



Tønder Biogas A/S

Midtmosevej 4
6270 Tønder
CVR No. 34578478

Annual report 2023

The Annual General Meeting adopted the annual report on 30.06.2024

Peter Alexander Lind

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2023	8
Balance sheet at 31.12.2023	9
Statement of changes in equity for 2023	11
Notes	12
Accounting policies	15

Entity details

Entity

Tønder Biogas A/S
Midtmosevej 4
6270 Tønder

Business Registration No.: 34578478
Registered office: Tønder
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Martin Skovsted Wennicke
Andreas Filtenborg Brandt
Ole Fich

Executive Board

Torben Jens Eriksen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Tønder Biogas A/S for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with 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 for the financial year 01.01.2023 - 31.12.2023.

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

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

Tønder, 30.06.2024

Executive Board

Torben Jens Eriksen

Board of Directors

Martin Skovsted Wennicke

Andreas Filtenborg Brandt

Ole Fich

Independent auditor's report

To the shareholders of Tønder Biogas A/S

Opinion

We have audited the financial statements of Tønder Biogas A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with 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 for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity 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

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

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

Auditor's responsibilities for the audit of the 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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Kolding, 30.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lone Merete Hansen

State Authorised Public Accountant
Identification No (MNE) mne29390

Management commentary

Primary activities

The Company's purpose is to operate in bioenergy, design, sales of bioenergy products, investment, produktion, etc. within alternative energy and related activities.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		(50,114,399)	(3,277,699)
Staff costs	2	(6,147,459)	0
Depreciation, amortisation and impairment losses	3	(197,063)	(859)
Operating profit/loss		(56,458,921)	(3,278,558)
Other financial income		1,360,007	19,132
Other financial expenses	4	(18,181,935)	(1,271,653)
Profit/loss before tax		(73,280,849)	(4,531,079)
Tax on profit/loss for the year	5	16,121,786	990,838
Profit/loss for the year		(57,159,063)	(3,540,241)
Proposed distribution of profit and loss			
Retained earnings		(57,159,063)	(3,540,241)
Proposed distribution of profit and loss		(57,159,063)	(3,540,241)

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Other fixtures and fittings, tools and equipment		1,394,409	40,391
Property, plant and equipment in progress		674,853,332	306,151,658
Property, plant and equipment	6	676,247,741	306,192,049
Fixed assets		676,247,741	306,192,049
Raw materials and consumables		0	1,874,491
Inventories		0	1,874,491
Trade receivables		6,113,554	366,294
Receivables from group enterprises		0	11,543,800
Deferred tax	7	31,264,542	15,142,756
Other receivables		29,487,318	2,750,492
Prepayments		2,429,540	658,296
Receivables		69,294,954	30,461,638
Cash		86,537,047	548,105
Current assets		155,832,001	32,884,234
Assets		832,079,742	339,076,283

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		504,001	500,001
Retained earnings		250,362,308	60,505,568
Equity		250,866,309	61,005,569
Bank loans		43	0
Trade payables		128,726,803	2,755,104
Payables to group enterprises		445,861,029	274,841,658
Other payables		6,625,558	473,952
Current liabilities other than provisions		581,213,433	278,070,714
Liabilities other than provisions		581,213,433	278,070,714
Equity and liabilities		832,079,742	339,076,283
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		

Statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,001	60,505,568	61,005,569
Increase of capital	4,000	247,015,803	247,019,803
Profit/loss for the year	0	(57,159,063)	(57,159,063)
Equity end of year	504,001	250,362,308	250,866,309

Notes

1 Events after the balance sheet date

From the balance sheet date until today, no circumstances have arisen that affect the assessment of the annual report.

2 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	5,076,347	0
Pension costs	214,452	0
Other social security costs	14,263	0
Other staff costs	842,397	0
	6,147,459	0
Average number of full-time employees	4	0

3 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Depreciation of property, plant and equipment	197,063	859
	197,063	859

4 Other financial expenses

	2023	2022
	DKK	DKK
Financial expenses from group enterprises	15,629,160	1,228,783
Other interest expenses	102,105	37,652
Exchange rate adjustments	2,441,148	3,770
Other financial expenses	9,522	1,448
	18,181,935	1,271,653

5 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Change in deferred tax	(16,121,786)	(990,838)
	(16,121,786)	(990,838)

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Property, plant and equipment in progress DKK
Cost beginning of year	41,250	374,623,835
Additions	1,551,081	368,701,674
Cost end of year	1,592,331	743,325,509
Depreciation and impairment losses beginning of year	(859)	(68,472,177)
Depreciation for the year	(197,063)	0
Depreciation and impairment losses end of year	(197,922)	(68,472,177)
Carrying amount end of year	1,394,409	674,853,332

7 Deferred tax

	2023 DKK	2022 DKK
Property, plant and equipment	10,270,415	11,794,026
Receivables	(534,499)	0
Tax losses carried forward	21,528,626	3,348,730
Deferred tax	31,264,542	15,142,756

Deferred tax assets

Based on the business plan for the plant in operations the deferred tax asset will be full used within a few years after the asset is fully constructed and operational.

8 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	99,000	300,000

9 Contingent liabilities

The Entity participated in a Danish joint taxation arrangement where Anaergia A/S served as the administration company until 22.03.2023. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

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

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

Recognition and measurement

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

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

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

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

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress comprise decreases or increases for the financial year in inventories of finished goods and work in progress. This item includes ordinary writedowns of such inventories. Changes in inventories of raw materials are included in costs of raw materials and consumables.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including salary refunds.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses comprise administration cost as well as office expenses, etc

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment assets comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

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

Balance sheet**Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	2 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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