, 28.06.2024

[Executive Board](#)

Thomas Hinrichsen

Ulrik Kloss Fenneberg

Management commentary

Financial highlights

	2023	2022	2021	2020*
	EUR'000	EUR'000	EUR'000	EUR'000
Key figures				
Operating profit/(loss) (EBIT)	(18,523)	(70)	16,594	13,631
Financial results, net	0	(1)	(1)	0
Increase / (decrease) in net assets attributable to Limited Partners	(18,523)	(71)	16,593	14,631
Net Assets attributable to Limited Partners	32,551	51,075	50,147	34,554
Total Assets	32,568	51,085	51,555	34,559
Ratios				
Liquidity ratio (%)	1.81	6.51	1.59	4.74
Solvency ratio (%)	100.00	99.98	99.98	99.99
Return on equity (%)	1.00	(0.14)	38.72	78.90

* This is the Entity's first financial year and comprise the period 10 February 2020 - 31 December 2020.

Primary activity

CI Artemis II HoldCo (CI A II HoldCo) was established in February 2020. The purpose of the Entity is to generate income and capital appreciation by making investments in the German transmission infrastructure assets "BorWin 1 & BorWin 2" and "DolWin 2 & HelWin 2".

Investments

CIA II HoldCo holds an indirect ~25% stake (~34% economic ownership) in four offshore transmission infrastructure assets BorWin1, BorWin2, HelWin2 and DolWin2 in the German North Sea acquired in Q1 2020. All assets are fully operational.

Development in activities and finances

The conditions in the financial markets continued to be volatile during 2023, with increasing power prices, inflation and interest rates. The increased interest rates impact all investment discount rates as they increased in line with market interest rates, representing a higher return requirement on invested capital, thus affecting the value of the investment at the end of the year. For transmission assets, the regulatory Return on Equity (RoE) assumptions were updated in 2023 to reflect market conditions. This has positively impacted the investment value, which was offset by the increase of discount rates.

Limited Partners' paid-in capital to the Fund at the end of 2023 amounted to EUR 279m. Net contributed capital thus equals 90% of the committed capital of EUR 310m. Accumulated distributions to Limited Partners amounted to EUR 192m since the fund initiation and accumulated net income at the end of 2023 amounted to EUR 26m. Hereafter, total Limited Partners' capital at the end of 2023 amounted to EUR 115m.

Uncertainty relating to recognition and measurement

CIA II HoldCo invested in an infrastructure project structured to provide stable cash flows. However, transferability and cash flows may to a certain extent be affected by changes in the market conditions. Consequently, the fair value of the investment is based on estimates and several assumptions on the balance sheet date.

Events after the balance sheet date

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

Outlook

The outlook for the Limited Partnership depends on the results of the investments.

Expectations for the Limited Partnership are in general positive and income from investments in 2024 is expected to be within the range of EUR 25-32m. The expectations for 2024 are impacted by the continued turmoil in the financial markets impacting the return requirements on invested capital.

Independent auditor's report

To the shareholders of CI Artemis II Holdco ApS

Opinion

We have audited the financial statements of CI Artemis II Holdco ApS for the financial period 01.01.2023 to 31.12.2023, which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations and cash flows for the financial period 01.01.2023 to 31.12.2023 in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements of 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 financial statements" section of this auditor's report. We are independent of the Company 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.

Management's responsibilities for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as the 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, the Management is responsible for assessing the Fund'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 financial statements unless the Management either intends to liquidate the Fund 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

[Statement on the management commentary](#)

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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, 28.06.2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Anders Houmann
State Authorised Public Accountant
Identification No (MNE) mne46265

Statement of comprehensive income

	Notes	2023 EUR'000	2022 EUR'000
Net increase/(decrease) in unrealised gains/(losses) from financial assets at fair value		(18,482)	0
Operating income/(loss)		(18,482)	0
Administrative expenses	3	(41)	(70)
Operating expenses		(41)	(70)
Operating profit/(loss) (EBIT)		(18,523)	(70)
Financial income	4	1	0
Financial expenses	5	(1)	(1)
Increase / (decrease) in net assets attributable to Limited Partners		(18,523)	(71)
Comprehensive income		(18,523)	(71)

The notes form an integral part of these financial statements.

Statement of financial position as at 31.12.2023

Assets

	Notes	2023 EUR'000	2022 EUR'000
Equity investments	6	32,539	51,021
Investments		32,539	51,021
Non-current assets		32,539	51,021
Other receivables		0	2
Cash and cash equivalents		29	62
Current assets		29	64
Total assets		32,568	51,085

The notes form an integral part of these financial statements.

Net assets and liabilities

	Notes	2023 EUR'000	2022 EUR'000
Limited partnership capital		6	6
Share premium		34,367	34,367
Retained earnings		(1,822)	16,702
Net assets attributable to Limited Partners		32,551	51,075
Other payables	7	17	10
Current liabilities		17	10
Total liabilities		17	10
Total liabilities and net assets attributable to Limited Partners		32,568	51,085

The notes form an integral part of these financial statements.

Statement of changes in net assets attributable to the Limited Partners

	Limited partnership capital EUR'000	Share premium EUR'000	Retained earnings EUR'000	Total EUR'000
Net assets 01.01.2023	6	34,367	16,702	51,075
Profit/(loss) for the period	0	0	(18,524)	(18,524)
Net assets 31.12.2023	6	34,367	(1,822)	32,551

	Limited partnership capital EUR'000	Share premium EUR'000	Retained earnings EUR'000	Total EUR'000
Net assets 01.01.2022	6	34,367	16,774	51,147
Profit/(loss) for the period	0	0	(72)	(72)
Net assets 31.12.2022	6	34,367	16,702	51,075

Statement of cash flows

	Notes	2023 EUR'000	2022 EUR'000
Operating profit/(loss) (EBIT)		(18,523)	(70)
Net increase/(decrease) in unrealised gains/(losses) from financial assets at fair value through profit or loss		18,482	0
Change in receivables		2	0
Change in payables		6	1
		(33)	(69)
Received financial income	4	1	0
Paid financial expenses	5	(1)	(1)
Cash flows from operating activities		(33)	(70)
Increase/decrease in cash and cash equivalents		(33)	(70)
Cash beginning of year		62	132
Cash end of year		29	62

The notes form an integral part of these financial statements.

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Notes to the financial statements

1 Accounting policies

Reporting class

The financial statements are prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act governing reporting class C (medium) enterprises.

CI Artemis II HoldCo ApS is an Entity based in Denmark.

This is the Entity's fourth financial year. The current financial year comprise the period 1 January 2023 – 31 December 2023 and comparative figures comprise the period 1 January– 31 December 2022.

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

The financial statements are presented in Euro (EUR), which is the functional currency of the Entity.

The financial statements are presented on the basis of historical cost, except for the investments and receivables from investments, which are measured at fair value. Historical cost is based on the fair value of the consideration given in exchange for assets.

All amounts in the financial statements are presented in whole EUR thousand. Every figure is rounded off separately and, for that reason, minor differences between the stated totals and the sum of underlying figures may occur.

Judgements made by the Management in the application of IFRSs that have had significant effects on the financial statements are disclosed, where applicable, in the relevant notes to the financial statements.

Defining materiality

If a line item is not individually material, it is aggregated with other items and notes of a similar nature in the financial statements or in the notes. There are substantial disclosure requirements throughout the IFRS Accounting Standards. The Management provides specific disclosures required by IFRS unless the information is considered immaterial to the economic decision-making of the users of these financial statements or not applicable.

The most significant accounting policies are set out below.

Standards and Interpretations not yet in force

All of the new and amended Standards and Interpretations which are relevant to the Entity, and which came into force with effect for financial years beginning 01.01.2023 have been applied when preparing the financial statements.

These Standards have not had an impact on the Entity's Annual Accounts.

There are no other Standards, Interpretations or amendments to existing Standards that are not yet effective that would be expected to have an impact on the Entity.

Significant accounting judgment and estimates

As part of the preparation of the financial statements, the Management made judgements and estimates which affect the application of the Entity's accounting policies and the reported amounts of assets, liabilities, income and expenses. The most significant accounting judgements are evident from Note 2 to the financial statements.

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. Assets are derecognised in the balance sheet when it is no longer probable that future economic benefits will flow to the Entity.

Purchase and sale of financial assets and liabilities are recognised in the balance sheet at the commitment date.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of an event before or on the balance sheet date, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably. Liabilities are derecognised in the balance sheet when it is no longer probable that economic benefits will have to be given up to settle the liability.

On initial recognition, assets and liabilities are measured at cost, however, investment assets are measured at fair value on initial recognition, typically equalling cost exclusive of directly incurred expenses (direct transaction costs). Measurement subsequent to initial recognition is affected as described below for each financial statement item. Allowance is made for events occurring from the balance sheet date to the date of presentation of the annual report, and which confirm or invalidate affairs and conditions existing at the balance sheet date.

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

Foreign currency translation

Items included in the financial statements of the Entity are measured in the currency of the primary economic environment in which the Entity operates (the "functional currency"). The financial statements of the Entity are presented in the currency unit (EUR, Euro), which is the Entity's functional and presentation currency.

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Statement of comprehensive income

Revenue recognition

Dividend income is recognised when the Entity's rights to receive the payments have been established, normally being the ex-dividend date.

Operating income From Receivables and investments

Income realised from the disposal of investments is calculated as the difference between net selling price and the fair value at the beginning of the financial year.

Operating income from receivables and investments consists of unrealised fair value adjustments, dividends, accrued interest, net foreign exchange gains or losses related to receivables and investments and profit or loss

from the disposal of portfolio investments or receivables.

Administrative expenses

All expenses are recognised in the statement of comprehensive income on the accrual basis.

Administrative expenses comprise expenses incurred during the financial year not directly related to the Entity's investment activities.

General due diligence costs and general administration etc including management fees have been expensed by the amounts attributable to this financial year.

Financial income and expenses

Financial income and expenses comprise interest income and various expenses, and net exchange rate adjustments on transactions in foreign currencies.

Interest income and interest expenses are recognised on an accrual basis.

Balance sheet

Investments

Financial assets and liabilities are recognised at fair value through profit and loss when the Entity becomes party to the contractual provisions of the instrument. Recognition takes place on the trading day when the Entity purchases or sells an investment under a contract whose terms require delivery of the investment within the time frame established by the market.

On initial recognition, equity investments are measured at fair value.

Financial assets and liabilities are derecognised when the contractual rights to the cash flows from the investments have expired or the Entity has transferred substantially all risks and rewards of ownership.

Investments consist of equity investments. Furthermore, investments consist of capitalised development costs, which increase the fair value of the investments. On initial recognition, both types of investment are measured at fair value, and subsequently measured at fair value with recognition of fair value adjustments through profit or loss.

The fair value is calculated equivalent to an estimated fair value that is determined based on market information, IPEV Valuation Guidelines and generally accepted valuation techniques, including benchmarking, DCF or other relevant methods, which are considered to provide the best estimate of the fair value.

For further information about the measurement of fair values, please refer to note 10.

Other receivables

Receivables relate to the Entity's ordinary business activities and are mainly from other companies in the Copenhagen Infrastructure Partners structure.

Receivables are measured at amortised cost, usually equalling nominal value. The value is reduced by write-downs for expected losses based on generally accepted models under IFRS 9, including the Entity's historical experience in credit losses etc.

Cash and cash equivalents

Cash comprises cash in bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

The cash flow statement of the Entity is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Entity's cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items and working capital changes.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of investments.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and payment of distributions to the Investors.

Cash comprises cash and short-term securities with an insignificant price risk less short-term bank loans.

Financial highlights

Financial highlights are defined and calculated as below.

Ratios	Calculation formula	Ratios reflect
Liquidity ratio (%)	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$	The Entity's financial strength

Significant accounting estimates, assumptions, and uncertainties

The Entity develops and invests in infrastructure assets (unlisted equity investments and receivables), the market price of which depends both on entity-specific affairs and market conditions, including power prices, commodity prices, exchange rates and construction risk within the different investments. Furthermore, the valuation and hence fair value of the long-term receivables are affected by changes in the risk-free interest rate and the general cost of risk in the market. As a result, income from investments, including the unrealised value adjustments, accrued interest and the fair value of investments are subject to estimation and uncertainty. For further information about the financial risks related to the investments, please refer to note 9.

This uncertainty may be higher during periods of high volatility in the financial markets, and economic trends affect earnings of the underlying companies as well. Furthermore, the uncertainty is affected by the construction risk within the different investments, and also the uncertainty related to the construction of the projects taking place within relevant time frames or milestones.

The methods applied in and the assumptions underlying the determination of the fair value in unlisted equity investments are described in note 6 to the financial statements.

3 Administrative expenses

The Entity has no employees.

Administrative expenses include comprises fee to administration, audit, and advisors etc.

4 Financial income

	2023	2022
	EUR'000	EUR'000
Other financial income	1	0
Financial income	1	0

5 Financial expenses

	2023	2022
	EUR'000	EUR'000
Other interest expenses and fees	1	1
Interest expenses for financial liabilities	1	1

6 Investments

	Equity Investments EUR'000
Fair value at 01.01.2023	51,021
Fair value adjustment	(18,482)
Fair value at 31.12.2023	32,539

	Equity Investments EUR'000
Fair value at 01.01.2022	51,021
Fair value at 31.12.2022	51,021

Investments	Corporate form	Registered in	Equity interest %	Profit/(loss)* EUR'000	Equity* EUR'000	Initial date of Investment
CI Artemis II HoldCo	GmbH	Germany	100.00	36,043	396,953	Q1 2020

7 Other payables

	2023	2022
	EUR'000	EUR'000
Other vendors and other liabilities	17	10
Other payables	17	10

The carrying amount of payables relates to investments, legal fees, auditor's fees, travel costs etc. The amount recognised is equal to the fair value of the liabilities.

Other payables fall due for payment within 12 months.

8 Financial instruments

Classes of financial instruments:

	2023	2022
	EUR'000	EUR'000
Equity investments	32,539	51,021
Financial assets measured at fair value through profit or loss	32,539	51,021
Other receivables	0	2
Receivables measured at amortised cost	0	2
Other payables	17	10
Financial liabilities measured at amortised cost	17	10

All financial liabilities are due for payment within 12 months.

No provisions for expected credit loss have been recognised. Please refer to note 9 for further information.

9 Financial risk management

The Management is ultimately responsible for the overall risk management within the Entity.

The Entity pursues an investment strategy approved by the Management and invests in infrastructure projects.

The Entity's risk management processes include identification, measurement, monitoring, reporting and mitigation of the identified risks to minimise the potential negative effects at Entity level.

Key financial risk factors and exposure regarding the financial statements for 2023 can be categorised as follows:

	Less than 1 year EUR'000	Between 1 year and 5 years EUR'000	After 5 years EUR'000	Total EUR'000
Other payables	36	0	0	36
31.12.2023	36	0	0	36

	Less than 1 year EUR'000	Between 1 year and 5 years EUR'000	After 5 years EUR'000	Total EUR'000
Other payables	10	0	0	10
31.12.2022	10	0	0	10

Financial risk factors

Liquidity risks

The Entity manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Entity's liquidity risk is considered insignificant as liabilities are payable within one year. In addition, no indication of the Investor's inability to contribute the remaining Entity commitment exists as well as future income from investments is expected to settle the outstanding amount.

Credit risks

The Entity is not exposed to any credit risk from non-performing receivables. Likewise, there is no impairment of other receivables e.g. at the balance sheet date as it is assessed that the debtors will fulfil the individual facility agreements.

The Entity recognizes a loss allowance and provisions for expected credit losses when there has been significant increase in credit risk since initial recognition. In assessing whether the credit risk on receivables has increased significantly since initial recognition, the Entity compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. As of 31 December 2023, no loss allowance for expected credit losses have been made.

Credit risk related to cash and cash equivalent is considered immaterial. Furthermore, all applied bank connections have a high and sound credit rating.

The Entity is not exposed to any significant credit risk from a single counterparty at 31 December 2023, since the portfolio of the Entity consists of a number of counterparties and infrastructure projects.

Interest rate risk

The Entity has no external debt as of the balance sheet date, and therefore no interest rate risk connected to the liabilities.

A sensitivity analysis of the Entity's investments including applied discount rates for both equity investments and shareholder loans are detailed in note 10.

Currency risk

The Entity is denominated in EUR. All cash flows, including drawdowns and distributions, take place in EUR. Consequently, the Investors are not exposed to currency risk through the Entity. No hedging is made at Entity level. No derivatives have been recognized on the balance sheet date in the Entity.

Commodity and power prices

The Entity's indirect power price exposure is mitigated via power price agreements and/or instruments in the project's capital structure. The Entity's indirect outright power price exposure are considered as low. Other hedges of commodities and power prices are recognized in the underlying entity structures, not in the Entity.

When the Entity has an indirect outright power price and commodity price exposure changes in such risk factors impact the fair value of the individual investment.

10

Financial instruments measured at fair value

The fair value of the investments is measured on a quarterly basis, or more frequently if significant changes occur.

The Management has implemented procedures and methodology to ensure that the valuation is carried out consistently over time and across investments.

Methods applied in and assumptions underlying the determination of fair values of investments

The fair value of investment and receivables from investments has been estimated by applying methods that best reflect the risks and the stage of each investment, e.g. assumptions related to power prices, inflation rates, technical availability and discount rate.

In general, the fair value is determined in accordance with IPEV Valuation Guidelines and generally accepted valuation techniques, including DCF models, benchmarking or other relevant methods. The valuation approach incorporates all of the factors that market participants would take into account in pricing a transaction, such as cash flows, discount rates and yield curves assumptions.

The valuation of equity investments and receivables from investments is based on the same methods, as equity investments and receivables from investments are exposed to the same risks.

Fair value hierarchy for financial instruments measured at fair value in the balance sheet

Below, financial instruments measured at fair value are classified using the fair value hierarchy:

- Quoted prices in active markets for identical instruments (Level 1)
- Quoted prices in active markets for similar assets or liabilities or other valuation methods under which all material inputs are based on observable market data (Level 2)
- Valuation techniques under which any material inputs are not based on observable market data (Level 3)

All investments are classified as Level 3 investments and there have not been any transfers between the levels during the financial year.

Material unobservable inputs for Level 3

Financial instruments measured at fair value in the balance sheet are based on valuation techniques that include material unobservable input. Material unobservable inputs mean in this context that the valuation is dependent on a return requirement that contains a number of components that cannot be observed on trading markets, for example project-specific risks and illiquidity prices.

	Level 1 EUR'000	Level 2 EUR'000	Level 3 EUR'000	Total EUR'000
2023				
Unlisted shares, equity investments	0	0	32,539	32,539
Financial assets measured at fair value through profit or loss	0	0	32,539	32,539
2022				
Unlisted shares, equity investments	0	0	51,021	51,021
Financial assets measured at fair value through profit or loss	0	0	51,021	51,021

Material unobservable inputs

Fair value of the assets is determined based on both forward-looking information, current market and geopolitical conditions, actuals e.g., contributions and distributions etc. as well as status on the specific assets. Valuations are conducted by an independent inhouse valuation expert team and approved quarterly in the Copenhagen Infrastructure Partners Valuation Committee and subsequently by the Board of Directors as part of the quarterly report. A number of material unobservable input is applied in the valuation and is ongoingly assessed on a on a Fund specific level. An elaboration of the assessed material unobservable inputs is outlined below.

Inflation – Investments regulated under German GAAP

Inflation forecasts are based on a combination of short-term data sourced from the Bloomberg Bank Composite Inflation Tool combined with the long-term central bank forecasts (e.g., Bank of England, Federal Reserve Bank, European Central Bank) for the countries from which materials are sourced, as well as data relating to specific commodities. Changes to inflation are considered in determining the discount rates as the changes to inflation can impact risk-free rate and through that the discount rate applied for the individual asset.

11 Related parties

Related parties with a controlling interest

CI Artemis II K/S, Gdanskgade 18, 12, 2150 Nordhavn owns all shares in the Entity, thus exercising control.

There are no other key relationships, which are considered material to the financial statements.

12 Contingent liabilities

The Entity has no guarantees or contingent liabilities.

13 Investors

The Limited Partnership has registered the following Limited Partner as holding more than 5% of the voting rights or nominal value of the contributed capital:

Limited Partner	Residence	Ownership percentage
CI Artemis II K/S	Gdanskgade 18, 12, 2150 Nordhavn	100.00

14 Events after the balance sheet date

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

15 Authorisation of the annual report for issue

At the meeting held on 28 June 2024 the Management authorised this annual report for issue on 28 June 2024.

The annual report will be submitted to the Limited Partnership's Limited Partners for adoption at the Annual General Meeting on 28 June 2024.