

# INNARGI HOLDING A/S

## Annual Report

### 2022



Lyngby Hovedgade 85  
DK – 2800 Kongens Lyngby

Innargi.com  
CVR 40 56 96 42

Date 8 May 2023  
Chair of the meeting Anne Nord

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# Company information

Innargi Holding A/S  
Lyngby Hovedgade 85  
2800 Kongens Lyngby

Homepage: [www.innargi.com](http://www.innargi.com)

Business Registration No.: 40 56 96 42

Founded: 6 June 2019

## BOARD OF DIRECTORS

Claus V. Hemmingsen (Chairperson)

Anders Eldrup

Edda Sif Pind Aradóttir

Pernille Lyndvold Erenbjerg

## EXECUTIVE BOARD

Samir Abboud

## AUDITOR

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab



# Management review

The objective of the company is to develop, operate and own (directly or indirectly through group companies) geothermal energy projects for delivery of heat to district heating networks and other business directly related hereto.

## PROFIT/LOSS FOR THE YEAR

Net loss for the year after tax amounted to DKK 0.4m (DKK 20.5m).

The result for the year is proposed distributed to retained earnings. No dividend is proposed for 2022.

As of 31 December 2022, the equity amounted to DKK 321.4m (DKK 74.8m).



## Income statement for 1 January to 31 December

Note	Amounts in DKK '000	2022	2021
1	Other external expenses	109	-20,514
	<b>Profit/loss before financial items</b>	<b>109</b>	<b>-20,514</b>
	Other financial income	413	0
2	Other financial expenses	-933	-5
	<b>Loss before tax</b>	<b>-411</b>	<b>-20,519</b>
	Tax on loss for the year	-1	7
	<b>Net loss for the year</b>	<b>-412</b>	<b>-20,512</b>
	Distribution of net loss for the year		
	Retained earnings	-412	-20,512
	<b>Net loss for the year</b>	<b>-412</b>	<b>-20,512</b>



## Balance sheet as of 31 December

### Assets

Note	Amounts in DKK '000	2022	2021
<b>Non-current assets</b>			
	Investments in subsidiaries	175,158	100,158
	<b>Total non-current assets</b>	<b>175,158</b>	<b>100,158</b>
<b>Current assets</b>			
	Tax receivables	0	4
	Receivables from affiliates	0	7
	<b>Total receivables</b>	<b>0</b>	<b>11</b>
	<b>Cash and bank balances</b>	<b>146,249</b>	<b>127</b>
	<b>Total current assets</b>	<b>146,249</b>	<b>138</b>
	<b>Total assets</b>	<b>321,407</b>	<b>100,296</b>

### Equity and Liabilities

Note	Amounts in DKK '000	2022	2021
<b>Equity</b>			
	Share capital	23,369	15,000
	Retained earnings	298,004	59,780
	<b>Total equity</b>	<b>321,373</b>	<b>74,780</b>
<b>Short-term liabilities</b>			
	Payables to affiliates	0	5,003
	Trade payables	34	20,513
	<b>Total short-term liabilities</b>	<b>34</b>	<b>25,516</b>
	<b>Total liabilities</b>	<b>34</b>	<b>25,516</b>
	<b>Total equity and liabilities</b>	<b>321,407</b>	<b>100,296</b>

- 3 Related parties
- 4 Contingent assets
- 5 Contingent liabilities
- 6 Guarantees
- 7 Events after the balance sheet date
- 8 Accounting policies

## Statement of changes in equity

Amounts in DKK '000	Share capi- tal	Retained earnings	Total
Equity as of 1 January 2021	15,000	51,509	66,509
Impact due to change in accounting policies	0	8,783	8,783
<b>Adjusted equity as of 1 January 2021</b>	<b>15,000</b>	<b>60,292</b>	<b>75,292</b>
Group contributions	0	20,000	20,000
Net loss for the year	0	-20,512	-20,512
<b>Equity as of 31 December 2021</b>	<b>15,000</b>	<b>59,780</b>	<b>74,780</b>
Capital increase	8,369	238,636	247,005
Net loss for the year	0	-412	-412
<b>Equity as of 31 December 2022</b>	<b>23,369</b>	<b>298,004</b>	<b>321,373</b>

### Note 1: Other external expenses

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Apart from the Executive Board, Innargi Holding A/S had no employees in 2022. The Executive Board and Board of Directors has not received any remuneration from the company. Members of the Executive Board and Board of Directors are remunerated from a group entity.

### Note 2: Other financial expenses

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Amounts in DKK '000	2022	2021
Interest expenses, affiliates	- 14	- 4
Other financial expenses	- 919	- 1
<b>Total</b>	<b>- 933</b>	<b>- 5</b>

### Note 3: Related parties

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The company has not entered into any transactions with related parties that were not on an arm's length basis.

### Note 4: Contingent assets

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The value of tax losses carry forward amounts to DKK 0.1m as of 31 December 2022. The tax asset is not recognised in the balance sheet, as it is unknown when the company will be able to use the tax asset for tax purposes.

### Note 5: Contingent liabilities

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The company is included in national joint taxation with Danish companies in the A.P. Møller Holding group until 3 February 2022, and afterwards with companies in the Innargi Holding group. The company is jointly and severally liable for the payment of taxes and withholding tax.

### Note 6: Guarantees

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As required by the Danish Energy Agency according to the Danish Subsoil Act, the company has issued parent company guarantees on behalf of its wholly-owned subsidiary Innargi A/S in connection with the subsurface licenses related to exploration and production of geothermal energy for district heating in Aarhus and Copenhagen.

### Note 7: Accounting policies

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The Financial Statements for 2022 for Innargi Holding A/S have been prepared on a going concern basis and in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with a selection of certain rules from reporting class C.

With reference to section 110 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

The accounting policies applied to the financial statements are consistent with those applied last year except for the below mentioned change regarding investment in subsidiaries.

The financial statements are presented in DKK. Unless otherwise stated, comparative figures for 2021 are presented in brackets.

#### **Change in accounting policies**

In 2022, the company has changed the accounting treatment for measurement of investments in subsidiaries from the equity method to the cost principle. The consequences of the change in accounting policies are an increase of the equity as of 31 December 2021 amounting to DKK 8.8m and an increase of the total assets amounting to DKK 33.1m. If the equity method was applied, the result for the year would have been negatively affected by Share of loss in subsidiaries of DKK 61.6m (DKK 24.3m). Comparative figures have been restated accordingly.



Note 7: Accounting policies (continued)

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## INCOME STATEMENT

### **Other external expenses**

Other external expenses comprise expenses for administration, office supplies, etc.

### **Other financial income and expenses**

Other financial items comprise interest, bank fees, etc.

### **Tax**

Tax comprises an estimate of current and deferred income tax, as well as adjustments to previous years of those.

Tax is recognised in the income statement to the extent it arises from items recognised in the income statement.

## BALANCE SHEET

### **Investments in subsidiaries**

Investments in subsidiaries are measured at cost. The investments are written down to the recoverable amount (i.e., the higher of fair value less costs of disposal and value in use) if it is lower than the carrying amount.

Dividends received from subsidiaries are recognised as income from subsidiaries.

### **Cash and bank balances**

Cash and bank balances comprise cash in bank deposits.

### **Liabilities**

Other financial liabilities are measured at amortised cost, substantially corresponding to nominal value.



# Management's statement

Kongens Lyngby, 13 April 2023

Executive Board

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**Samir Abboud**

Board of Directors

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**Claus Michael Valentin Hemmingsen**  
Chairperson

**Anders Eldrup**

**Edda Sif Pind Aradóttir**

**Pernille Lyngvold Erenbjerg**

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Innargi Holding A/S for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position at 31 December 2022 of the company and of the results of the company's operations for 2022.

In our opinion, management review includes a true and fair account of the development in the operations and financial circumstances of the company, of the results for the year and of the financial position of the company as well as a description of the most significant risks and elements of uncertainty facing the company.

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

# Independent Auditor's Report

To the shareholders of Innargi Holding A/S

## OPINION

In our opinion, the financial statements give a true and fair view of the financial position of the company at 31 December 2022, and of the results of the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of Innargi Holding A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

## BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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.

## STATEMENT ON MANAGEMENT REVIEW

Management is responsible for management review.

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

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

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

Based on the work we have performed, in our view, management review 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 in Management Review.

## 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial

statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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, 13 April 2023

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

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