

# INNARGI PROJECT I P/S

## Annual Report

### 2022



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# Company information

Innargi Project I P/S  
Lyngby Hovedgade 85  
2800 Kongens Lyngby

Homepage: [www.innargi.com](http://www.innargi.com)  
Business Registration No.: 42 82 01 48  
Founded: 9 November 2021

## BOARD OF DIRECTORS

Samir Abboud (Chairperson)  
Søren Christian Børsmose  
Michael Harboe-Jørgensen

## EXECUTIVE BOARD

Søren Christian Børsmose

## AUDITOR

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab



# Management review

The objective of the company is to conduct trade, provide service and operate within the geothermal energy industry, to own shares in other companies, and other business related hereto.

## PROFIT/LOSS FOR THE YEAR

Net loss for the year after tax amounted to DKK 1,517,339 (DKK 65,410).

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 20,866,167 (DKK 334,590).

## Income statement for 1 January to 31 December

Note	Amounts in DKK	2022	2021
	Other income	83,850	0
1	Other external expenses	- 1,400,437	- 58,093
	Depreciation	- 118,401	0
	<b>Loss before financial items</b>	<b>- 1,434,988</b>	<b>- 58,093</b>
	Other financial income	11,932	0
2	Other financial expenses	- 94,283	- 7,317
	<b>Net loss for the year</b>	<b>- 1,517,339</b>	<b>- 65,410</b>
<b>Distribution of net loss for the year</b>			
	Retained earnings	- 1,517,339	- 65,410
	<b>Net loss for the year</b>	<b>- 1,517,339</b>	<b>- 65,410</b>

## Balance sheet as of 31 December

### Assets

Note	Amounts in DKK	2022	2021
	<b>Fixed assets</b>		
	Property	3,857,049	0
	Plant and equipment, construction in progress	8,142,139	0
	<b>Total fixed assets</b>	<b>11,999,188</b>	<b>0</b>
	<b>Current assets</b>		
	Trade receivables	1,997	0
	Receivables from affiliates	118,140	0
3	Other receivables	1,633,984	3,950,015
	Prepayments	0	25,450
	<b>Total receivables</b>	<b>1,754,121</b>	<b>3,975,465</b>
	<b>Cash and bank balances</b>	<b>13,707,981</b>	<b>373,245</b>
	<b>Total current assets</b>	<b>15,462,102</b>	<b>4,348,710</b>
	<b>Total assets</b>	<b>27,461,290</b>	<b>4,348,710</b>

### Equity and Liabilities

Note	Amounts in DKK	2022	2021
	<b>Equity</b>		
	Share capital	400,000	400,000
	Retained earnings	20,466,167	-65,410
	<b>Total equity</b>	<b>20,866,167</b>	<b>334,590</b>
	<b>Short-term liabilities</b>		
	Payables to affiliates	5,974,727	3,957,708
	Trade payables	466,996	13,079
	Other payables	153,400	43,333
	<b>Total short-term liabilities</b>	<b>6,595,123</b>	<b>4,014,120</b>
	<b>Total liabilities</b>	<b>6,595,123</b>	<b>4,014,120</b>
	<b>Total equity and liabilities</b>	<b>27,461,290</b>	<b>4,348,710</b>

4 Related parties

5 Significant accounting policies



## Statement of changes in equity

Amounts in DKK	Share capital	Retained earnings	Total
Contribution on formation 9 November 2021	400,000	0	400,000
Net loss for the year	0	-65,410	-65,410
<b>Equity as of 31 December 2021</b>	<b>400,000</b>	<b>-65,410</b>	<b>334,590</b>
Net loss for the year	0	-1,517,339	-1,517,339
Group contributions	0	22,048,916	22,048,916
<b>Equity as of 31 December 2022</b>	<b>400,000</b>	<b>20,466,167</b>	<b>20,866,167</b>

#### Note 1: Other external expenses

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Apart from the Executive Board, Innargi Project I P/S has not had any 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	2022	2021
Interest expenses, affiliates	- 91,783	- 7,132
Other financial expenses	- 2,500	- 185
<b>Total</b>	<b>- 94,283</b>	<b>- 7,317</b>

#### Note 3: Other receivables

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In 2021, other receivables include DKK 3.9m relating to bank deposit restricted to purchase of property.

#### Note 4: 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 5: Significant accounting policies

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The Financial Statements for 2022 for Innargi Project I P/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 requirements from reporting class C.

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

The financial statements are presented in DKK.

### INCOME STATEMENT

#### Other income

Other income comprises rent income.

#### Other external expenses

Other external expenses comprise expenses for administration, office supplies, advisor fees, fee to the general partner, etc.

#### Other financial income and expenses

Other financial items comprise interest, bank fees, currency adjustments etc.

#### Tax

The company is not liable to tax.



## Note 5: Significant accounting policies (continued)

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### BALANCE SHEET

#### **Property, plant and equipment**

Property is measured at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement on a straight-line basis over the useful lives at an estimated residual value. The useful lives of buildings are 5 years. Land is not depreciated.

Estimated useful lives and residual values are reassessed on a regular basis.

Cost comprises the acquisition price as well as costs directly associated with the asset until such time as the asset is ready for its intended use.

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

Construction of plant in progress includes directly attributable expenses related to materials and components that concerns the construction of the assets as well as the net present value of estimated costs of removal and restoration.

#### **Receivables**

Receivables are generally recognised at nominal value, substantially corresponding to amortised cost and impaired for expected losses. Impairment of receivables are based on the expected loss model as described in IFRS 9.

#### **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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**Søren Christian Børsmose**

Board of Directors

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**Samir Abboud**  
Chairperson

**Søren Christian Børsmose**

**Michael Harboe-Jørgensen**

The Executive Board and Board of Directors has today considered and adopted the Annual Report of Innargi Project I P/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 shareholder of Innargi Project I P/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 Project I P/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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