FE II Delta 1 K/S

c/o Bech-Bruun

Gdanskgade 18

2150 Nordhavn

CVR no. 43 93 09 15

Annual Report 2024

Approved at the limited partnership's ordinary partnership meeting on 31 March 2025

Chairperson:

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Lars Tejlgaard Jensen

Contents

Statement by the general partner

The general partner has today discussed and approved the annual report of FE II Delta 1 K/S for the financial year 1 January – 31 December 2024.

The annual report has been prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the limited partnership's assets, liabilities and financial position at 31 December 2024 and of the results of the limited partnership's operations and cash flows for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the limited partnership's operations and financial matters and the results of the limited partnership's operations and financial position.

The supplementary report provides a fair presentation within the framework of generally recognized guidelines for such reports.

We recommend that the annual report be approved at the ordinary partnership meeting.

Copenhagen, 31 March 2025

General partner:
FE II Delta 1 GP ApS

Søren Piilgaard Barkholt	Erik Sejersen

Independent auditor's report

To the limited partners and the general partner of FE II Delta 1 K/S

Opinion
We have audited the financial statements of FE II Delta 1 K/S for the financial year 1 January – 31 December 2024, which comprise statement of comprehensive income, statement of financial position, statement of changes in equity and capital commitment, statement of cash flows and notes, including material accounting policy information. 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 financial position of the limited partnership at 31 December 2024 and of the results of the limited partnership's operations and cash flows for the financial year 1 January – 31 December 2024 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
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.

Statement on the Management's review and the Supplementary report in accordance with Sustainable Finance Disclosure Regulation
Management is responsible for the Management's review and the Supplementary report on information in accordance with Sustainable Finance Disclosure Regulation, hereinafter referred to as the "supplementary report".

Our opinion on the financial statements does not cover the Management's review and the Supplementary report, and we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and the Supplementary report and, in doing so, consider whether the Management's review and the Supplementary report are 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review and the Supplementary report are in accordance with the financial statements and have been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatements of the Management's review or the Supplementary report.

Management's responsibilities for the financial statements
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 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 limited partnership'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 limited partnership or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report - continued

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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 limited partnership'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 limited partnership'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 limited partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, 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.

Copenhagen, 31 March 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Thomas Hjortkjær Petersen
State Authorised Public Accountant
mne33748

Management's review

Details of the limited partnership

Name:	FE II Delta 1 K/S
Address:	c/o Bech-Bruun Gdanskgade 18 2150 Nordhavn Denmark
Registration no.:	CVR no. 43 93 09 15
Registered office:	Copenhagen
Financial year:	1 January – 31 December
Date of establishment:	8 March 2023
Initial closing date:	26 October 2023
Total commitment:	USD 25,000,000
Term:	Unlimited
Investment period:	5 years
General partner :	FE II Delta 1 GP ApS
Investment manager:	Frontier Investment Management ApS
Auditors:	EY Godkendt Revisionspartnerselskab Dirch Passers Alle 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights

USD	2024	2023*
Key figures		
Income/loss from investments in portfolio companies	2,569	0
Profit/loss before financial income and expenses	2,547	-439
Net financial income	7	12
Profit/loss for the year	2,554	-427
Investments in portfolio companies	26,183	17,596
Total assets	26,262	24,117
Equity (net asset value)	26,249	24,080
Cash flows from operating activities	-40	-390
Cash flows from investing activities	-6,018	-17,596
Cash flows from financing activities	-386	24,507
Total cash flows	-6,444	6,522
Financial ratios		
Equity ratio	99.9	99.8
Return on equity (average)	10.2	neg.

The financial ratios have been calculated as follows:

Equity ratio: $\frac{Equity\ at\ year\ end*100}{Equity\ and\ liabilities\ at\ year\ end}$

Return on equity (average): $\frac{Profit\ for\ the\ year\ *100}{Average\ equity}$

**the financial statements comprise the period from fund inception at 8 March – 31 December 2023.*

Management's review

Operating review

Principal activities

FE II Delta 1 K/S is a private equity limited partnership, which was established on 8 March 2023. The objective of FE II Delta 1 K/S is to achieve the highest possible financial return on the commitments of the partners by directly or indirectly investing in Planet Solar Energy (SL) Limited in Sierra Leone.

FE II Delta 1 K/S had its final closing date on 26 October 2023, whereby capital commitments totalling USD 25,000 thousand were secured.

In addition to the limited partnership agreement entered into with FE II Delta 1 GP ApS and Frontier Investment Management ApS, a co-investment agreement has been entered into with Frontier Energy II Alpha K/S and Frontier Energy II Beta K/S under which Frontier Investment Management ApS is responsible for the administration of and providing investment advisory services to FE II Delta 1 K/S. The Limited Partnership therefore has no employees.

Development in financial matters

During 2024, FE II Delta 1 K/S invested an additional USD 6,404 thousand (2023: USD 0 thousand) in portfolio companies and related projects.

No portfolio companies have started commercial operation.

Profit for the year

In 2024, FE II Delta 1 K/S realised a profit of USD 2,554 thousand (2023: Loss of USD 427 thousand), which is mainly attributable to interest accrued on receivables from portfolio companies. Costs incurred include USD 7 thousand (2023: USD 3 thousand) relating to general partner fee calculated and paid in accordance with the limited partnership agreement and the approved general partner fee budget.

Balance sheet and capital structure

At 31 December 2024, the limited partnership had called a total net amount of USD 24,507 thousand (2023: USD 24,507 thousand) of the total capital commitment of USD 25,000 thousand, corresponding to 98% (2023: 98%).

At year-end 2024, total equity amounted to USD 26,249 thousand (2023: USD 24,080 thousand).

Management's review

Operating review (continued)

Uncertainty about the measurement of investments
The portfolio company is an unlisted company which develops a project within renewable energy, energy efficiency, and carbon credit-generating assets in Sierra Leone in Sub-Saharan Africa. The investment is measured at fair value. As there is no active market for such or similar assets, the fair value of the investment, including receivables from the portfolio company, is determined using valuation methods and assumptions made by Management. Accordingly, the measurement of the investments, including receivables from the portfolio company, is by nature subject to uncertainty.

The investment is subject to individual risks, including but not limited to local operational risks, environmental risks, political risks, social risks as well as compliance risks and other related risks for development projects within the renewable energy sector in Sierra Leone in Sub-Saharan Africa. In determining the fair value of the investment, Management considers the impact from these risks. The risks may potentially materialize negatively compared to the investment managers' expectations, adversely impacting the fair value.

Sustainability and Disclosure

Frontier Energy is dedicated to developing and implementing projects that are environmentally and socially sustainable. When developing and building a project, Frontier Energy strives to benefit the neighboring communities and to adhere to global best practice, including IFC performance standards. As part of this work, Frontier Energy has a comprehensive ESG risks assessment process including conducting full Environmental & Social Impact Assessments for all projects and further emphasizes community engagement from early phases of project development.

The 2024 annual report includes sustainability disclosures in accordance with the Sustainable Finance Disclosures Regulation (SFDR). The requirements are largely based on the latest Regulatory Technical Standards ("RTS") to the SFDR Regulation, which indicate which sustainability related information to be made available to investors through the annual report and how this information is to be presented.

Events after the balance sheet date

No events have occurred after the balance sheet date that may have a significant influence on the assessment of the annual report.

Outlook and term extension

The investment manager anticipates making distributions to the limited partners in 2025, driven by positive cash flows from the project company and fund costs remaining consistent with 2024 levels.

The future performance of the limited partnership depends, in all material respects, on the value development of its investment in the portfolio company. The value of the limited partnership's asset benefits from fixed construction and supply prices in USD, as well as guaranteed delivery deadlines, which mitigate the impact of price volatility. In 2025, the investment manager expects the limited partnership to achieve positive results as the portfolio company continues to increase production.

Financial statements for the period 1 January – 31 December

Statement of comprehensive income

Note	USD'000	1 January - 31 December 2024	8 March - 31 December 2023
6	Income/loss from investments in portfolio companies	2,569	0
4	General partner fees	-7	-3
4	Other external costs	-15	-436
	Profit/loss before financial income and expenses	**2,547**	**-439**
5	Financial income	8	12
	Financial expenses	1	0
	Profit/loss for the year	**2,554**	**-427**
	Other comprehensive income	0	0
	Total comprehensive income for the year	**2,554**	**-427**

Financial statements for the period 1 January – 31 December

Statement of financial position

Note	USD'000	31 December 2024	31 December 2023
	ASSETS		
	Non-current assets		
	Investments		
6	Investments in portfolio companies	26,183	17,596
	Total non-current assets	**26,183**	**17,596**
	Current assets		
	Cash at bank and in hand	**78**	**6,522**
	Total current assets	**78**	**6,522**
	TOTAL ASSETS	**26,262**	**24,117**
	EQUITY AND LIABILITIES		
7	**Equity**		
	Contributed capital	24,507	24,507
	Retained earnings	2,127	-427
	Distributions	-386	0
	Total equity	**26,249**	**24,080**
	Liabilities		
	Current liabilities		
	Other payables	13	37
	Total current liabilities	**13**	**37**
	Total liabilities	**13**	**37**
	TOTAL EQUITY AND LIABILITIES	**26,262**	**24,117**

Financial statements for the period 1 January – 31 December

Statement of changes in equity and capital commitment

	Contributed capital					
USD'000	**Commitment**	**Uncalled**	**Committed and paid-in capital**	**Retained earnings**	**Distributions**	**Total equity**
Equity at 8 March 2023	0	0	0	0	0	0
Distributed during the year	0	0	0	0	0	0
Paid through cash calls during the year	25,000	-493	24,507	0	0	24,507
Profit for the year	0	0	0	-427	0	-427
Equity at 31 December 2023	25,000	-493	24,507	-427	0	24,080
Distributed during the year	0	0	0	0	-386	-386
Paid through cash calls during the year	0	0	0	0	0	0
Profit for the year	0	0	0	2,554	0	2,554
Equity at 31 December 2024	25,000	-493	24,507	2,127	-386	26,249

The limited partners are liable for their share of the uncalled capital commitment.

Financial statements for the period 1 January – 31 December

Cash flow statement

USD'000	**2024**	**2023**
Profit/loss before financial income and expenses	2,547	-439
Income/loss from investments in portfolio companies	-2,569	0
Changes in working capital	-24	37
Cash flows from operating activities before financial income and expenses	-46	-402
Interest expenses paid	-1	0
Interest income received	7	12
Cash flows from operating activities	**-40**	**-390**
Net additions to investments in portfolio companies, etc.	-6,178	-17,596
Net realized proceeds from investments in portfolio companies	160	0
Dividends from investments	0	0
Cash flows from investing activities	**-6,018**	**-17,596**
Paid-up contributed capital	0	24,507
Distributed during the year	-386	0
Cash flows from financing activities	**-386**	**24,507**
Cash flows for the period	**-6,444**	**6,522**
Cash and cash equivalents at the beginning of the period	6,522	0
Cash and cash equivalents at year end	**78**	**6,522**

Cash and cash equivalents at year end can be specified as:		
Cash at bank and in hand	**78**	**6,522**

Financial statements for the period 1 January – 31 December

Note summary

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies

Corporate information

The financial statements of FE II Delta 1 K/S (the limited partnership) for the year ended 31 December 2024 were approved and authorised for issue by the general partner on 31 March 2025. FE II Delta 1 K/S is a limited partnership incorporated and domiciled in Denmark.

Basis of preparation

The separate financial statements of FE II Delta 1 K/S (the limited partnership) have been prepared in accordance with the IFRS Accounting Standards (IFRS) as adopted by the EU and the provisions applying to reporting class B enterprises under the Danish Financial Statements Act. These audited financial statements have been prepared as the only financial statements of the limited partnership.

The financial statements are prepared based on the standards and interpretations that are effective as of 31 December 2024. The accounting policies are unchanged from prior year.

The separate financial statements have been prepared on a historical-cost basis, except for financial assets held at fair value through profit or loss. The separate financial statements are presented in USD and all values are rounded to the nearest thousand USD, except where otherwise indicated.

Group structure and activity

The limited partnership is an investment entity. Accordingly, the limited partnership has decided to use the exemption in IFRS 10 to not prepare consolidated financial statements and instead the controlled subsidiaries are accounted for at fair value through profit or loss in accordance with IFRS 9.

Functional and presentation currency

The limited partnership's capital is raised in USD and the performance is evaluated in USD. Therefore, the limited partnership concludes that USD is its functional currency. The limited partnership’s presentation currency is also USD.

Statement of comprehensive income

Value adjustment of investments in portfolio companies

Realised and unrealised fair value adjustments of investments in portfolio companies, including receivables from portfolio companies and loans are recognised in a separate item in the income statement.

Fees and other external costs

Other external costs include travel, administration, auditor and legal, costs for broken deals, etc. Fees are recognised on an accrual basis.

Financial income and expenses

Financial income and expenses comprise interest income and expense, realised and unrealised gains and losses on securities as well as payables and transactions denominated in foreign currencies (non-USD).

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies (continued)

Statement of financial position

Investments

Investments in portfolio companies

Portfolio companies are the companies in which the limited partnership invests in order to create added value for the investors of the limited partnership.

In accordance with the exception under IFRS 10 Consolidated Financial Statements, the limited partnership does not consolidate subsidiaries in the separate financial statements. Investments in subsidiaries are accounted for as financial instruments at fair value through profit or loss in accordance with IFRS 9.

In accordance with the exception within IAS 28 Investments in Associates and Joint Ventures, the limited partnership does not account for its investments in associates using the equity method. Instead, the limited partnership has elected to measure its investments in associates at fair value through profit or loss.

Initial measurement

Investments in portfolio companies, comprising subsidiaries and their investments in subsidiaries as well as associates, are upon initial recognition measured at fair value, typically based on cash injections into the portfolio companies or the fair value of contributions-in-kind into the portfolio companies (typically equal to the monetary equivalent of directly attributable costs incurred by the limited partnership on behalf of the portfolio companies for the development of new projects, including detailed technical and commercial evaluations, environmental approvals and other licenses, etc., related to the project activities of the portfolio companies).

For projects under development, directly attributable project costs incurred are recognised as prepayments, when there is a high probability that a project will be implemented through the establishment or acquisition of a portfolio company.

Subsequent measurement

Subsequently, investments in portfolio companies are measured at fair value through profit or loss. Value adjustments are recorded in the income statement.

Dividends from investments in portfolio companies are recognised in the income statement at the time of declaration (usually at the time of adoption at the ordinary partner meeting).

Fair value measurement

The limited partnership measures its investments in subsidiaries and associates at fair value at each reporting date.

For fair value of investments in portfolio companies, including receivables from portfolio companies and loans, reference is made to note 6.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies (continued)

Receivables from portfolio companies and loans

In addition to equity investments, the limited partnership holds investments in receivables and loans on a fair value basis for investment income and fair value gains. The receivables from portfolio companies and loans are managed, and its performance evaluated, on a fair value basis.

Initial measurement

Receivables from portfolio companies and loans are recognised at the trade date, initially measured at fair value.

Subsequent measurement

Subsequently, receivables from portfolio companies and loans are measured at fair value through profit or loss. Value adjustments are recorded in the income statement.

Other receivables

Other receivables are recognised at the trade date, initially measured at fair value.

The limited partnership holds other receivables other than those classified at fair value through profit and loss with the objective of collecting the contractual cash flows, and therefore, measures them subsequently at amortised cost using the effective interest method.

The limited partnership applies the simplified approach to measure the expected credit loss and a lifetime expected loss allowance for all other receivables.

The limited partnership's approach to expected credit loss reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

As a practical expedient and due to the limited number of other receivables, the expected credit loss is based on days past due, historically observed loss rates, the nature of the other receivables and adjusted for forward-looking factors specific to the debtor and the economic environment.

Financial liabilities

Non-current liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement under financial expenses over the term of the loan.

Other financial liabilities are measured at amortised cost.

Equity

Investments by limited partners are recognised when cash calls are made. Investment commitments where cash calls have not been made at the balance sheet date are disclosed in the notes.

Tax

The limited partnership is not an independent tax entity, and therefore tax is not recognised in the financial statements.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies (continued)

Statement of cash flows

The cash flow statement shows the limited partnership's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the limited partnership's cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as profit/loss for the year adjusted for non-cash operating items and changes in working capital, excluding payments in connection with acquisition and disposal of portfolio companies.

Cash flows from investing activities

Cash flows from investing activities comprise cash payments in connection with acquisition and disposal of portfolio companies, etc., including loans in this respect.

Cash flows from financing activities

Cash flows from financing activities comprise payment of contributed capital as well as rising of loans, repayment of interest-bearing debt, and payments to limited partners.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank overdraft facilities used as part of the short-term liquidity management.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

2 Significant accounting judgements, estimates and assumptions

The preparation of the limited partnership's financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the limited partnership's accounting policies, Management has made the following judgements, which affect the amounts recognised in the financial statements at the most:

Assessment as investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at fair value through profit or loss (FVPL) rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services.
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both.
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The limited partnership agreement details the limited partnership's objective of achieving the highest possible financial return on the commitments of the partners by directly or indirectly investing in Planet Solar Energy (SL) Limited in Sierra Leone.

The limited partnership reports to its investors via quarterly investor information. All investments are reported at fair value to the extent allowed by IFRS in the limited partnership's annual report.

Management has also concluded that the limited partnership meets the additional characteristics of an investment entity, in that its ownership interests are predominantly in the form of equities and shareholder loans; it has more than one investor and has investors that are not related parties. The limited partnership does not have more than one investment, but is established to pool investors' funds to invest in a single investment.

Management has concluded that the limited partnership meets the definition of an investment entity.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The limited partnership based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the limited partnership. Such changes are reflected in the assumptions when they occur.

Investments in portfolio companies

For fair value of investments in portfolio companies, including receivables from portfolio companies and loans, reference is made to note 6.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

3 Standards issued but not yet effective

In the opinion of Management, no standards or interpretations that are issued, but not yet effective, up to the date of issuance of the limited partnership's financial statements, will significantly impact the limited partnership.

	USD'000	2024	2023
4	**Other external costs**		
	General partner fee	7	3
	Establishment	0	426
	Other external costs	15	10
	Total external costs	**22**	**439**
5	**Financial income**		
	Foreign exchange rate gain	0	0
	Other	8	12
	Total financial income	**8**	**12**

6 Investments

USD'000	Equity investments in portfolio companies	Receivables from portfolio companies and loans	Total investments
Cost at 1 January 2024	**1,642**	**15,954**	**17,596**
Additions during the year	0	6,404	6,404
Disposals during the year	0	-227	-227
Cost at 31 December 2024	**1,642**	**22,132**	**23,773**
Value adjustment at 1 January 2024	0	0	0
Accrued interest	0	2,409	2,409
Other adjustments	0	0	0
Value adjustment at 31 December 2024	**0**	**2,409**	**2,409**
Carrying amount at 31 December 2024	**1,642**	**24,541**	**26,183**

The limited partnership measures its investments at fair value at each reporting date.

Receivables from portfolio companies' primarily relate to convertible loans granted to the portfolio company, which under certain conditions can be converted into share capital.

USD'000	2024	2023
Income/loss from investments in portfolio companies		
Unrealised value adjustments	0	0
Realised interest	0	0
Unrealised interest	2,409	0
Realised value adjustments	0	0
Other realised income	160	0
Total income/loss on investments in portfolio companies	**2,569**	**0**

Financial statements for the period 1 January – 31 December

Notes to the financial statements

6 Investments (continued)

Fair value of investments
Equity investments in portfolio companies, including receivables from portfolio companies and loans are measured at fair value through profit or loss. The valuation of investments is based on the valuation prepared by the investment manager.

After the early project and development stages (i.e. the operation stage), fair value is determined by using valuation methods deemed to be appropriate in the circumstances. Valuation methods include the market approach (i.e., using recent arm's length market transactions adjusted as necessary) and the income approach (i.e., discounted cash flow analysis making as much use of available and supportable market data as possible).

The inputs to this are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

Changes in assumptions about these factors could affect the reported fair value of items in the statement of financial position and the level where the items are disclosed in the fair value hierarchy.

Investments are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

The following table shows the classification of financial instruments recognised at fair value:

	2024			
USD'000	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments				
Equity investments in portfolio companies	0	0	1,642	1,642
Receivables from portfolio companies and loans	0	0	24,541	24,541
Total financial assets	**0**	**0**	**26,183**	**26,183**

	2023			
USD'000	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments				
Equity investments in portfolio companies	0	0	1,642	1,642
Receivables from portfolio companies and loans	0	0	15,954	15,954
Total financial assets	**0**	**0**	**17,596**	**17,596**

The limited partnership's investment is not quoted in an active market and transactions in such investments do not occur on a regular basis. Therefore, the limited partnership classifies the fair value of its investment as Level 3.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

6 Investments (continued)

The following table shows a reconciliation of the opening balance to the closing balance for fair value measurements in Level 3 of the fair value hierarchy.

	2024		
USD'000	**Equity investments in portfolio companies**	**Receivables from portfolio companies and loans**	**Total**
Balance at 1 January	1,642	15,954	17,596
Total unrealised gains or losses[1]	0	2,409	2,409
Net additions	0	6,404	6,404
Disposals	0	-226	-226
Total financial assets	**1,642**	**24,541**	**26,183**

	2023		
USD'000	**Equity investments in portfolio companies**	**Receivables from portfolio companies and loans**	**Total**
Balance at 8 March	0	0	0
Total unrealised gains or losses[1]	0	0	0
Purchases	1,642	15,954	17,596
Total financial assets	**1,642**	**15,954**	**17,596**

1 All gains and losses are recognized as value adjustment of investments in portfolio companies or financial income in the profit and loss. 0 (nil) is recognized in other comprehensive income.

There are no transfers between level 1, 2 and 3 during 2024 or 2023.

Uncertainty about the measurement of investments

The portfolio company is an unlisted company which develops a project within renewable energy, energy efficiency, and carbon credit-generating assets in Sierra Leone in Sub-Saharan Africa. The investment is measured at fair value. As there is no active market for such or similar assets, the fair value of the investment, including receivables from the portfolio company, is determined using valuation methods and assumptions made by Management. Accordingly, the measurement of the investments, including receivables from the portfolio company, is by nature subject to uncertainty.

The investment is subject to individual risks, including but not limited to local operational risks, environmental risks, political risks, social risks as well as compliance risks and other related risks for development projects within the renewable energy sector in Sierra Leone in Sub-Saharan Africa. In determining the fair value of the investment, Management considers the impact from these risks. The risks may potentially materialize negatively compared to the investment managers' expectations, adversely impacting the fair value.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

6 Investments (continued)

The limited partnership meets the definition of an investment entity. Therefore, it does not consolidate its subsidiary but, recognises it as an investment at fair value through profit or loss. At 31 December 2024, the limited partnership had invested in the following portfolio company:

Subsidiary	Country	Ownership interest	Equity (100%/ USD'000)	Profit/loss for the year (100%/ USD'000)	Operational start	Investment project description
Planet Solar Energy (SL) Limited [1]	Sierra Leone	35,7%	20,593	-11		Development of a solar power plant

[1] According to the latest approved financial statements for the financial year 1 January - 31 December 2022

The portfolio company is subject to special restrictions and obligations in relation to the distribution of dividend, etc.

Specification by investments of the respective limited partners:

USD'000	Share of total investment cost	Share of interest income	Share of carrying amount
BII	9,410	954	10,364
FMO	9,410	954	10,364
PROPARCO	4,953	502	5,455
Balance at 31 December 2024	**23,773**	**2,410**	**26,184**

Financial statements for the period 1 January – 31 December

Notes to the financial statements

7 Capital management and contributed capital

For the purpose of the limited partnership's capital management, capital includes contributed capital and all other equity reserves attributable to the limited partners of the partnership. The committed capital from the limited partners amounted to USD 25,000 thousand at 31 December 2024, of which USD 493 thousand was uncalled. Quantitative information about the limited partnership's capital is provided in the statement of changes in equity, capital commitment and below.

The objective of FE II Delta 1 K/S is to achieve the highest possible financial return on the commitments of the partners by directly or indirectly investing in Planet Solar Energy (SL) Limited in Sierra Leone.

The limited partnership will call capital from the limited partners as needed in connection with the execution of activities in accordance with the limited partnership agreement.

Specification by capital accounts of the respective limited partners:

	Committed and contributed capital			Retained earnings					
USD'000	**Commit-ment**	**Uncalled**	**Called**	**Allocation of cost incurred, net**	**Realised gains on invest-ments**	**Unrealised gain on invest-ments**	**Total retained earnings**	**Distribu-tions**	**Total equity**
BII	9,896	-195	9,701	-175	63	954	842	-153	10,390
FMO	9,896	-195	9,701	-175	63	954	842	-153	10,390
PROPARCO	5,208	-102	5,106	-92	33	502	443	-80	5,468
Balance at 31 December 2024	**25,000**	**-493**	**24,507**	**-441**	**160**	**2,409**	**2,127**	**-386**	**26,249**

Since the establishment, the committed contributed capital has developed as follows:

	USD'000
Balance at the establishment on 8 March 2023	0
Commitments during 2023	25,000
Balance at 31 December 2024	**25,000**

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8 Financial risk

The limited partnership's objective in managing risk is the creation and protection of the limited partners' investment and return. The limited partnership calls capital based on the limited partners' commitments for the use of making investments in the portfolio company. Some risks are inherent in the limited partnership's investment activities, refer to note 6 for details of these. The limited partnership is exposed to interest rate risk, liquidity risk, credit risk and currency risk.

Risk management structure

The limited partnership's investment manager is responsible for identifying and controlling risks and to ensure that investments are made in accordance with the limited partnership agreement. The established Investment Committee reviews all proposals made by the investment manager relating to the making or realisation of investments.

The general partner supervises the investment manager and is ultimately responsible and liable for the overall risk management of the limited partnership.

Risk mitigation

The limited partnership has investment policies that set out its overall business strategies, its risk tolerance and its general risk management philosophy for the investments. The investment manager assesses the risk profile before entering into investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We refer to note 6 for the exposures to investments in loans where the fair value of the investments is exposed to changes in interest rate risk. The loans are with fixed-interest rate terms.

Liquidity risk

Liquidity risk is the risk that the limited partnership will not be able to meet its financial obligations as they fall due. The investment manager monitors risk of a shortage of funds on an ongoing basis. The general partner reviews the liquidity position on a quarterly basis based on the quarterly reports prepared by the investment manager.

The limited partnership will call capital from the limited partners based on an as-needed basis to enable the limited partnership to make investments, pay expenses incurred by the limited partnership and comply with any obligations undertaken.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

8 Financial risk (continued)

The table below summarises the maturity profile of the limited partnership's financial assets and liabilities based on contractual undiscounted receipts and payments:

USD'000	Falling due within 1 year	Falling due between 1-5 years	Falling due after 5 years	No fixed maturity	Total	Carrying amount
2024						
Investments						
Equity investments in portfolio companies	0	0	0	1,642	1,642	1,642
Receivables from portfolio companies and loans	3,769	5,871	8,497	6,405	24,541	24,541
Financial receivables						
Cash at bank and in hand	0	0	0	78	78	78
Total financial assets	**0**	**0**	**24,542**	**1,720**	**26,262**	**26,262**
Financial liabilities						
Other payables	13	0	0	0	13	13
Total financial liabilities	**13**	**0**	**0**	**0**	**13**	**13**

USD'000	Falling due within 1 year	Falling due between 1-5 years	Falling due after 5 years	No fixed maturity	Total	Carrying amount
2023						
Investments						
Equity investments in portfolio companies	0	0	0	1,642	1,642	1,642
Receivables from portfolio companies and loans	0	0	15,954	0	15,954	15,954
Financial receivables						
Cash at bank and in hand	0	0	0	6,522	6,522	6,522
Total financial assets	**0**	**0**	**15,954**	**8,164**	**24,117**	**24,117**
Financial liabilities						
Other payables	37	0	0	0	37	37
Total financial liabilities	**37**	**0**	**0**	**0**	**37**	**37**

Cash at bank are without restrictions and available upon request.

Repayment of receivables from portfolio companies and loans is dependent on the operations. The actual repayment is further dependent on available liquid funds, including continued energy production and fulfilment of the power purchase agreements with the local off-taker. The main balance towards the portfolio company is therefore included as 'no fixed maturity' in above table.

The limited partnership has fully paid-in its commitment to the portfolio company. Refer to note 10 for further details.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

8 Financial risk (continued)

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the limited partnership by failing to discharge an obligation. The limited partnership is exposed to the risk of credit-related losses that can occur as a result of a counterparty or limited partner being unable or unwilling to honour its contractual obligations. These credit exposures exist for receivables and cash and cash equivalents.

It is the limited partnership's policy to enter into financial instruments with reputable counterparties.

In 2024, the limited partnership accounted for an impairment loss of receivables measured at amortised cost of USD 0 (nil).

The carrying value of the limited partnership's financial instruments, as disclosed in the statement of financial position, represents the maximum credit exposure, hence, no separate disclosure is provided. Reference is made to the statement of financial position.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The limited partnership transacts in other currencies than USD, including DKK, EUR and local currencies in countries in Sub-Saharan Africa. In addition, a part of the limited partnership's expenses, is in DKK.

Accordingly, the value of the limited partnership's assets may be affected favourable or unfavourable by fluctuations in exchange rates. Therefore, the limited partnership will naturally be subject to foreign exchange risks.

The limited partnership does not hedge its exposure to foreign currency fluctuations.

The net exposure to currency risk during 2024 is considered immaterial since loans to the portfolio company is in USD. A sensitivity analysis is therefore not disclosed since the effects on the P&L will be immaterial.

There is no sensitivity effect on other comprehensive income as the limited partnership has no assets classified as fair value through other comprehensive income or designated hedging instruments.

9 Contingencies, etc.

Commitments regarding investments in portfolio companies

The limited partnership has entered into a portfolio company investment agreement. At 31 December 2024, unconditional commitments amounted to USD 0. At 31 December 2024, conditional commitments amounted to USD 0.

Financial statements for the period 1 January – 31 December

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10 Related party disclosures

No individual companies or persons exercise control over FE II Delta 1 K/S.

The following parties are considered related parties of the limited partnership:

Investment manager – Frontier Investment Management ApS

Frontier Investment Management ApS (the investment manager), which provides administrative services and investment advisory services to the limited partnership and its management are considered a related party.

In performing the daily activities on behalf of the limited partnership, the investment manager incurs expenses on behalf of the limited partnership, which are settled from time to time. The balance at 31 December 2024 with the investment manager, if any is disclosed separately in the statement of financial position.

General partner – FE II Delta 1 GP ApS

FE II Delta 1 GP ApS (the general partner), which has direct and unlimited liability for the limited partnership's debts and liabilities, and its management are considered related parties.

The general partner has sole power of authority and responsibility for all decisions pertaining to the acquisition and realisation of investments, including all final decisions to commit the limited partnership to an investment and any realisations of an investment.

General partner fee for 2024 is disclosed in note 4.

Portfolio company

Transactions and balances with the portfolio company (subsidiary) are disclosed in note 6.

Supplementary report in accordance with Sustainable Finance Disclosure Regulation

The following pages consist of the periodic reporting for funds categorized under Article 9 in accordance with the provisions of the Sustainable Finance Disclosure Regulation.

The reporting follows the calendar year of the annual report and is prepared in accordance with an approved EU standard, which may not be derogated from.

ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: FE II Delta 1 K/S
Legal entity identifier: CVR: 43930915 (FTID: 25520)

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective: 100**%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of FE II Delta 1 K/S (FE II Delta) is to invest in Planet Solar a 50MW solar power project in Sierra Leone. The project is partly operational with the remaining in construction and thereby contributing to GHG emission reduction through the production of renewable energy. The reduction of GHG emissions and increasing the renewable energy capacity in Sub-Saharan Africa the sustainable

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

investment object of FE II Delta aligns with and has contributed to the goals set out in the Paris Agreement.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainability indicators perform?***

  FE II Delta investee company produced 30,747 GWh renewable energy in the reference period. This has resulted in an estimated reduction of 12,053 tCO_2. The amounts have not been audited.

- ***…and compared to previous periods?***

  The Company was established in 2023 so a historical comparison will first be available in the 2024 annual report.

- ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

  To ensure that the sustainable investments did not cause significant harm to any sustainable investment objective the investment that were made follows the ESMS mechanisms set out by the fund manager. Additionally, the investee reports annually on ESG matters to ensure that they are all complying with the sustainable investment objective set out. The investment made by FE II Delta has been 100% aligned with EU taxonomy.

  How were the indicators for adverse impacts on sustainability factors taken into account?

  FE II Delta made investments that were 100% in alignment with EU taxonomy. ESG personnel is involved with the investment made by FE II Delta. The investment tracks all mandatory and applicable voluntary principal adverse impacts on sustainability including GHG emissions in scope 1,2, and 3 as well as GHG emission reduction when in operation.

  Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

  The investment was made in accordance with the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights. FE II Delta has set up ESG requirements for the investee company that ensure that they comply with a long list of international standards including OECD guidelines and UN guiding principles.

How did this financial product consider principal adverse impacts on sustainability factors?

FE II Delta considers all mandatory principal adverse impacts as well as all relevant voluntary principal adverse impacts on the investment. FE II Delta reports on the carbon footprint including scope 1, 2 and 3 emissions. FE II Delta has setup several policies for the investee company including a Environment, Health and Safety Policy, Social, Labour and Human Rights Policy, and Business Integrity, Anti-Bribery & -Corruption and Corporate Governance Policy. These policies jointly with the reporting from the investes ensure that principal adverse impacts on sustainability are considered.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2024

Largest investments	Sector	% Assets	Country
Planet Solar Energy (SL) Ltd	*Renewable Energy*	*100%*	*Sierra Leone*

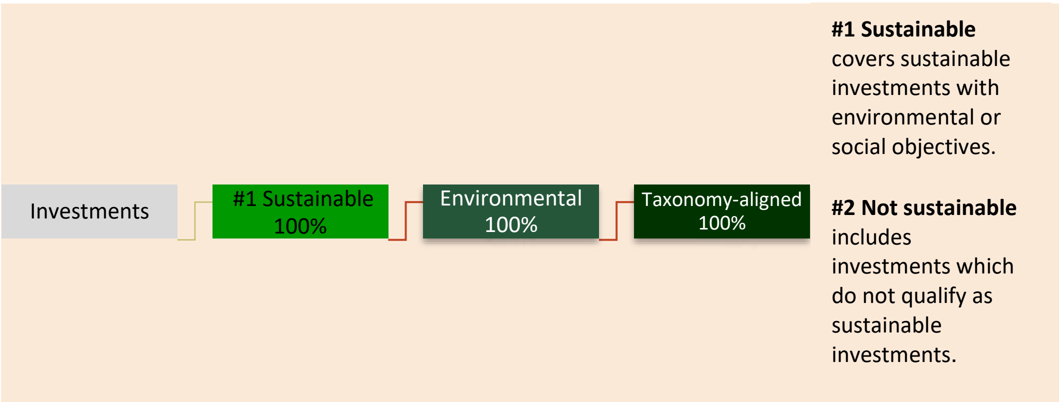
Largest investments	Sector	% Assets	Country
Planet Solar Energy (SL) Ltd	*Renewable Energy*	*100%*	*Sierra Leone*

What was the proportion of sustainability-related investments?

100%, all investment were sustainability-related investments in the renewable energy sector.

What was the asset allocation?

100% of the assets where sustainability-related investments. There has been no double counting as FE II Delta has made 1 investment that has been counted as sustainable, environmental and taxonomy aligned.



Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

specific assets.

In which economic sectors were the investments made?

The investment was made in the renewable energy sector.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

100% of the investments made by FE II where alligned with EU Taxonomy as investments where made within electricity generation from wind power, electricity generation from solar photovaltic technology. The investments has not been audited for EU Taxonomy.

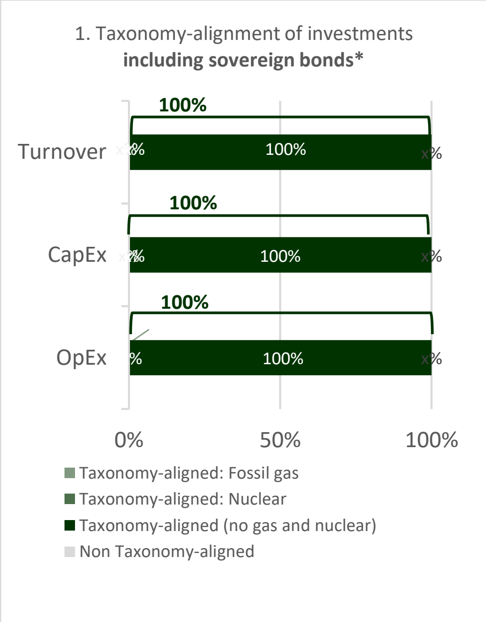
- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

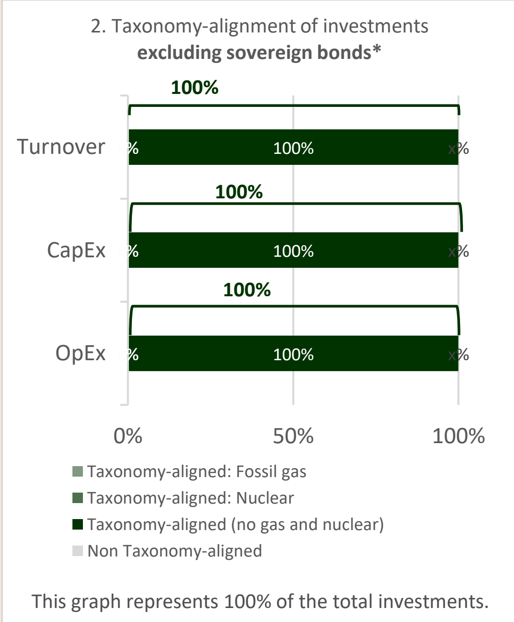
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

- ***What was the share of investments made in transitional and enabling activities?***

100%, all investments made by FE II Delta were made in transitional and enabling activities as all investment made are generating green electricity that can substitute electricity made from fossil fuels.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

The Company was established in 2023 so a historical comparison will first be available in the 2024 annual report.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

All investment made were alligned with the EU Taxonomy. The investment has not been audited for EU Taxonomy.

What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

No investments were included under “not sustainable”.

What actions have been taken to attain the sustainable investment objective during the reference period?

To attain the sustainable investment objective 100% of the investments made in the reference period has been in renewable energy aligned with the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

How did this financial product perform compared to the reference sustainable benchmark?

No index has been chosen as a reference benchmark for FE II Delta. By investing accordingly with the aforementioned investment strategy and the implemented sustainability indicators for FE II Delta, each environmental objective is considered to be attained

Søren Piilgaard Barkholt
General Partner
På vegne af: FE II Delta 1 GP ApS
Serienummer: 10f72fb4-d607-4f5b-8bc8-6b270530b4ff
IP: 62.199.xxx.xxx
2025-03-31 10:50:31 UTC

Erik Sejersen
General Partner
På vegne af: FE II Delta 1 GP ApS
Serienummer: f898565c-df80-4839-b192-e6d7fbaf1cc2
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Lars Rajan Tejlgaard Jensen
Chairperson
Serienummer: 12bcf060-7395-45c4-a3f1-7bdc01bdf94e
IP: 217.74.xxx.xxx
2025-04-01 09:12:23 UTC

Thomas Hjortkjær Petersen
Statsaut. revisor
På vegne af: EY Godkendt Revisionspartnerselskab
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