EIFO - Export & Investment Fund of Denmark

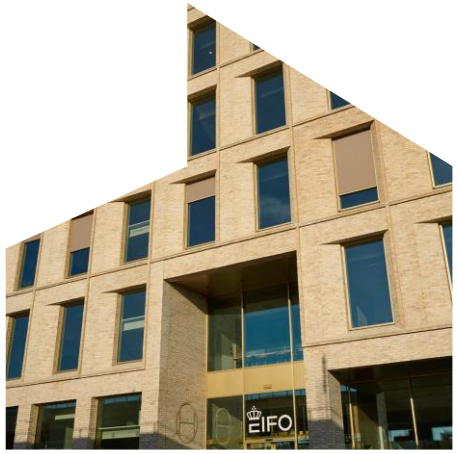
Webinar on export of biogas solutions to China

EIFO in Brief

- The national promotional bank and official export credit agency of Denmark
- AAA-rated independent public company, guaranteed (and owned) by the Danish state
- Risk-tolerant and competitive government financing
- Operates on commercial terms
- Global focus on co-financing green transition (Biogas, Wind, CCS, E-fuels, Urban Sustainable Development etc.)
- One of the worlds most experienced financial partner in off-shore wind financing

Net profit

258 m EUR



Portfolio

23 bn EUR

Total Assets

10 bn EUR

Industrial-Scale Biogas Systems

Denmark has State-of-the-art designs

- Biogas is a **strategic priority** for EIFO
- EIFO has been **actively involved** in financing several biogas plants across Denmark
- EIFO aims to leverage its expertise in **project financing**
- We recognize the **strong technical capabilities** in Denmark
- We are committed to **supporting all relevant parts** of the value chain

Pre- and after- treatment

RUNI DANISH ENGINEERING
C.F. Nielsen A/S
ALFA LAVAL
GEMIDAN A/S
Stiesdal
EUROmilling
Biofuel Technology A/S
Combineering by Reconomy

Equipment

MS Flowtechnic
BIOGAS TEKNIK A/S
AMMONGAS EUROPEAN ENERGY
LIN-KA ENERGY
ISN PUMPER
NISSEN
A·CONSULT
BIOGENIC ENGINEERING BIOGAS
assentoft silo
BIO GASCLEAN
SulfiLogger
Plast Solutions ApS
AIRCO

EPC Contractors

Combigas® Complete biogas solutions
LUNDSBY RENEWABLE SOLUTIONS
Qenew energy
Vécycle™

Producers

GrønGas.dk
Shell Low Carbon Solutions Biogas
DBC Danish Bio Commodities A/S
BIOCIRC
BIGADAN
GOODVALLEY Since 1994

Consultancies

PlanEnergi
DIS CREADIS
RAMBØLL
NIRAS
WH-PlanAction RÅDGIVENDE INGENIØRER
Baltic Control® Certification
DBC Danish Bio Commodities A/S
SWECO

We offer guarantees, loans, and export solutions

Guarantees

EIFO provides guarantees for loans and securities issued by financial institutions to Danish companies, enabling the financial institution to assume greater risk

- Guarantee Products

Loans

EIFO provides loans to Danish companies that are unable to obtain full financing from a financial institution. EIFO's loans are part of an overall solution in collaboration with a financial institution or investor.

- Standard Loans
- Solvency-enhancing Loans

Export Solutions

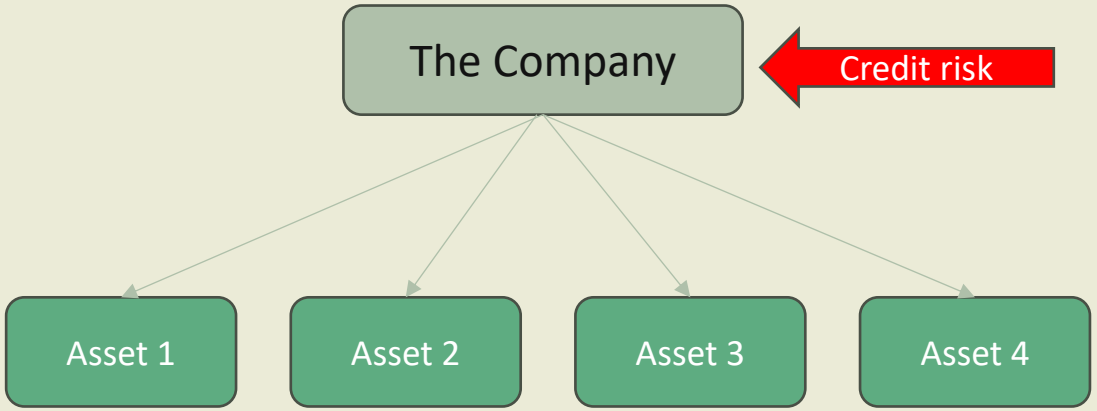
EIFO finances foreign companies' purchases of Danish products and insures risks when Danish companies trade with or establish themselves abroad

- Export Credits
- Project financing
- Insurance Solutions

Key Financing Solutions

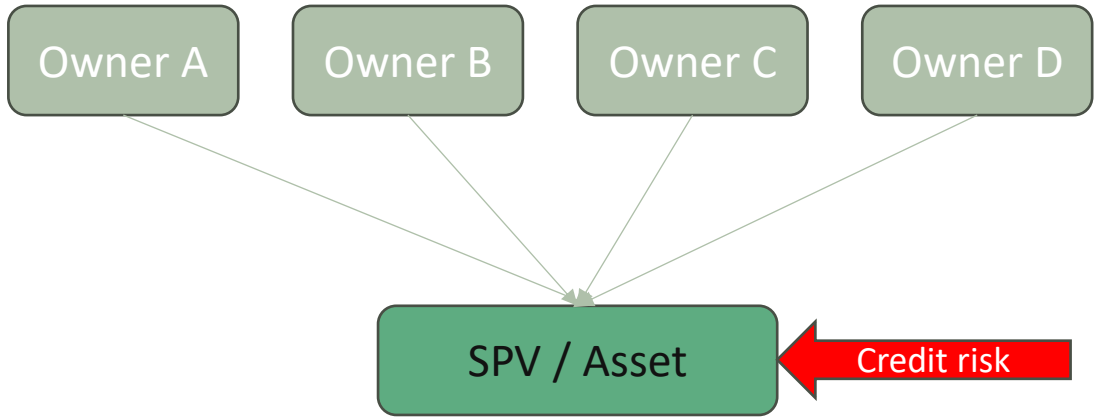
Recourse & non-recourse

Corporate financing



- Financing is provided directly to The Company or to the assets but 100% guaranteed by The Company
- Credit risk is assessed at a corporate level and cash flow form a portfolio of assets

Project financing



- Financing directly to a SPV – no other assets or guarantees (non-recourse)
- Credit risk and cash flow tied are to a single asset
- Requires extensive due diligence and detailed loan documentation

Conclusion – export financing to China

- Our “value proposition” is the same for China as for other countries,
- We always need to work together with a commercial bank when we operate outside Denmark,
- We always need to have “Danish content” as part of the transaction,
- We have seen low financing interest in the past from Chinese buyers,
- Financing of the Danish exporter could be an option to investigate.

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Appendix

Key Transactions

New Energy – Biogas and related sectors

2016 - 2022
Biomethane production
Loan Facility

DKK 600m

nature energy · Ringkjøbing Landbobank

2020
Biomethane production
Loan Facility

DKK 60m

SINDAL BIOGAS · Ringkjøbing Landbobank

2020
Biomethane production
Loan Facility

DKK 67m

FREMSYN

2023
Electrolyzer production
Working Capital Guarantee
DKK 333m

SEB · Nordea · TOPSOE

2023
Carbon capture
Contract Guarantee

DKK 344m

Ørsted

2024
E-methanol production
Loan Facility

DKK 400m

EUROPEAN ENERGY

2024
Biogas EPC
Guarantee Line

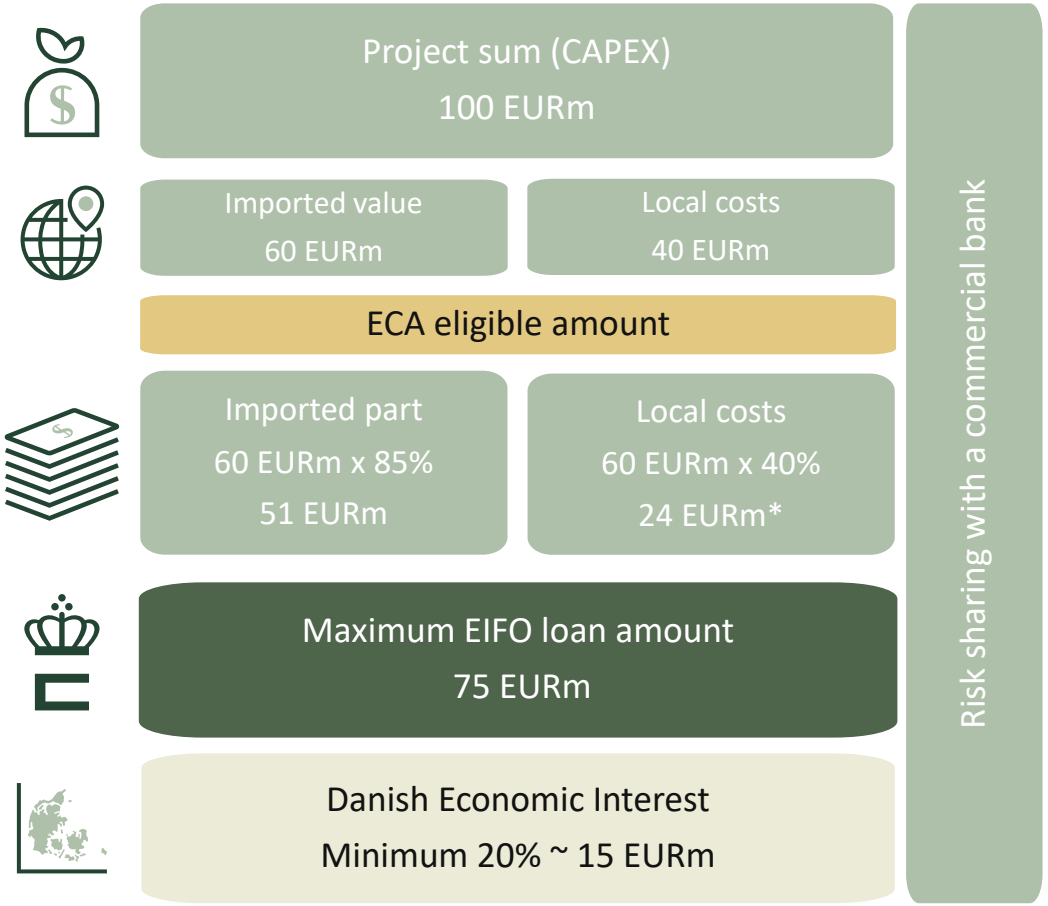
DKK 149m

Allianz · LUNDSBY RENEWABLE SOLUTIONS

Requirements

What does EIFO require?

Calculation of EIFO eligible loan amount



Comments

- **The transaction must be creditworthy**
  - Internal Credit Due Diligence,
    - At Project or Company level
  - Accepts External ratings (S&P/Fitch/Moody's)

- **The transaction must be conducted in a responsible manner**
  - OECD Arrangement
    - Eligible ECA amount & local content – How much can EIFO finance?
    - Competitive pricing methods.
  - EU State Aid regulation
  - E&S Due Diligence
    - Internal assessment on project or company level.
    - Following the IFS Performance Standards and Equator Principles

- **The transaction must create growth in Denmark**
  - Danish Economic Interest ("DEI")
  - Flexible approach of what creates growth in Denmark
    1. Export content from Denmark
    2. Contribution Margins to Danish exporters
    3. Equity ownership

**Local costs vary between 40–50%, depending on the country*