

2021

annual report





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ANNUAL REPORT

Find the annual report and results from the Energi Danmark Group; both consolidated financial statements and parent financial statements.

[Read more](#) →



GREEN TRANSITION

Energi Danmark’s customers are increasingly demanding sustainable energy solutions. In 2021, we introduced the pioneering “PPA Pool”. This means that all our customers now - regardless of size - have the opportunity to cover their energy consumption with new green energy.

[Read more](#) →



SUSTAINABILITY

Our sustainable initiatives take their starting point in UN Development Goal 7, which is where we can make a difference through our core business.

[Read more](#) →



COVER

Our cover model, Stine Lyberg, is System Manager in Energi Denmark’s Customers Consumption team, where she optimizes the performance of our IT systems Energi Danmark Online and My Energy to the benefit of the Group’s customers, subsidiaries as well as our own departments.



MANAGEMENT REVIEW

BOARD OF DIRECTORS & MANAGEMENT REVIEW 2021

The Energi Danmark group achieved a revenue of DKK 119bn in 2021 driven by historical high spot, gas and forward prices on the electricity market. High financial costs due to collateral requirements and losses due to the structure in Energi Danmark's wind portfolio resulted in an unsatisfactory group deficit after tax of DKK 286.5m. Due to a change of the valuation of sales contracts, income from 2021 in the amount of DKK 86.6 after tax was moved back to 2020 which would otherwise have lowered the deficit to DKK 199.9m after tax. The Energi Danmark group realised a strong Q1 2022 with a non-audited result before tax of DKK 313.5m.

We have been through an extraordinary year on the European energy markets, with rapidly rising electricity prices and collateral requirements as well as a huge upturn on both gas and carbon. Further, the COVID-19 pandemic continued to affect economies and electricity consumption in Europe.

The Nordic power market experienced extreme price increases in 2021. The year was in many ways a complete contrast to 2020, where several reasons led to record low prices, but 2021 on the other hand, offered the highest average system price ever seen. The large

price jump was the result of an almost perfect storm of bullish factors. Dry and cold weather caused the Nordic hydro balance, which had started the year around 0, to drop to a massive deficit, which peaked at -27 TWh during autumn. Meanwhile, wind power production was low, and new transmission cables connecting the Nordic countries with the rest of Europe meant, that more electricity was exported.

In 2021, the Energi Danmark group achieved a revenue of DKK 119bn. The revenue is based on delivering 38.1 TWh to consumers in the Northern European markets

and handling 3.4 TWh of production on behalf of production customers in mainly Denmark and Sweden, combined with cross-border and gas activities on most European markets. More than 60% of the delivered customer consumption was delivered to customers outside Denmark, supporting the group's ambition of providing energy solutions across borders.

Despite intensive competition on all markets during the year, the Energi Danmark group succeeded in signing contracts worth of 44.7 TWh to customers in the Nordic and German markets for future delivery in the coming five years. In total, the Energi Danmark group now has a total future delivery of 101.4 TWh to our Northern European customers booked for the coming five years.

The Energi Danmark group focuses on customers with high profitability while bringing them added value through flexible and efficient solutions based on long term customer relations. In 2021 we succeeded with our focus as we had a satisfactory profit on our contracts in our International Sales division while at the same time maintaining high customer satisfaction.

The group's deficit after tax of DKK 286.5m is considered unsatisfactory when compared to the expectation for the year. Due to a change of the valuation of sales contracts, income from the financial year 2021 in the

amount of DKK 86.6m after tax was moved back to the financial year 2020 which would otherwise have lowered the deficit to DKK 199.9m after tax. Thereby the 2020 result was improved, and the equity start of 2021 was improved correspondingly.

When signing a contract for future delivery with a customer, Energi Danmark purchases and hedges the agreed volume on the exchanges. The continuous and extreme increase in energy prices during 2021 caused a significantly higher collateral claim from the exchanges during the year than in a normal market with increased financial costs consequently. The group has therefore a substantial amount of liquidity bound to the exchanges due to these collateral claims, and the group's shareholders have provided on-demand guarantees and loans during the year as a support to the group's financial resources. As the vast majority the collateral claims from the exchanges are directly related to the group's future deliveries to customers for the coming five years, the Energi Danmark group has full support from its shareholders regarding the collateral claims.

Energi Danmark has implemented a range of initiatives to mitigate if similar extraordinary situation should occur in the future. Among the initiatives are a different clearing strategy on the exchanges, adjustment of our hedging strategy, change of our payment and invoicing ►

structure and entering into bilateral agreements to minimise liquidity risk exposure. Consequently, the liquidity requirements will be lowered and the need for external funding and guarantees will be lowered correspondingly.

Energi Danmark experienced significant losses in especially November and December 2021 relating to our portfolio of wind production customers. Significantly lower production than forecasted these months meant that Energi Danmark needed to buy additional volumes on the exchanges to meet our obligations under our corresponding delivery contracts. In combination with extremely high spot prices on the exchanges, this led to significant losses. This issue is structural in its nature and market participants purchasing power on fixed price contracts will be exposed to these risks. Energi Danmark has implemented a range of initiatives to mitigate if similar extraordinary situation should occur in the future. Among the initiatives are adapting our contractual setup and enhancing our systems, internal organisation and processes even further.

Our trading division has performed well as a whole during 2021. Volatilities in the market combined with our presence in almost all European countries meant that we were able to flow gas and power with a satisfactory profit from where there was a surplus of energy to markets where the energy was needed.

2021 also brought several recognitions. In 2021, the Energi Danmark group was awarded its fifth Gazelle award, because of the group’s revenue last year has more than doubled since 2017. At the same time the Energi Danmark group maintained the highest credit rating, AAA, by the credit rating company Bisnode for the eleventh year in a row and is still a AAA gold-rated company. The AAA gold-rating is a financial seal of quality which shows that Energi Danmark is a financially healthy company like very few.

2022 began very well for the Energi Danmark group. The group realised a strong Q1 2022 with a

non-audited result before tax of DKK 313.5m. The result was driven by a strong performance in our power trading divisions, sound management of our currency risks as well as satisfactory earnings from our customers division. The strong result also means that Energi Danmark was able to reduce its debt towards its shareholders and banks.

Consolidation of shareholders, corporate bond and capital increase

On 11 February 2021 it was announced that the current shareholders Andel and NRGi would assume full ownership of Energi Danmark A/S subject to approval from the Competition Authorities. Such approval has now been granted, and as a result, Energi Nord Holding, EWII Energi, SEF Energi and Fonden Langelands Elforsyning have left the shareholder group.

Andel is now the majority shareholder with 63.65% of the shares in the Energi Danmark and NRGi with 36.35%. Going forward, the Energi Danmark group will be backed by two financially solid shareholders, both firmly anchored in the Danish energy market. Andel as well as NRGi have a very strong and close relationship with the Energi Danmark group, and together we are well positioned to develop the group’s strategic direction in the Northern European energy markets. In 2022 we will conclude the strategy for the group which will lay the ground for the further development of the Energi Danmark group. The strategy will amongst other topics include a transfer of certain business activities from Energi Danmark’s shareholders to Energi Danmark. This will increase Energi Danmark’s possibilities in the market even further.

Energi Danmark decided not to extend the DKK 750m corporate bond when it expired in June 2021. A capital increase in Energi Danmark of DKK 1bn was concluded in December 2021 via conversion of debt to equity, resulting in an even more financially solid Energi Danmark group. Further, following the consolidation of the shareholder group, Andel and NRGi have supported

Energi Danmark with significant guarantees and loans to further support Energi Danmark’s financial position in connection with the increased demands for collateral as mentioned above.

Legal case against Ørsted A/S

Energi Danmark A/S is a party to a class action against Ørsted Bioenergy & Thermal Power A/S (Ørsted) comprising approximately 1,100 companies who claim compensation due to Ørsted breaching the Danish Competition Act by charging excessive high electricity prices in the period between 1 July 2003 and 31 December 2006.

The competition authorities had decided that the competition rules had been breached, but the decision was repealed by the High Court of Western Denmark in spring 2018. Because of the verdict, the Danish Maritime and Commercial High Court in March 2020 acquitted Ørsted in the separate compensation case. This ruling was appealed to the High Court of Western Denmark, and the court subsequently repealed the appealed verdict in September 2021. Ørsted filed a request to appeal the verdict to the Supreme Court but this request was denied. Therefore, the class action for compensation will continue at the Danish Maritime and Commercial High Court in April 2022.

Sustainability is key to success

The Energi Danmark group sees great importance in continuously developing our sustainable way of conducting business. We wish to keep making a profit while also meeting the expectations of our stakeholders; namely customers, employees and shareholders. You can read more about it in our Sustainability section, starting on page 33.

Events after the balance sheet date

No important events have occurred affecting the financial position of 31 December 2021 since the end of the financial year.

Allocation of dividends for 2021
With respect to the Energi Danmark group’s long-term strategic goals the board recommends that a dividend is not paid out for the 2021 financial year.

2022 expectations
2022 began very well for the Energi Danmark group. A positive consolidation for the rest of the year is expected although determining the expectations for the whole year is currently subject to uncertainty, especially after Russia invaded Ukraine. ■

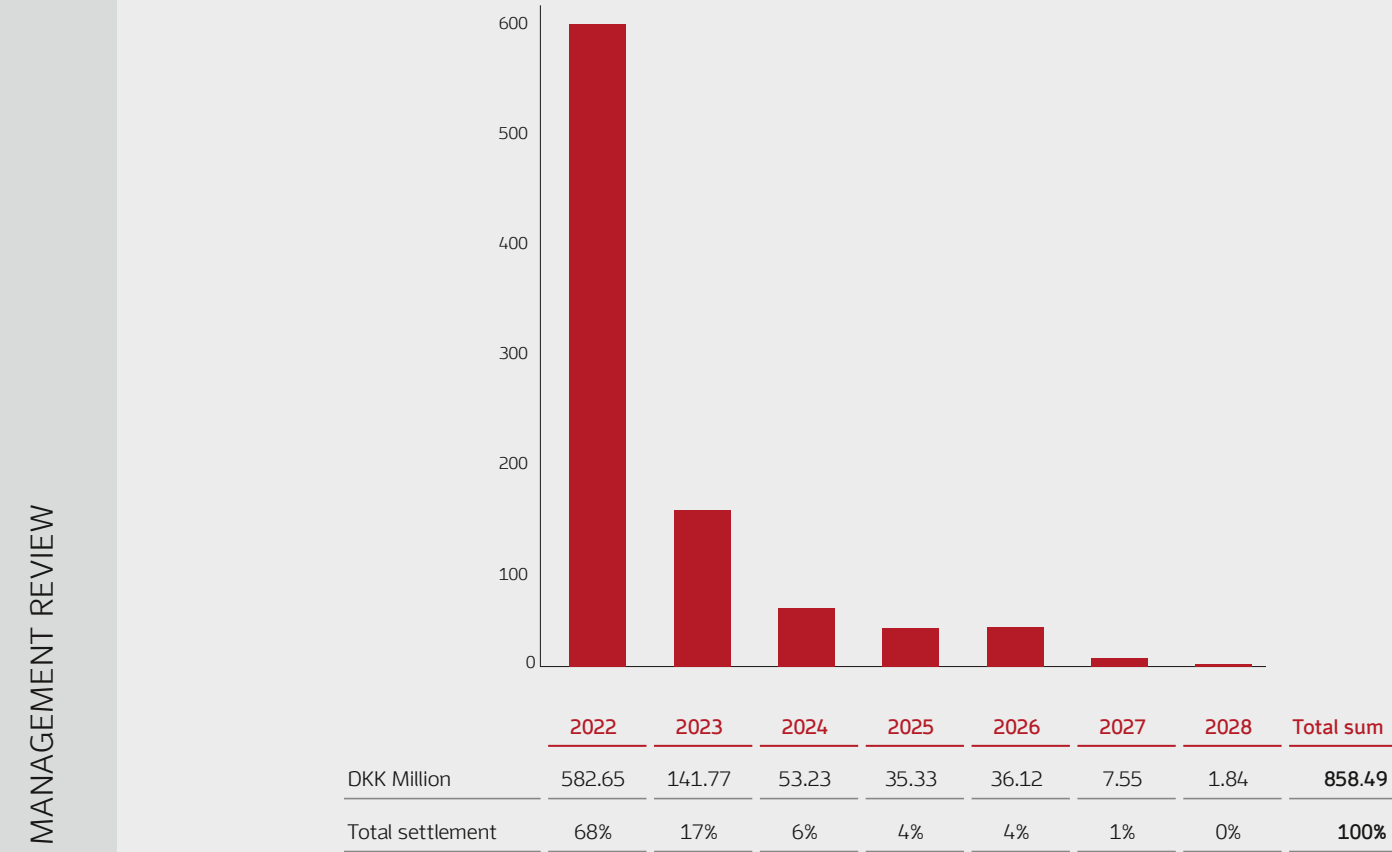
2 May 2022

Jesper Hjulmand Jørgen Holm Westergaard
Chairman of the board CEO



**JØRGEN HOLM
WESTERGAARD**
CEO

» AFTER A CHALLENGING 2021 AFFECTED BY LOSSES ON OUR WIND PRODUCTION CONTRACTS AND BY A CHANGE OF THE VALUATION OF SALES CONTRACTS, WE ARE VERY HAPPY TO REALIZE SUCH A STRONG RESULT IN Q1 2022. THIS COMBINED WITH AN EXPECTATION OF FURTHER PROFIT FOR THE REST OF 2022 ENABLES US TO LOOK FORWARD WITH GREAT EXPECTATIONS FOR 2022.



858.49 DKK MILLION IN DEFERRED INCOME AS OF 31 DECEMBER 2021

Deferred income is profit margins and other deferred income related to signed physical sales contracts (before the balance sheet day), where income recognition is postponed until the delivery period (after the balance sheet day).

The graph shows all deferred income included in signed contracts at the balance sheet day divided on future delivery year.

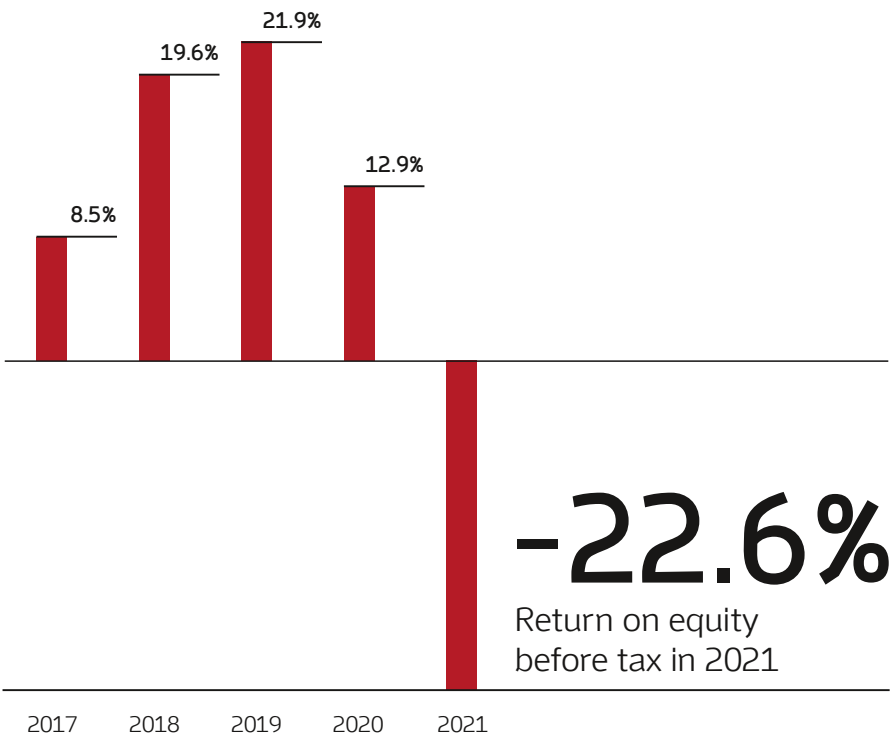
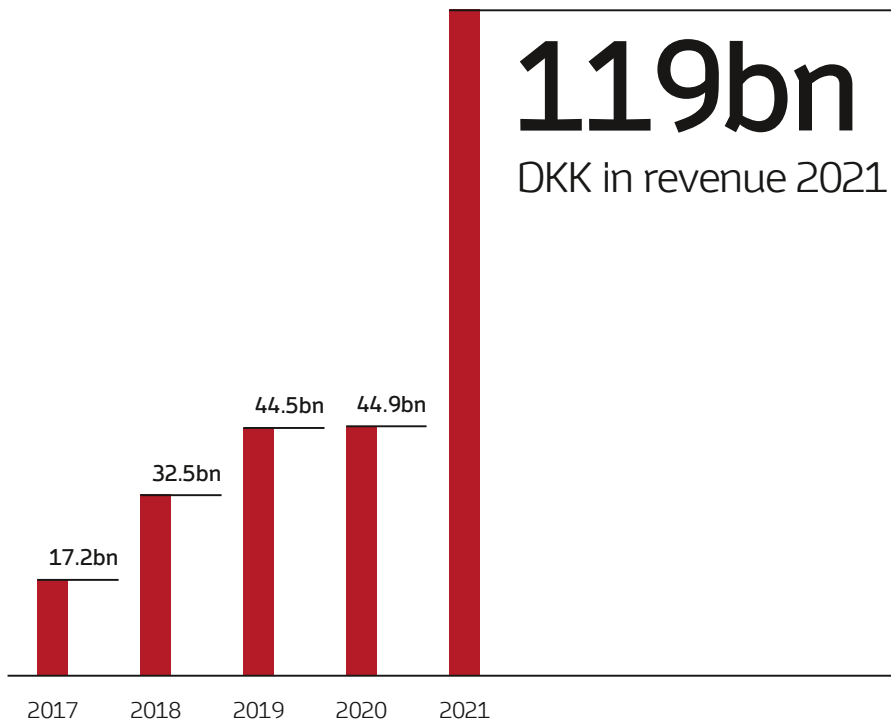
FINANCIAL HIGHLIGHTS FOR THE GROUP

DKK million	2021	2020	2019	2018	2017
Key figures, Group					
Revenue	119,005.5	44,908.7	44,541.7	32,498.2	17,178.7
Gross profit	132.1	476.6	599.7	552.5	410.8
Operating profit	-271.0	82.3	192.6	239.7	112.4
Profit from financial items	-90.7	-77.6	-43.0	-38.1	-41.0
Profit before tax, continued operations	-361.7	4.7	149.6	201.6	
Profit before tax, discontinued operations	0.0	147.4	72.4	-31.6	
Profit before tax	-361.7	152.1	222.0	170.0	71.4
Tax, continued and discontinued operations	75.2	-12.6	-54.6	-38.9	-14.2
Profit for the year	-286.5	139.5	167.4	131.1	57.2
Balance sheet total	27,600.0	7,937.7	8,050.7	9,482.9	6,133.9
Of this, investment in non-current assets	-103.5	-57.3	-26.2	-50.7	-367.8
Equity *	1,948.9	1,251.6	1,114.4	917.7	816.3
Cash flow from operating activities	-5,199.0	-198.8	-1,588.7	307.0	554.4
Cash flow for investing activities	-50.8	-53.1	399.5	-50.2	-366.1
Cash flow from financing activities	5,079.6	649.2	-4.0	-98.4	497.5
Total cash flow	-170.2	397.3	-1,193.2	158.4	685.8
Key ratios, Group					
Gross margin ratio	0.1%	1.1%	1.3%	1.7%	2.4%
Profit ratio (EBIT)	-0.2%	0.2%	0.4%	0.7%	0.7%
Equity ratio (solvency)	7.1%	15.8%	13.9%	9.7%	13.3%
Return on equity before tax	-22.6%	12.9%	21.9%	19.6%	8.5%
Return on equity after tax	-17.9%	11.8%	16.5%	15.1%	6.8%
Average number of full-time employees	225	225	211	209	204

The key ratios were calculated according to the recommendations published by the Danish Society of Financial Analysts. Please refer to definitions and concepts under “Accounting Policies”.

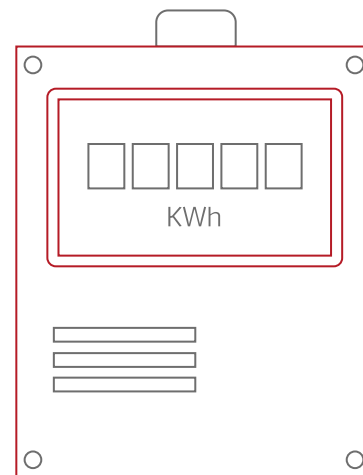
* As of 1 January 2017 the equity has been changed. The change has not affected the income statement in 2017 or 2018 and will be reversed in subsequent periods.

THE YEAR IN BRIEF



8.1%

increase in the average number of metering points in the Energi Danmark Group from 2020-2021.



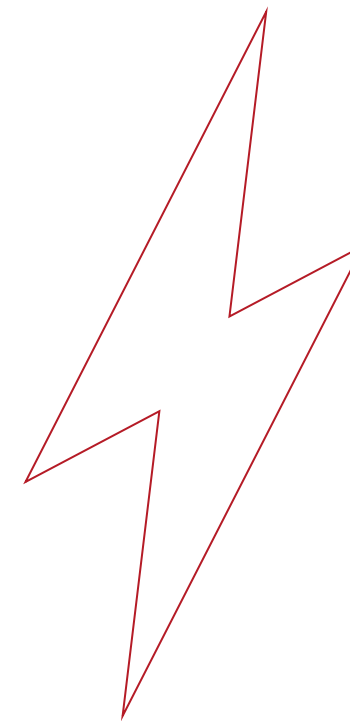
The average number of metering points in 2021 was 219,348 compared to 202,878 in 2020.

TWh delivered in 2021

38.1

TWh sold in 2021 for future delivery

44.7



235

Employees in total across the Energi Danmark Group

34%
Women

66%
Men



THE ENERGY MARKETS IN 2021

We have been through an extraordinary year on the European energy markets, with rapidly rising electricity prices and a huge upturn across the commodities markets. Here, Energi Danmark Group's analyst, Karsten Sander Nielsen, provides insight into 2021.



Extreme increase in spot prices during the year

The Nordic power market experienced some rather extreme price increases in 2021. The year was in many ways a complete contrast to 2020, where several reasons led to record low prices, but 2021 on the other hand, offered the highest average system price ever seen. The big price jump was the result of an almost perfect storm of bullish factors. Dry and cold weather caused the Nordic hydro balance, which had started the year around zero, to drop into a massive deficit, which peaked at -27 TWh during autumn. Meanwhile, wind power production very was low compared to a historic normal, and new transmission cables connecting the Nordic countries with the rest of Europe meant that more electricity was exported, and also added to the rapid drainage of the hydro balance.

Record-high system price in 2021

The average system price for the year rose to as much as 62.31 EUR/MWh. This was a staggering six times higher than the level the year before, but also 40% higher than the level in 2018 and 60% higher than in 2019. Both years were at the time actually considered expensive. Rapidly rising gas, coal and carbon prices, and an ensuing a big price jump in Germany added to the upside. We will return to these topics later in this chapter. The market peaked shortly before Christmas, where the system price of December 21 was nothing less than an all-time high of 309 EUR/MWh.

Soaring EPAD's across the Nordic countries

It is not only the system part of the power price that rose sharply in 2021, the EPAD's also reached record

highs in several price areas, including the most populated areas of the Nordic region. In Denmark, the DK1 and DK2 EPAD's of 2021 averaged 25.83 EUR/MWh and 25.60 EUR/MWh respectively. This was around twice as high as the average price from 2020, and an extremely high level compared to the previous decade, where the Danish EPAD's were usually close to 0 EUR/MWh.

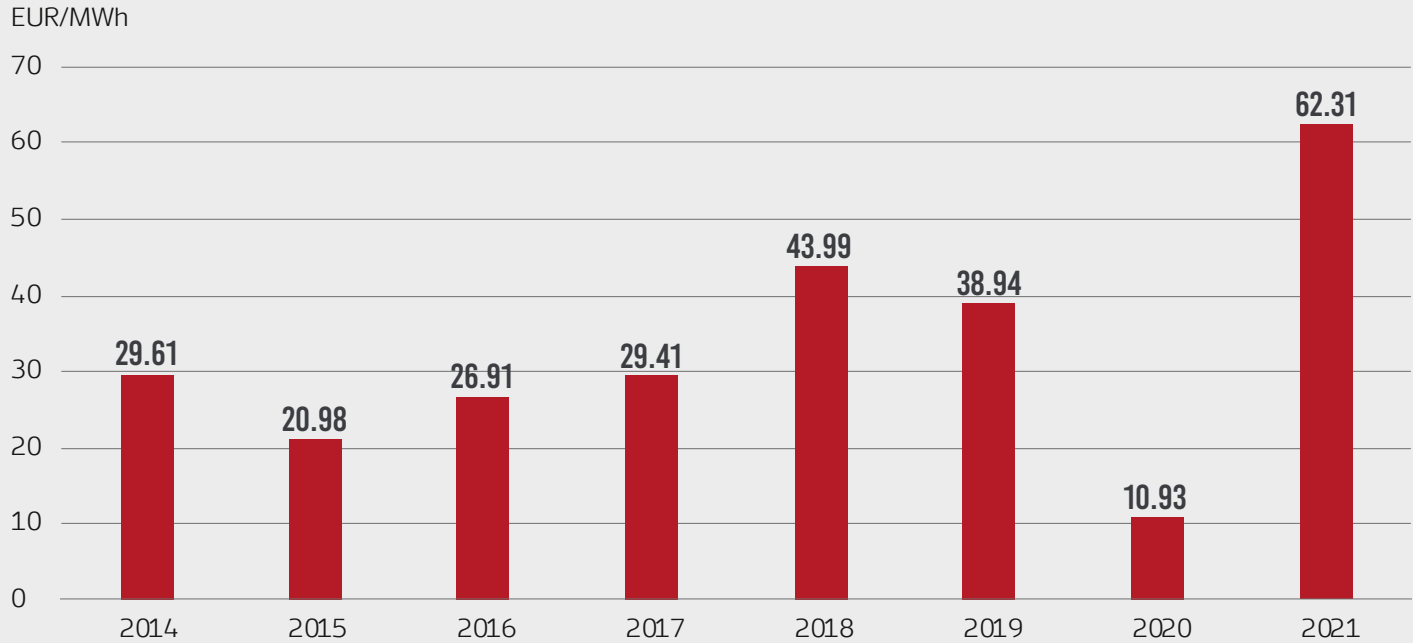
The Danish EPAD's remain closely linked to the power prices in Germany, as Denmark continues to couple with Germany more than 90% of all hours because of the total 2500 MW interconnector between the two countries. Even though the Nordic power prices have climbed drastically over the course of the year, the increases have not been as large as in Germany, where power prices soared completely amid the gas crisis. As

a consequence of the big price increases on both the system part and the EPAD part, the total Danish power price skyrocketed during the year.

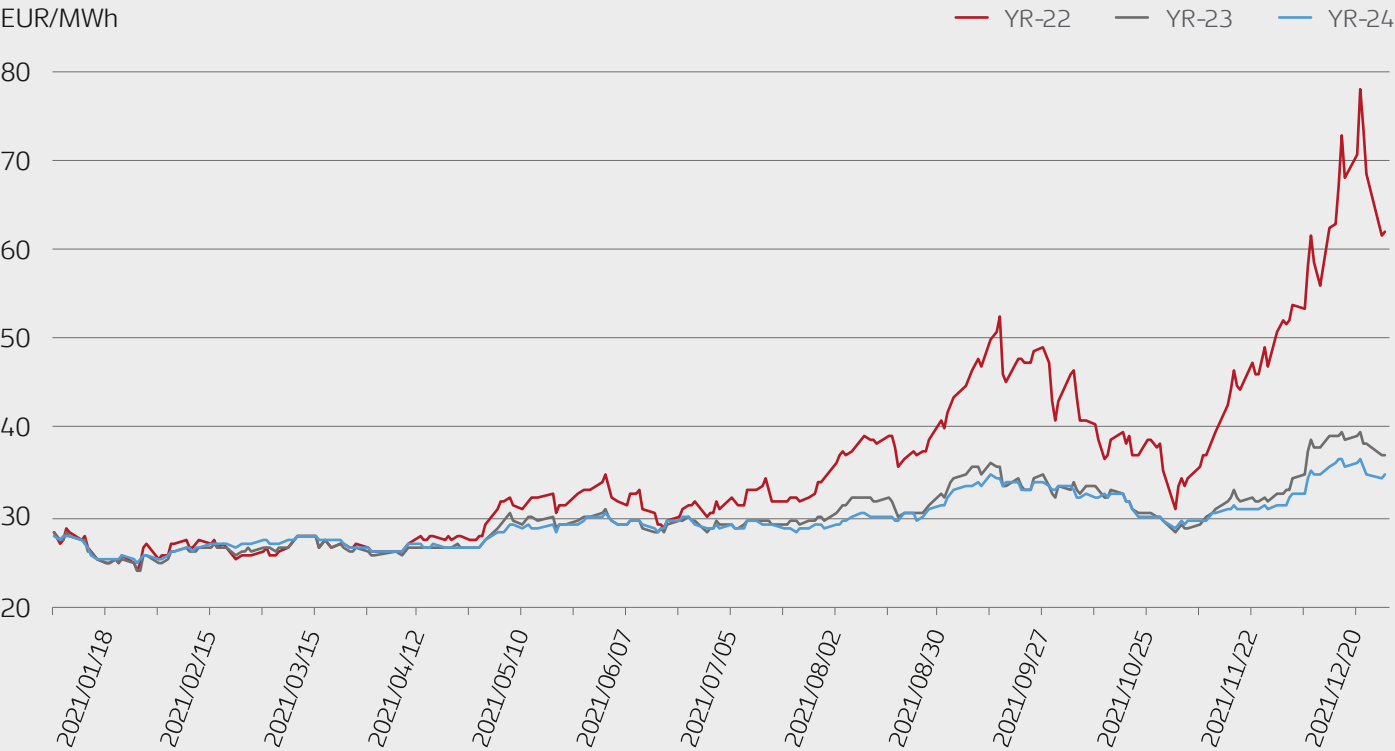
Very low wind power production has also played a big part in the price jump over the year. Both in the Nordic countries and in Germany, wind levels were well below normal, and as a result, the dependence on fuels increased.

Other parts of the Nordic area also experienced very high EPAD's compared to the normal. Southern Sweden also felt the effect of the rapidly rising German power prices, as well as internal cable issues within Sweden. In southern Norway, the EPAD's also rose to the highest price level ever, with the new North Sea Link cable to

Average annual system price



Nordic power forwards through 2021



England providing producers even bigger opportunities of export.

The time where power prices in southern Norway were far below the level in the rest of the Nordic area have passed, and the level is now around the same as in Denmark, Finland and southern Sweden. One of the reasons for this is, that the internal congestion between the northern and southern parts of Norway and Sweden is insufficient. Hydro and wind power production is high in the Northern areas, whereas most demand and transmission cables to other countries are located in the southern areas.

Huge upturn across the forward market

On the forward market, prices have been rising just as sharply during 2021 as the case has been on the spot market. During the year, the front-year contract (2022) more than doubled in price, rallied from a price level of around 28 EUR/MWh at the beginning of the year to 62 EUR/MWh when the market closed ahead of New Year. Big price jumps also characterized other contracts on the market, such as the 2023 and 2024 contracts. It was to some extent the same factors causing the massive increases on the spot market that led to the increase on the forward market. An extreme deficit on the hydro balance as well as bullish signals from the fuel and carbon markets caused the unprecedented bullish development.

2021 has also been a year, where power traders have come under a lot of pressure, something which has added to the uptrend during the year. The rapid fluctuations and actions from big players on the market leads to illiquidity, which causes the market to explode further when traders are forced to close their positions. Exchanges also require higher margins and collateral to ensure security. This means that trading houses that are under pressure have to operate in an environment where the market is drained, where the spreads are wide and where they have to post extra funds to the exchanges. These circumstances led to several bankrupt suppliers over the course of the year.

Extreme price jumps on the EPAD's

Worth noticing is also, that the EPAD's for the relevant contracts also rose rapidly over the course of 2021 in many of the Nordic price areas, meaning that the total price jump has been rather extreme. As an example, the Danish 2022 EPAD's cost 15 EUR/MWh and 18 EUR/MWh at the beginning of the year, settled at a level of 118 EUR/MWh and 123 EUR/MWh respectively. In Sweden, the SE4-EPAD for 2022 opened the year at 8 EUR/MWh and closed it at 103 EUR/MWh, and Norwegian and Finnish EPAD's also surged during the year. The effect of the many new transmission cables between the Nordic countries and the rest of Europe is starting to show. The North Sea Link cable is only the latest new cable to be commissioned, next year the 1400 MW Viking Link cable between Denmark and England is expected to be ready for startup, and this will once again be bullish for Nordic prices for the most parts, as prices are still well higher in the UK.

Nord Stream 2 pipeline in center of attention

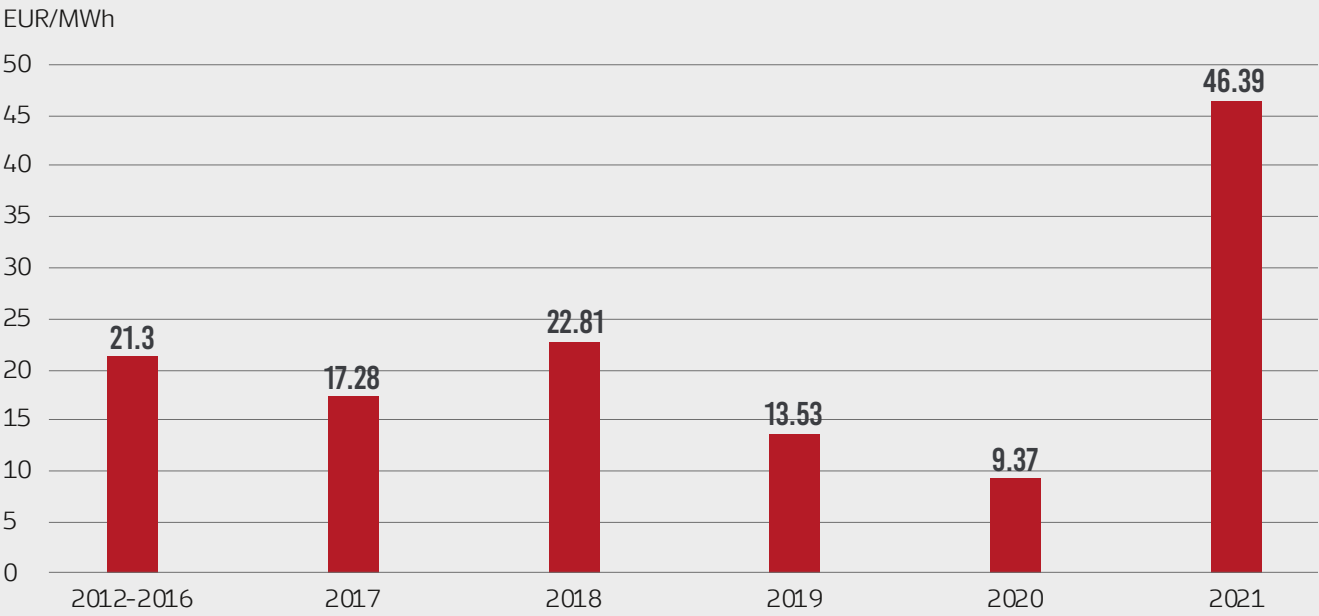
Although several factors have added to the bullish sentiment across the European energy markets last year, the huge price jump on the European gas market has to be emphasized. Following a cold winter, storage levels were already low at the gas sites across the continent early in the year, and the supply side faced even further pressure later in the year, both because of low flows from Russia and because of low LNG import from other continents.

Nord Stream 2, the new gas pipeline connecting Russia and Germany through the Baltic Sea, was finished in September following years of construction and a lot of controversy. The new pipeline, which was supposed to supply Europe with Russian gas on a steady basis, had faced a lot of opposition, both internally in the EU, from the US government and from other countries, because of the diplomatic issues the Western world has had with Russia over the last decade. ▶

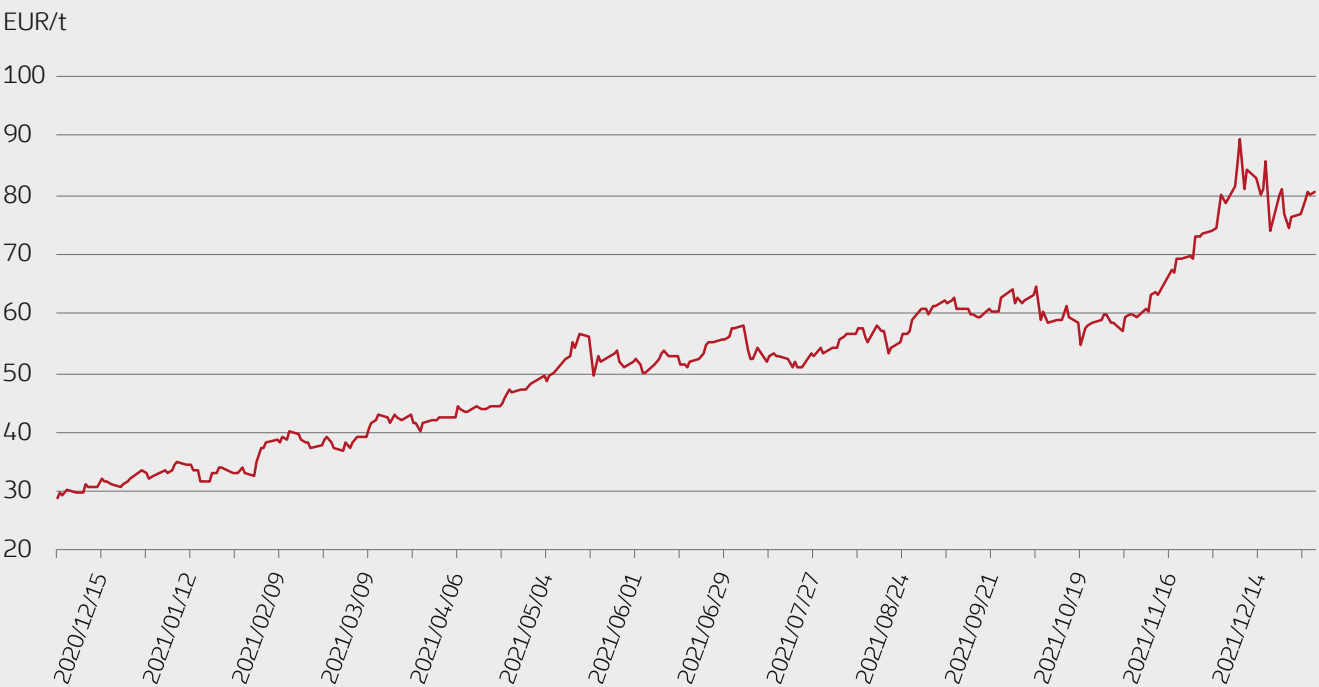
» THE YEAR WAS IN MANY WAYS A COMPLETE CONTRAST TO 2020, WHERE SEVERAL REASONS LED TO RECORD LOW PRICES, BUT 2021 ON THE OTHER HAND, OFFERED THE HIGHEST AVERAGE SYSTEM PRICE EVER SEEN.

KARSTEN SANDER NIELSEN
Analyst in the Energi Danmark Group

Average annual prompt gas price (TTF)



Carbon price development through 2021



Russian retaliation

Gazprom, the state-owned Russian energy company, failed to secure approval of Nord Stream 2 in German courts. As the approval of the pipeline was halted, Russian supply of gas to the EU through the existing pipelines in Eastern Europe also decreased drastically. A move which both politicians and analysts attributed to Russian retaliation because the start-up of the Nord Stream 2 was not approved. Throughout autumn, the gas flows from Russia were low most of the time, and this added to the supply crisis in Western Europe, where storage levels were already well below average, and wind production meanwhile was low. LNG supply from the US and the Middle East to Europe was also weak, as the gas was instead sent to Asia, where prices were even higher than in Europe.

Low supply from Russia and fading LNG import caused the European gas prices to skyrocket during especially the second half of the year, and liquidity has played a much larger role on the market than we have seen earlier. Several big players were forced to close positions amid the massive volatility, which again added to the bullish sentiment. On the leading European TTF gas hub, spot prices averaged 90 EUR/MWh during Q4, and 46 EUR/MWh during the year as a whole. As a comparison, the average price in 2020 was just 9.37 EUR/MWh. Since 2020 was an extraordinary year as well due to the effects of the corona virus pandemic, prices were exceptionally low there, but the 2021 level is still more than twice as high as the price level in the previous years as well.

Huge price jumps on coal and carbon markets

The gas market was not the only market, which experienced some massive increases over the course of the year. On New Year's Eve, the European carbon market had reached a price level of 81 EUR/t, more than twice as high as the level at the beginning of the year. The market, which for many years traded at low prices below 10 EUR/t, has become more and more important

over the last years, culminating with last year's massive price jump.

The jump from 33 to 81 EUR/t over the course of the year was to some extent the result of the fierce increases on the fuel markets, where rising gas prices caused a general bullish sentiment, which affected carbon as well. The market has, however, also had its own fundamental factors, and once again, climate action is the primary factor to look at. As an example, Germany, the largest coal consumer and carbon emitter within the EU, had a change of government last year. The new government has committed itself to more ambitious plans towards reducing the country's emission level, in order of securing that Germany lives up to the targets of the Paris Agreement.

Coal prices have also been rising during 2021. A ton of coal reached a price of 88 USD at the end of the year, 25% higher than the level at the beginning of the year. Even though this is a quite significant price jump in a historic context, it is not as big an upturn as what we saw on the gas and carbon markets. Coal demand increased as a result of the soaring gas, which made coal-based power production more profitable.

War causes enormous increases

2022 has begun even more volatile across the markets. The Russian invasion of Ukraine has already had some major consequences across the energy markets. Germany has shelved Nord Stream 2, meaning that the pipeline will not start operating until sometime in the future where diplomatic relations may have improved. In the meantime, Western sanctions on Russia and the question on how the EU will survive without Russian gas will be the dominating topics, and everything point towards a new year with massive uncertainty and a potential of supply issues. During the first couple of weeks of the war, both fuel and power prices increased by an unprecedented level which has caused massive uncertainty across the markets. ■

ENERGI DANMARK GROUP SEVERELY AFFECTED BY VOLATILE MARKETS

The rapidly rising prices and the effects of these on the exchanges have had a decisive impact on the Energi Danmark Group’s result and liquidity position for 2021.

The consequences of the development on the energy markets have affected the Group noticeably in 2021, where the rapidly rising prices changed the fundamentals for companies like the Energi Danmark Group.

We operate on the exchanges on an everyday basis, but due to the higher risks caused by the rising and volatile prices, the exchanges have required much higher margins and collaterals, leading to extra costs and cash requirements for the Energi Danmark Group. Several other energy companies and suppliers went bankrupt during the year, especially in Germany and the UK, and with substantial amount of liquidity bound to the exchanges, the Energi Danmark Group had to rely on guarantees from the Group’s shareholders to comply with the requirements. We have full support from our shareholders regarding collateral claims to the exchanges.

The weather, and particularly the underperforming wind production through large parts of the year,

has also played a big part in the Group’s result. Our wind customers experienced very low production during especially the last part of the year, and we were therefore forced to go to the exchanges to buy the additional volumes to make sure we could live up to our obligations on our delivery contracts. This happened at a point, where prices were very high, causing some substantial losses during these periods.

Higher fluctuations cause higher risks

The Energi Danmark Group is affected by the higher fluctuations on the market due to the nature of our products, where we carry a risk once our customers’ consumption and production varies. When prices rise as sharply as we have seen, and the spreads between low and high price levels climb, structures on customer contracts increase as well, both on the production and consumption side. The Group has agreed to these contracts at a time, where price levels and spreads were much lower, and we have therefore become exposed to risk by the price jumps.

This year has been special, and we have as a result of the losses changed our business strategy towards these markets. This includes new pricing structures, new hedging strategies, a different clearing strategy on the exchanges, as well as the introduction of new products to our portfolio. These products will lower the risks we take and put us in a better position of avoiding the same situation that happened in 2021 in the future.

As the challenges in the past year have centered a lot around flex volume products, we are moving to introduce new and better products, that will work well for our customers, and meanwhile secure Energi Danmark Group better results in the future. An example on this is our PPA agreements, which we have had great success with through 2021.

The price fluctuations in energy commodities have also had positive effects for the Energi Danmark Group. Our trading department has been quite successful in utilizing the volatility in gas and electricity markets.

Uncertainty continues in early 2022

2022 has started with further high volatility across the markets. The ongoing energy crisis is set to continue following the Russian invasion of Ukraine, the German decision to suspend Nord Stream 2, and the massive Western sanctions against Russia. This means we are also looking at a market where spreads and daily fluctuations will remain high. At the Energi Danmark Group, we will of course continue to monitor the market situation closely. ■

A wide-angle photograph of a long, modern bridge spanning a body of water at sunset. The bridge features a series of concrete piers and a truss-like structure. The sky is filled with soft, orange and pink clouds, and the water reflects the warm light. The bridge's lights are on, and a few small boats are visible in the distance.

TRENDS IN THE SUBSIDIARIES

On the following pages, you can find key figures from our subsidiaries Securities and ED Business Support as well as our subsidiaries in Sweden, Finland, Norway and Germany.

SECURITIES



After a disappointing result in 2020, Energi Danmark Securities A/S was able to add a positive result to the company’s history again in 2021, as we achieved a profit before tax of DKK 24.9 million, which is satisfactory and somewhat higher than budgeted. This was achieved despite another highly unusual year, in which the energy markets and workflows continued to be affected by the COVID-19 pandemic.

Wiser from the experiences from 2020, Energi Danmark Securities A/S was in 2021 more driven by lower risk appetite, especially on our guarantee products, but

continued with an eye for reasonable earnings opportunities in an otherwise extremely difficult market. Thus, large spreads in many market contracts continued to challenge us on the guarantee products, but increased revenue from standard PM services in 2021 contributed extremely positively to the our result.

Over the past many years, Energi Danmark Securities A/S has built up a significant portfolio of financial services for the Energi Danmark Group’s customers, and the importance of a broad customer base and

product range for the our customers was emphasized in 2021 - where the main theme was risk minimization.

Energi Danmark Securities A/S still manages approx. 15 TWh on an annual basis, and a lot of the our customers continuously extend their contracts, as their strategy - including expectation of risk vs. returns - and trust in us is maintained.

Going forward, we will continue to focus on the good customer relationships, where communication in an extreme market is crucial.

Energi Danmark Securities A/S expects to continue the good start from 2021 in 2022. Much depends on the development of the Nordic energy complex, spreads in the market and the opportunity to utilize but at the same time minimize our risks.

Externally, the focus will be equally on the consumer and producer side, as both parties experience an increasing need for price stability in a market where price fluctuations continue to become more significant. ■

Amounts in DKK million	2021	2020	2019	2018	2017
Key figures, Energi Danmark Securities					
Revenue – Sales of power etc.	19.9	34.2	19.2	17.6	29.8
Gross profit	43.7	4.9	45.4	23.1	16.0
Operating profit	25.4	-15.1	25.5	6.2	1.4
Profit from financial items	-0.5	1.2	0.2	0.4	0.8
Profit before tax	24.9	-13.9	25.7	6.6	2.2
Tax	-5.5	3.1	-5.7	-1.4	-0.5
Profit for the year	19.4	-10.8	20.0	5.2	1.7
Balance sheet total	265.4	280.2	211.8	1,277.2	751.3
Of this, investment in non-current assets	0.0	0.0	0.1	0.0	0.0
Equity	208.6	189.1	205.8	185.9	180.7
Key ratios, Energi Danmark Securities					
Gross margin ratio	223.0%	14.3%	11.7%	131.3%	53.7%
Profit ratio (EBIT)	129.6%	-44.2%	6.6%	35.2%	4.7%
Solvency ratio	78.6%	67.5%	97.2%	14.6%	24.1%
Return on equity before tax	12.5%	-7.0%	13.1%	3.6%	1.2%
Return on equity after tax	9.8%	-5.5%	10.2%	2.8%	0.9%
Average number of full-time employees	8	10	9	11	12



ED BUSINESS SUPPORT

With a deficit before tax of DKK 6.3m, 2021 has been as expected for ED Business Support.

ED Business Support has developed a modern and complete system platform that is offered as SaaS (Software as a Service) for all energy companies - also outside the Energi Danmark Group. The platform is offered to companies operating in Denmark, Sweden, Finland, Norway or Germany.

Our customers can build their solutions based on a number of modules and can operate them both as

a Cloud Solution and in an On-premised setup. As an add-on service, ED Business Support also offers to handle the actual market communication, settlement, invoicing and debtor management - we call it Managed Service.

At ED Business Support, we have a strong focus on creating value for our customers. Therefore, we strive to create partnerships with each of our customers, in order to thoroughly understand their overall value chain and where we can contribute to it. Our keywords are: trust & confidentiality, collaboration, timing & value creation.

In the period from February 2018 to December 2019, ED Business Support implemented a new settlement system and debtor management as well as a customer portal and ONLINE platform in Finland, Denmark, Sweden, Norway and Germany. From 2020 we have used and offered the entire BIO platform in all five countries.

In 2021, ED Business Support’s focus areas were the continued work to commercialize our system platform and onboarding, as well as further develop the platform and our services. The most important additions

were the development of market communication for the new Finnish data hub (launched on 22 February 2022) plus the development and implementation of an end-to-end solution for our customers’ PPAs and fixed volume products.

2021 confirmed to us that our platform is both scalable and flexible in terms of developing and implementing new products and billing models required by customers in connection with both the green transition and the new demands of electricity suppliers in a much more volatile and therefore risky market. ■

Amounts in DKK million	2021	2020	2019
Key figures, ED Business Support			
Revenue – Sales of power etc.	36.7	28.1	12.3
Gross profit	37.7	28.9	12.3
Operating profit	2.1	0.6	0.6
Profit from financial items	-0.1	0.0	0.0
Profit before tax	2.0	0.6	0.6
Tax	1.3	0.9	-0.1
Profit for the year	3.3	1.5	0.5
Balance sheet total			
	104.2	96.2	14.4
Of this, investment in non-current assets	-26.3	-94.0	0.0
Equity	93.8	90.5	10.4
Key ratios, ED Business Support			
Gross margin ratio	102.7%	102.8%	100.0%
Profit ratio (EBIT)	5.7%	2.1%	4.9%
Solvency ratio	90.0%	94.1%	72.2%
Return on equity before tax	2.2%	1.2%	5.8%
Return on equity after tax	3.6%	3.0%	3.8%
Average number of full-time employees	43	45	47



SWEDEN



2021 was a year marked by historically high electricity prices and a continued pandemic. After a year with historically low electricity prices, no one probably thought that 2021 would be the year with the highest electricity prices so far. The average system price increased by as much as 554 percent from 2020!

The price differences between Sweden’s various electricity areas have been the largest to date, with a subsequent heated debate about the areas’ future. A question we at Energi Försäljning Sverige

AB (EFS) ask ourselves is whether the market has done enough to ensure a safe and stable electricity supply? Regardless, we see that the future electricity market offers many challenges.

Despite a turbulent market, it has been a good year for us at EFS. The challenges during the year have been considerable, but we have handled them well with knowledge, creativity and commitment. Not least, it has been a challenge to meet the work effort and financial

capital required by a balance responsible party in a market with high electricity prices.

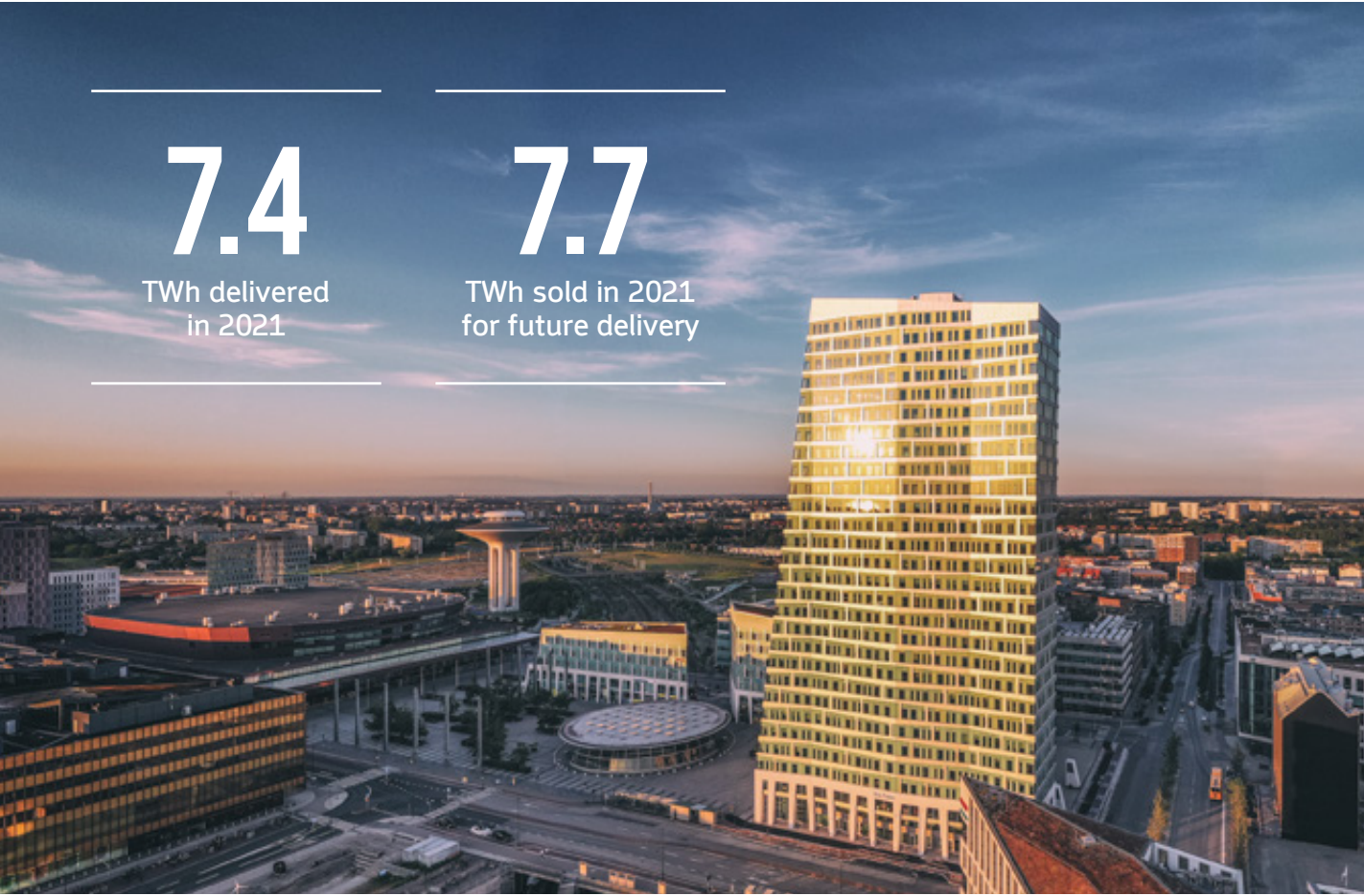
EFS delivered 7.4 TWh in 2021, which is an increase compared to 2020.

The positive trend and development we created in 2020 has continued in 2021. In sales with profitability, we want to create long-term relationships and close collaborations with our customers, where both we and the customer develop and create profitable business.

Our goal is for our customers to do well while also benefitting from us doing well. In the now capital-demanding market, it is especially important for our customers to be able to work closely together with a stable and secure electricity supplier, such as us, who always have the customer’s business in focus.

For us, closeness and contact with the customer is a prerequisite for success. We will therefore intensify our work in 2022 with even closer contact to customers and partners. ■

Amounts in SEK million	2021	2020	2019	2018	2017
Key figures, Energi Försäljning Sverige AB					
Revenue – Sales of power etc.	4,645.3	2,295.2	3,230.0	2,988.4	2,129.7
Gross profit	52.8	53.8	72.8	77.9	119.0
Operating profit	9.9	16.8	26.7	34.2	80.4
Profit from financial items	0.6	4.4	3.7	3.8	2.9
Profit before tax	10.5	21.2	30.4	38.0	83.3
Tax	-3.0	-8.8	-6.3	-7.9	-17.4
Profit for the year	7.5	12.4	24.1	30.1	65.9
Balance sheet total	1,930.0	716.0	826.2	876.2	733.3
Of this, investment in non-current assets	-0.2	-0.8	-0.2	-0.2	-0.1
Equity	361.9	354.4	342.0	317.9	287.8
Key ratios, Energi Försäljning Sverige AB					
Gross margin ratio	1.1%	2.3%	2.3%	2.6%	5.6%
Profit ratio (EBIT)	0.2%	0.7%	0.8%	1.1%	3.8%
Solvency ratio	18.8%	49.5%	41.4%	36.3%	39.2%
Return on equity before tax	2.9%	6.1%	9.2%	12.5%	32.7%
Return on equity after tax	2.1%	3.6%	7.3%	9.9%	25.9%
Average number of full-time employees	14	16	16	19	18



FINLAND



Energia Myynti Suomi Oy managed to sell 3.2 TWh in future supplies in what has been an exceptional market situation and with ever fiercer competition, although 2021 was indeed challenging for Energia Myynti Suomi, as it was for the industry in general.

The COVID-19 pandemic continued to have a wide-spread impact on society in 2021, although at times there have been signs of its easing off. Nevertheless, we have become accustomed to working remotely from home and these remote work tools have enabled us to meet our customers easily. Above all, we have

avoided infection and have therefore been able to carry on. Our business has not been paralysed by COVID-19, but an unusual year in the energy markets has made us more aware of the importance of risk management. The factors affecting the price of electricity have changed fast and dramatically, and so, in the name of risk management, we have purposely restricted our product range and focused close attention on pricing. This has been a vital move in order to maintain profitability.

We supplied our customers with almost 5.3 TWh of electricity in 2021. Last winter was colder than normal

and this plus a cold autumn and end of year pushed up consumption. The COVID-19 pandemic has had no noticeable impact on our customers’ consumption of energy.

Our customers are keen to do what they can to support greater use of renewable energy and switch to more eco-friendly options. The Energi Danmark Group will play a key role in bringing about the change. We are developing new products alongside the current ones to be able to keep our customers supplied with emission-free energy at a steady price long into the future.

The year 2021 prompted us to set our sights on 2022. We are changing and developing our product range to fit in with the altered market environment and to respond to the needs associated with our various customer segments. Our customer-oriented attitude to service and our range of products, which stands out from the competition, are a competitive solution for our current and new customers. Our staff’s professional competence and desire to do what is best for the customer, backed by an international group structure, afford us excellent opportunities for achieving Energia Myynti Suomi Oy’s targets in 2022. ■

Amounts in EUR thousand	2021	2020	2019	2018	2017
Key figures, Energia Myynti Suomi					
Revenue – Sales of power etc.	353,411.0	196,211.0	235,800.0	205,480.0	179,749.0
Gross profit	1,030.0	1,792.0	505.0	2,677.0	2,305.0
Operating profit	-1,048.0	-263.0	-1,411.0	866.0	838.0
Profit from financial items	178.0	245.0	159.0	104.0	100.0
Profit before tax	-870.0	-18.0	-1,252.0	970.0	938.0
Tax	174.0	7.0	250.0	-196.0	-187.0
Profit for the year	-696.0	-11.0	-1,002.0	774.0	751.0
Balance sheet					
Balance sheet total	183,088.0	70,320.0	69,334.0	54,360.0	35,835.0
Of this, investment in non-current assets	0.0	65.0	12.0	-33.0	108.0
Equity	8,290.0	8,985.0	8,997.0	9,998.0	9,224.0
Key ratios, Energia Myynti Suomi					
Gross margin ratio	0.3%	0.9%	0.2%	1.3%	1.3%
Profit ratio (EBIT)	-0.3%	-0.1%	-0.6%	0.4%	0.5%
Solvency ratio	4.5%	12.8%	13.0%	18.4%	25.7%
Return on equity before tax	-10.1%	-0.2%	-13.2%	10.1%	10.6%
Return on equity after tax	-8.1%	-0.1%	-10.6%	8.1%	8.5%
Average number of full-time employees	9	10	8	7	7



NORWAY

Energi Salg Norge AS (ESN) has continued our growth in 2021. The Group’s subsidiary in Norway ended up delivering 6.8 TWh to our customers in 2021. Most of the growth comes from retailers of electricity.

In the same way as 2020 was an extremely low-price year, 2021 has been an extremely high-price year. In December, the Norwegian government decided to introduce a consumer support scheme to reduce some of the negative effects for private customers. Despite the extreme price level, ESN has not experienced any growth in loss on claims. Several of our industrial customers have long-term fixed prices to prevent that rising prices cause rising electricity costs.

In the fall of 2021, the company gradually opened up after being more or less closed since March 2020. At ESN, we took the opportunity to look at our organization with fresh eyes. Among the many measures we have implemented to adapt the organization to

the outside world, one measure is worth highlighting; We have introduced a role as Sustainability Manager. In the coming years, all our activity will be measured on how they score on sustainability. ■

Amounts in NOK million	2021	2020	2019	2018	2017
Key figures, Energi Salg Norge					
Revenue – Sales of power etc.	4,890.4	737.5	1,879.1	1,320.4	748.5
Gross profit	51.6	40.3	26.6	42.4	15.0
Operating profit	15.1	4.7	1.0	19.7	-3.8
Profit from financial items	0.2	-1.8	1.1	0.1	0.2
Profit before tax	15.3	2.9	2.1	19.8	-3.6
Tax	-3.4	-0.9	-0.2	-4.5	0.7
Profit for the year	11.9	2.0	1.9	15.3	-2.9
Balance sheet total	2,397.1	376.1	591.2	481.4	260.9
Of this, investment in non-current assets	-0.2	-0.4	-0.7	-0.4	-0.6
Equity	67.0	55.0	53.0	59.6	44.5
Key ratios, Energi Salg Norge					
Gross margin ratio	1.1%	5.5%	1.4%	3.2%	2.0%
Profit ratio (EBIT)	0.3%	0.6%	0.1%	1.5%	-0.5%
Solvency ratio	2.8%	14.7%	9.0%	12.4%	17.1%
Return on equity before tax	25.1%	5.4%	4.2%	37.7%	-7.8%
Return on equity after tax	19.5%	3.7%	3.8%	29.0%	-6.3%
Average number of full-time employees	12	12	11	9	8



GERMANY

The power supply in Germany was affected by various impacts in 2021: pandemic-related restrictions on economic and public life at the beginning of the year, the prolonged cool weather until May, economic catching-up processes in the second and third quarters and the significant price increases on the energy markets and in CO₂ emission certificate trading in the second half of 2021.

Together, these factors ensured that domestic gross electricity consumption for the year as a whole

increased by almost three percent compared to 2020 to around 562 billion kWh. However, this means that electricity consumption in 2021 is still below the level of the pre-Corona year 2019. At that time, around 568 billion kWh of electricity was consumed.

In addition to all these circumstances, we were also challenged by several competitors who were acting quite aggressive. In total, there were more than 1,300 electricity suppliers in Germany in 2021.

Nevertheless, we were able to extend the contracts with existing customers such as Wintershall DEA, Netto Aps and also increased the cooperation with more sales channel partners, which will help us grow in the segment of smaller business customers.


In parallel, we worked on project management to realize PPA (Power Purchase Agreements) in Germany as well as the creation of a B2C brand for electricity and natural gas to enter this market in the beginning of 2022. ■

Amounts in EUR thousand	2021	2020	2019	2018	2017
Key figures, Energie Vertrieb Deutschland EVD GmbH					
Revenue – Sales of power etc.	171,866.9	165,406.0	154,813.0	144,434.4	102,353.5
Gross profit	1,869.6	1,728.0	1,429.0	1,448.2	1,461.4
Operating profit	-690.2	-1,045.4	-809.4	-763.6	-342.0
Profit from financial items	-71.8	-796.9	-305.8	25.0	94.9
Profit before tax	-762.0	-1,842.3	-1,115.2	-738.6	-247.1
Tax	0.0	0.0	0.0	0.0	79.7
Profit for the year	-762.0	-1,842.3	-1,115.2	-738.6	-167.4
Balance sheet total					
Of this, investment in non-current assets	0.0	-48.1	-84.9	9.9	-57.0
Equity	5,205.3	6,182.1	8,024.4	8,139.5	8,957.9
Key ratios, Energie Vertrieb Deutschland EVD GmbH					
Gross margin ratio	1.1%	1.0%	0.9%	1.0%	1.4%
Profit ratio (EBIT)	-0.4%	-0.6%	-0.5%	-0.5%	-0.3%
Solvency ratio	3.9%	5.1%	6.9%	9.7%	19.1%
Return on equity before tax	-13.4%	-25.9%	-13.7%	-8.6%	-2.7%
Return on equity after tax	-13.4%	-25.9%	-13.7%	-8.6%	-1.9%
Average number of full-time employees	7	8	6	6	9



ENERGY ACROSS BORDERS


The Energi Danmark Group is one of the leading energy trading groups in Northern Europe. The core expertise is our knowledge of the international energy markets. Knowledge that helps create value for both the group and its customers.



VOLUME

TWh in 2021

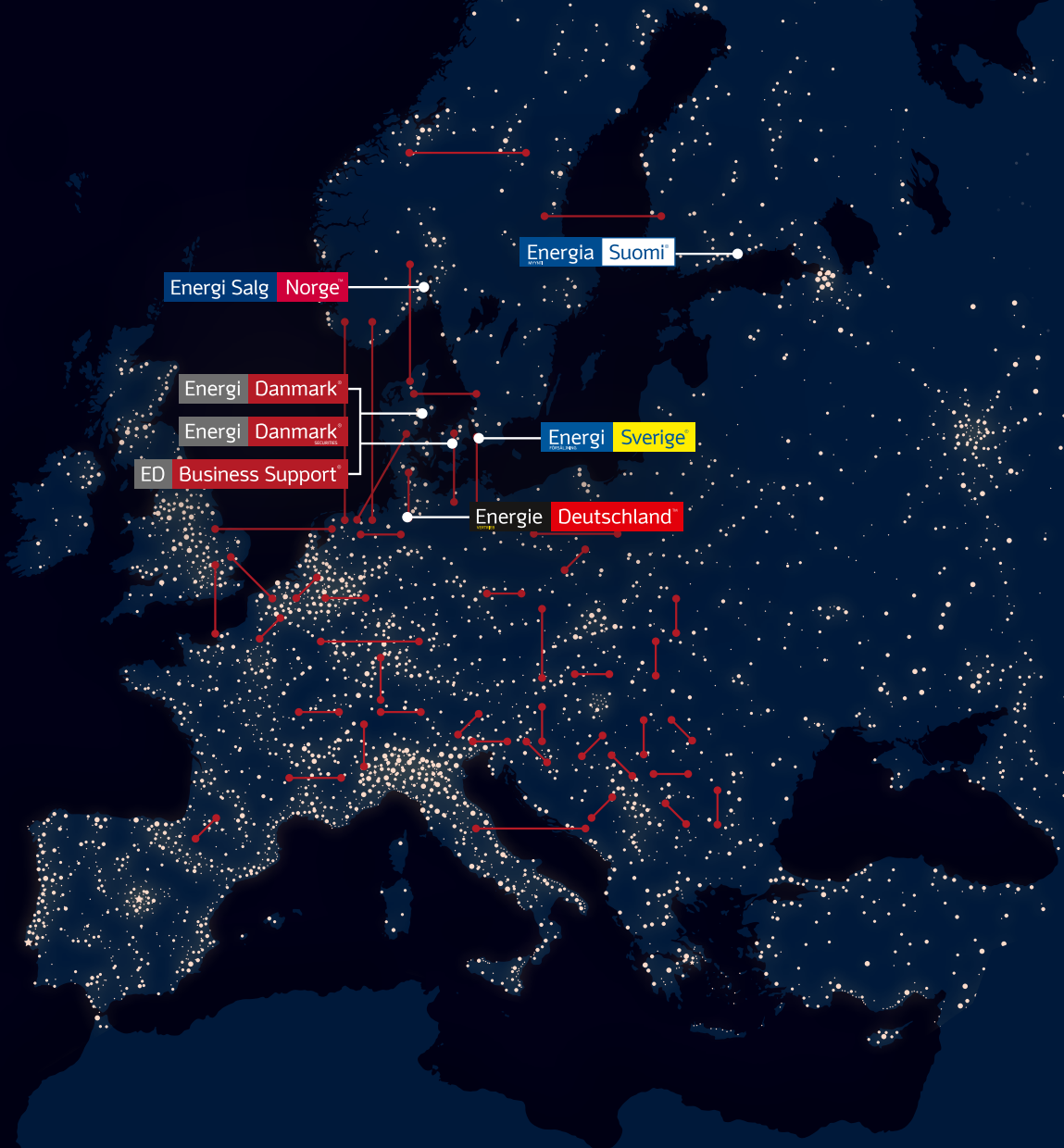
Energi Danmark Consumption 15.1 TWh, Production 3.3 TWh	18.4 TWh
Energi Försäljning Sverige Consumption 7.4 TWh, Production 0.1 TWh	7.5 TWh
Energi Salg Norge Consumption 6.8 TWh	6.8 TWh
Energia Myynti Suomi Consumption 5.3 TWh	5.3 TWh
Energie Vertrieb Deutschland Consumption 3.5 TWh	3.5 TWh
Energi Danmark Group in total	41.5 TWh




METERING

points in 2021


70,661
61,195
17,373
31,656
38,463
219,348


































28

active power markets



14

active gas markets

 Austria	 Macedonia ①
 Belgium	 Montenegro
 Bulgaria	 Netherlands
 Croatia	 Norway
 Czech Republic	 Poland
 Denmark	 Romania
 England	 Serbia
 Finland	 Slovakia
 France	 Slovenia
 Germany	 Spain
 Greece ①	 Sweden
 Hungary	 Switzerland
 Italy	 Turkey ①
 Ireland	 Ukraine
 Lithuania	

① New in 2021

Company Overview

ENERGI DANMARK GROUP

Strong international collaboration is crucial to creating good solutions and growth for customers. We manage the customer’s risks across borders and utilise the opportunities that also arise in the international energy markets.



As one of the few balance responsible parties in Denmark, Energi Danmark have specialist insight into the market and can offer better and more flexible solutions for our customers.



INTERNATIONAL SALES

Electricity consumption

Consumption balance responsible



SALES

Complete product line within electricity for business customers and public institutions:

- > Possibility to choose flexible electricity consumption (Demand Response)
- > Possibility to choose renewable energy from a PPA (Power Purchase Agreement) with solar parks or wind turbines
- > One Stop Shop: For customers with branches in several countries



PORTFOLIO MANAGEMENT

Energi Danmark Securities

- > Portfolio and risk management for large business/production customers
- > Portfolio and risk management for all companies in the Energi Danmark Group



ED BUSINESS SUPPORT

Solutions for consumption customers

- > Cloud based billing solution (BIO)
- > Add-on modules: My Energy & ONLINE
- > Invoice service



ED BUSINESS SUPPORT

IT solutions & managed services



IT SOLUTIONS & MANAGED SERVICES

Flexible and scalable systems for both the Energi Danmark Group and for external customers

- > Cloud based billing solution (BIO)
- > Managed services
- > Invoice service
- > Add-on modules: My Energy & ONLINE
- > Business infrastructure as a service



INSIGHT INTO ED BUSINESS SUPPORT'S IT SOLUTIONS & MANAGED SERVICES

Cloud based billing solution (BIO)

- > A flexible billing platform that is able to handle the advanced utility market
- > For suppliers in the utility sector
- > Market compliant in DK, SE, NO, FI and DE

Managed services

- > Onboarding
- > Contract handling
- > Market
- > Communication
- > Billing
- > Invoicing & debtor management

Invoice service

Simplicity in grid invoicing

- > Controlling
- > Bookkeeping services
- > Settlement reporting
- > “Re-invoicing”

Add-on modules

- > My Energy: High-end customer portal
- > ONLINE: Price and risk calculation tool for electricity suppliers

Business infrastructure as a service

End-to-end solution for suppliers in the utility sector

- > Billing solution
- > Managed services
- > Add-on modules

“You sell, we manage the rest”



ORIGINATION

Electricity production

Production balance responsible



PRODUCTION SERVICES

Services for producers of conventional and renewable energy:

- > Guidance and surveillance 24/7/365
- > Management of production
- > Monitoring and optimization of production
- > Balancing (participation in markets for reserve and regulatory power)
- > Certification of renewable energy and handling of certificates
- > PBA software that handles registration and operation



PRODUCTION CONTRACTS

- > PPA (Power Purchase Agreement) with solar parks or wind turbines
- > Contracts for optimization of production plants
- > Pricing and hedging production



DEVELOPMENT

- > Testing of new production opportunities for a more flexible and climate friendly market



TRADING

Energy trade

Trading balance responsible



ENERGY TRADE

- > Trading with electricity, gas, CO₂ and oil on energy exchanges like Nord Pool and NASDAQ OMX
- > Active trading in Europe and across the European borders
- > Surveillance 24/7/365

Operating in all markets

- > Financial
- > Day Ahead
- > Intraday
- > Balancing
- > Physical

GREEN TRANSITION

Energi Danmark's customers are increasingly demanding sustainable energy solutions. In 2021, we introduced the pioneering "PPA Pool". This means that all our customers now - regardless of size - have the opportunity to cover their energy consumption with new green energy.



PPA: SUSTAINABILITY FOR ALL COMPANIES

Power Purchase Agreements (PPAs) with producers of new renewable energy is an increasingly popular choice among Energi Danmark's customers. Until now, this sustainable option has been available only to the largest of companies, but in 2021, Energi Danmark also made it possible for companies with lower electricity consumption through the new "PPA Pool" solution.



Power Purchase Agreements (PPAs) are agreements between companies and developers to supply newly established green electricity under long-term contracts. There are two obvious advantages to customers in connection with this type of agreement: Companies can be confident that new green energy has been established to cover their consumption, thereby actively contributing to the green transition. At the same time, the customer hedges the price of their electricity consumption over a number of years at an attractive, fixed price, thereby hedging against any price fluctuations in the market.

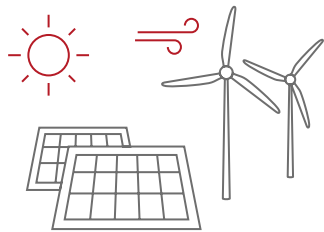
In recent years, Energi Danmark has helped some of its largest customers to change their electricity agreements

to the PPA solution. However, until now, PPAs have required the customer’s consumption to correspond to an entire solar or wind park, which has meant that the option was viable only to a limited group of companies.

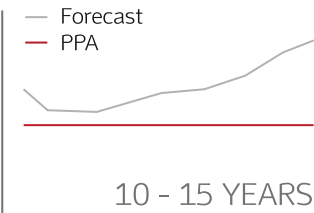
In 2021, however, Energi Danmark succeeded in eliminating this obstacle with the launch of the very first “Pool PPA”. In the Pool PPA, 12 companies with smaller consumption come together in a single PPA.

The groundbreaking difference of the PPA Pool is that Energi Danmark can pool multiple companies together until critical mass is reached to cover the production from a newly established energy plant. Based on the terms of reference agreed with the customers, Energi ▶

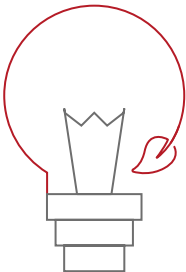
HOW DOES A PPA SOLUTION WORK?



Establishment of newly installed solar cells or wind turbines to cover your electricity consumption



Hedge your future energy costs with a PPA that provides predictability and stability



Your company’s energy consumption is 100% based on newly built renewable energy

» WE ARE
EXTREMELY PROUD
TO BE ABLE TO
ADD THE PPA POOL
TO OUR ENERGY
SOLUTIONS. [...] THIS
IS SOMETHING THAT
MAKES SENSE TO US,
TO OUR CUSTOMERS
AND TO SOCIETY.

VIGGO AAVANG
Head of Sales Denmark in the Energi Danmark Group

Danmark enters into an agreement with a producer that will establish new renewable energy to cover the electricity consumption of the pool. Thus, it is now a viable option for all companies - regardless of size - to choose the sustainable PPA solution.

“We are extremely proud to be able to add the PPA Pool to our energy solutions. There has been demand from our customers for some time and we can now finally help everyone who has the ambition to contribute to the green transition to turn their ambitions into reality. This is something that makes sense to us, to our customers and to society,” says Viggo Aavang, Head of Sales Denmark in the Energi Danmark Group.

Energi Danmark can adapt the PPA solution to individual needs

Energi Danmark collaborates with producers of solar and wind parks who are ready to establish new renewable energy to cover the customers’ energy consumption. These collaborations allow Energi Danmark to help its customers with the entire set-up, from contact with the producer to the electricity supply itself, as well as billing and risk management.

However, different customers have different needs and each PPA is therefore agreed upon in close consultation between the customer and Energi Danmark’s energy risk advisor so that we can identify the optimal solution in each case.

The settlement and risk management of the PPA is something many customers find complicated and confusing. The spread between agreed consumption and actual consumption must be settled correctly, which results in several financial interim accounts and statements. In addition, there is also the distribution to the many different metering points.


But with Energi Danmark’s help, customers can achieve clear and simple settlement based on their actual consumption, as Energi Danmark is also responsible

for balancing consumption and production. As a balance responsible party, Energi Danmark eliminates any price risk that could otherwise arise when consumption and production do not match, e.g. when the sun is not shining.

The Energi Danmark PPA solution allows customers to choose a sustainable electricity agreement without risk or additional costs, with the added benefit of clear and transparent settlement.

“With our PPA solution, we have made it as easy as possible for customers to be part of the green transition. We therefore believe that, together with our customers in Sweden, Finland, Norway and Germany, we can help increase the amount of new renewable energy in the Nordic region and Germany,” says Peter Lønbro Lehm, Director of International Sales in the Energi Danmark Group.

On the following pages, we will showcase a couple of our customers that have taken the active choice to contribute to the green transition through a PPA. ■



VIDEO

Watch our video explaining how a Power Purchase Agreement works.


FLEXIBLE ELECTRICITY CONSUMPTION

Another way in which Energi Danmark’s customers can actively contribute to the green transition is through flexible electricity consumption – also called Demand Response.

As more and more energy is being produced using renewable sources of energy such as solar and wind power, it is becoming increasingly important that we think about the way we consume energy. Demand Response can be the solution to balance the electricity grid and ensure more flexible electricity consumption.

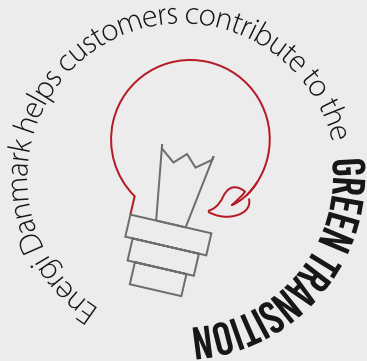
With Demand Response the customer’s electricity consumption - for non-critical units such as ventilation systems, compressors or heat pumps - can be adjusted downwards during periods of peak load in the grid, avoiding the need to activate emergency generators that potentially use energy from non-renewable sources. In exchange, the customer is paid for offering this flexibility.

In 2021, Demand Response was extended to several of Energi Danmark’s customers with plans to include even more high electricity consuming processes in the coming year. ■



VIDEO

Watch our video on Demand Response here.





TDC NET: PPA IS AN IMPORTANT MILESTONE ON THE JOURNEY TO BECOMING CARBON NEUTRAL

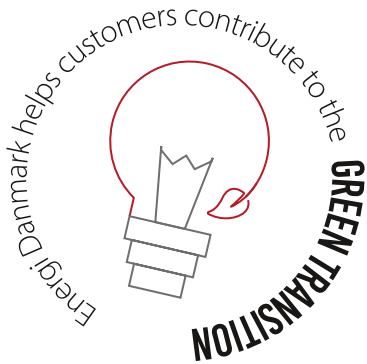
In 2021, TDC NET entered into a PPA with Better Energy on four new solar parks in Denmark. To ensure the best possible handling and settlement of the PPA, TDC NET has joined forces with Energi Danmark.

In the summer of 2021, TDC NET entered into an agreement with the renewable energy developer Better Energy to purchase electricity from four completely new solar parks. The agreement is an important part of TDC NET’s ambitious climate plan to be 100% carbon neutral in its own business (scope 1 & 2) by 2028 and across the value-chain (scope 3) in 2030.

“As Denmark’s largest supplier of digital infrastructure, we want to take responsibility and help promote the

green transition in Denmark. This is one of the reasons why we are aiming to be climate neutral in our own business by 2028,” says Peter Søndergaard Andersen, Head of Sustainability at TDC NET.

TDC NET has been an Energi Danmark customer for 17 years, so it was natural for them to involve Energi Danmark as a trusted partner in the decision-making process in order to ensure the optimal solution. ►



The solution was to enter into the PPA directly with Better Energy and let Energi Danmark be responsible for the subsequent handling.

PPA settlement is often associated with great complexity, as the fixed purchase amount for electricity is billed based on variable consumption. This results in a lot of financial calculations, which makes a PPA far more difficult, time-consuming and unmanageable than an ordinary electricity agreement. TDC NET also has a total of 15,000 metering points between which the electricity must be distributed, which does not make the calculation any less complicated.

Energi Danmark eliminates the complexity of PPAs

By joining forces with Energi Danmark, the calculation suddenly becomes much less complicated for TDC NET. Energi Danmark is responsible both for handling the metering points and settlement of the PPA, meaning that TDC NET ends up with a simple and clear invoice with no unforeseen costs.

“Our dialogue with Energi Danmark confirmed that the PPA solution was the right choice for us. We strive to make the biggest possible difference for the climate and the green transition. In this case, Energi Danmark was able to confirm that the positive impact of the PPA would far exceed that of other options, such as certificates,” explains Peter Søndergaard Andersen, Head of Sustainability at TDC NET.

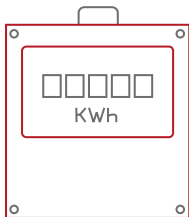
With the PPA agreement with Better Energy in place, TDC NET has taken important steps for the company’s climate strategy. The first deliveries of green electricity are expected to arrive in early 2022, and in 2023 the four solar parks will deliver 140 GWh of electricity, which will cover approximately 60% of TDC NET’s total energy consumption.

Next step for TDC NET is to investigate the opportunities to cover their remaining consumption with a green energy source. This will ensure that TDC NET in just seven years from now will supply the same volume of green electricity to the grid as the company consumes. ■

TDC NET IN BRIEF



Energi Danmark customer since:
2005



Number of metering points:
15,000



Annual amount of electricity under the PPA agreement:
140 GWh

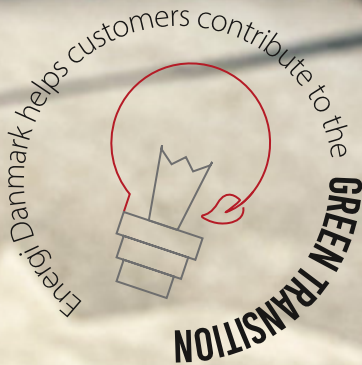
» **OUR DIALOGUE WITH ENERGI DANMARK CONFIRMED THAT THE PPA SOLUTION WAS THE RIGHT CHOICE FOR US. WE STRIVE TO MAKE THE BIGGEST POSSIBLE DIFFERENCE FOR THE CLIMATE AND THE GREEN TRANSITION.**

PETER SØNDERGAARD ANDERSEN
Head of Sustainability at TDC NET



Egmont is one of the 12 companies that in 2021 pooled their electricity consumption in Energi Danmark’s first PPA Pool. This enabled Egmont to realise their ambition to actively bring new renewable energy to society.

**EGMONT:
WITH THE PPA
POOL WE CAN
CONTRIBUTE
TO A MORE
SUSTAINABLE
FUTURE**



Egmont is a Nordic media group with activities primarily in Denmark, Norway and Sweden. The group’s business areas include tv broadcasting, books and magazine publishing, film production, cinemas, and much more. But despite the broadness and complexity of the company, sustainability is high on the agenda in their way of doing business.

“Being Scandinavia’s leading media company, Egmont wishes to contribute to a low-carbon economy and a better planet for future generations,” says Winnie Caroline Nygaard Brok, Sustainability & Legal Compliance Director at Egmont.

In Egmont’s 2025 strategy “Go Greener fast”, they have set a goal of reducing their climate impact, and the ambition is a full green electricity transition in their own operations.

The first step is to invest in 100% green electricity by purchasing guarantees of origin. But Egmont’s green

ambitions goes even further: They want to actively add new renewable energy to society.

The PPA Pool made new green energy an option for Egmont

As Egmont’s electricity consumption is lower than what corresponds to an entire solar park or wind farm, a traditional PPA solution was not an option. But with Energi Danmark’s new PPA Pool, new renewable energy suddenly became possible. By pooling Egmont’s consumption with several other companies’ consumption, Energi Danmark reached the critical mass which together covers the production from a newly constructed energy plant.

So, in 2021, Energi Danmark – with mandate from Egmont and 11 other companies – entered into an agreement with Better Energy regarding the construction of a solar park in Jutland.

“Egmont has a longstanding cooperation with Energi Danmark. They know our electricity pattern and the complexity of Egmont, and therefore it was natural for us to reach out to Energi Danmark to explore the option of a PPA,” says Winnie Caroline Nygaard Brok and continues:

“And we are very pleased that we have landed on this solution, where we know we are making a real difference by adding new renewable energy to society.”

With the agreement, Egmont and the other 11 customers have Energi Danmark as their direct counterparty. This means that Energi Danmark handles the entire setup, including the contact with the developer, the electricity supply itself and the risk management. As a result, all customers in the pool get a simple and clear settlement based on their actual consumption as Energi Danmark also handles balancing of consumption and production.

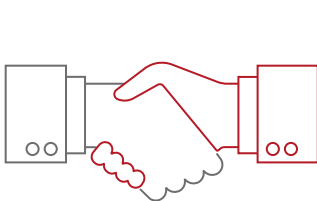
The solar park is expected to be completed in Q1 2023 and produce approx. 70,000 MWh (70 GWh) annually, corresponding to the electricity consumption for about 18,000 households.

Egmont is currently looking into the option to do similar investments in new green electricity in Sweden and Norway. ■

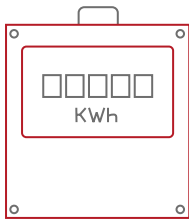
THE 11 OTHER PARTICIPANTS IN EGMONT’S PPA POOL

GN Group, Bravida, Scan Global Logistics, PA Savværk og Wiking Gulve, Tempur Sealy, Labelco, Scanpan, Malte Haaning Plastic, Petersen Tegl, Blue Energy and Polyprint.

EGMONT IN BRIEF



Energi Danmark customer since:
2004



Number of metering points:
65



Annual amount of electricity under the PPA agreement:
11.6 GWh

MEET MORE OF OUR PPA CLIMATE HEROES ...

Chr. Hansen, Lundbeck, Claus Sørensen A/S and PA Savværk. On our website, we have gathered even more of our customers who have made the decision to actively contribute to the green transition through a PPA.

[Go to our Reference page here](#) →

HIGHLIGHTS

We have gathered some of the highlights from 2021 in the Energi Danmark Group while also looking forward with an analysis of the expectations for the Northern European economy in 2022.

HIGHLIGHTS

CONSOLIDATED GROUP OF OWNERS

In October 2021, the European Commission approved the consolidation of Energi Danmark's ownership. Andel now officially owns 63.6 percent and NRGi 36.4 percent of the shares in Energi Danmark A/S. We thus part ways with four shareholders: Energi Nord Holding, EWII Energi, SEF Energi and Fonden Langelands Elforsyning after many years of good cooperation. The background for the consolidation in the group of owners is the overall consolidation of the energy sector and an increased focus on business activities and new strategic priorities among the owners.

» WITH THIS CONSOLIDATION AND THE TWO REMAINING DEDICATED AND STRONG SHAREHOLDERS, THE ENERGI DANMARK GROUP IS IN A VERY STRONG POSITION IN THE COMING YEARS.

JØRGEN HOLM WESTERGAARD
CEO of Energi Danmark Group

EDBS EXPANDS BILLING PLATFORM

ED Business Support (EDBS), subsidiary to Energi Danmark, has developed a wide range of strong IT solutions used by both Energi Danmark and external customers. In 2021, EDBS expanded the comprehensive billing system "BIO" with the ability to handle and settle fixed volume products. This implementation meets the electricity suppliers' growing need for hedging and risk management in the currently highly volatile markets.

EXPECTATIONS TO THE NORTHERN EUROPEAN ECONOMY IN 2022

2021 was all about recovery after the coronavirus pandemic threw the global economy into a rapid recession in 2020. The European Commission estimates that the EU economy has grown by 5.0% in 2021, compared to the decline of 5.9% during the previous year. The expectation is that growth will continue in 2022. In its latest forecast, the Commission estimates a growth rate of 4.3%, but once again the estimate is based on a very high level of uncertainty as a new mutation of the virus could potentially become a game changer.

[Read more here](#)

ENERGI DANMARK MOVES INTO OUR NEW DOMICILE

In September 2021, we moved into our newly built – and significantly larger – domicile at Tangen 29 in Aarhus N. Our new domicile has been built with a strong focus on creating a sustainable building that provides the best possible conditions for both employees and climate.

[Read more here](#)

AAA GOLD & GAZELLE – TWO MORE AWARDS ON THE WALL

For the eleventh year in a row, Energi Danmark was in 2021 awarded the highest credit rating, AAA, by the credit rating company Bisnode. Therefore, we can flaunt being a AAA gold-rated company, which is an economic seal of quality that is reserved for only the most financially healthy companies. Every year, the Danish newspaper Børsen appoints the Danish companies that have had the largest growth in revenue and gross profit over the last four years. And for the fifth time, Energi Danmark was to be found among these Gazelle companies in 2021.

KIMMO KUUSINEN: NEW CEO IN FINLAND

In September 2021, we could also welcome a new – yet well-known – CEO of our Finnish subsidiary, Energia Myynti Suomi (EMS), when Kimmo Kuusinen took over the position of CEO after Jesse Ruotsalainen. Kimmo has worked as Portfolio Manager at EMS for the past nine months and comes with more than 20 years of experience from the energy sector.



SUSTAINABILITY

Using UN goal 7 as a guideline as well as supporting goal 9, 11, 12 and 13, we base our CSR strategy on the following four strategy points: Energy & Society, Responsible Commerce, People & Culture and Responsible Operations.



POWERING BUSINESS. RESPONSIBLY.

Energy is crucial to a well-functioning society characterised by progress and quality of life. A vital global commodity that is only really noticed when it is not available. In the Energi Danmark Group, we notice everything that relates to energy. We have a thorough understanding of the energy markets across all of Europe. With our broad and specialised range of expertise we cover all current energy markets. Our comprehensive understanding of the markets allows us to offer advice and risk management within consumption

and production. Our mission is to safeguard our customer’s energy investments while also providing the best possibilities for sustainable trading. We aim to be a competent and trustworthy partner, providing valuable service, now and in the long term. With an organisation that never sleeps, specialised employees and high-tech tools, we predict energy prices minute by minute. We monitor all relevant changes and analyse enormous data volumes that have a major impact on the energy bill. We are awake and alert. Always.

SUSTAINABILITY REPORT

This 2021 Sustainability Report is a statutory report on the Energi Danmark Group’s Corporate Social Responsibility in accordance with Section 99a of the Danish Financial Statements Act. The sustainability report covers both the Danish parent company as well

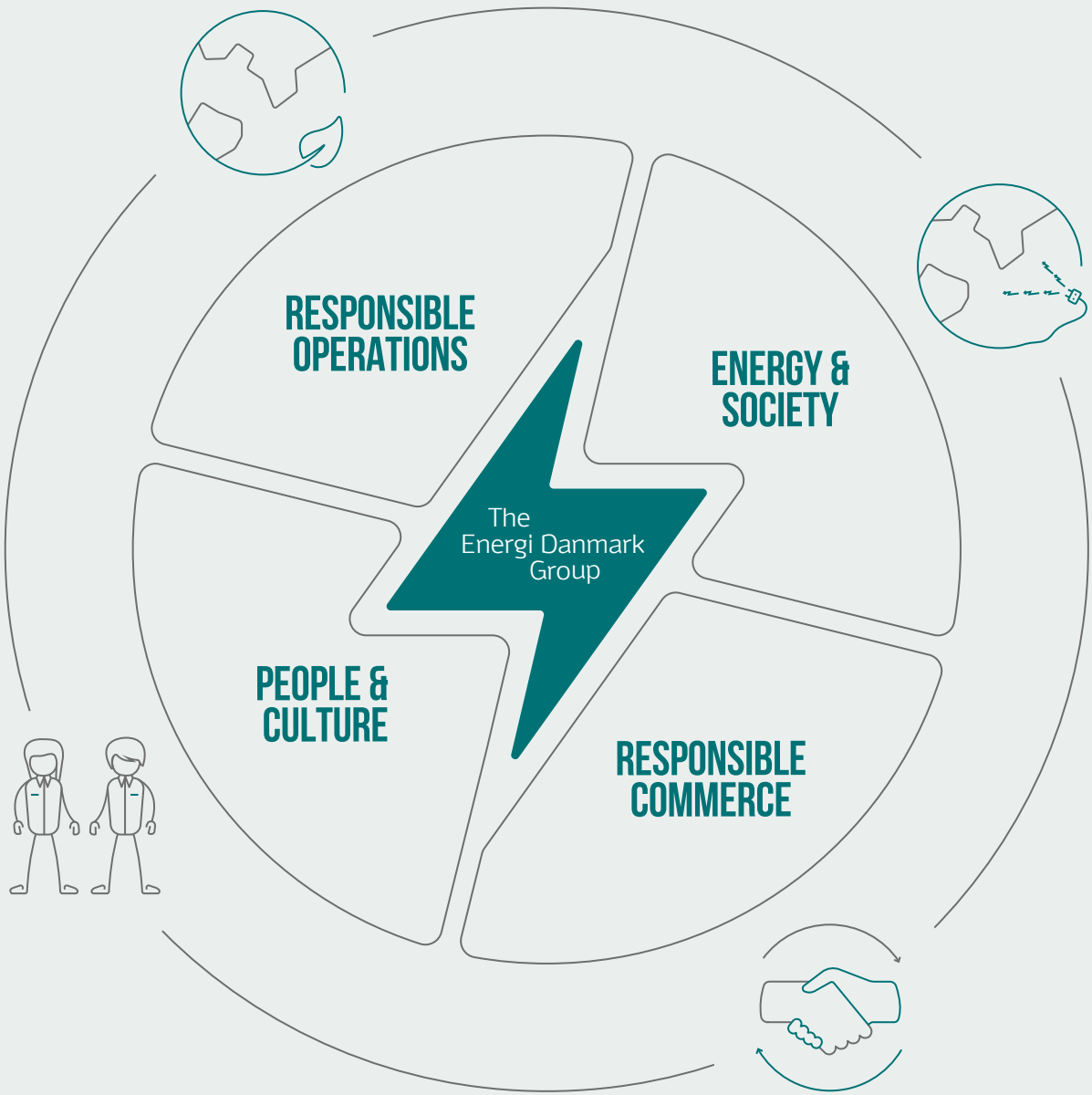
as all the Group’s subsidiaries, thus providing insight into our international activities, what our sustainability targets are, and how we aim to reach them. The sustainability reports from previous years can also be found on www.energidanmark.com. ■

OUR SUSTAINABILITY AGENDA

The Energi Danmark Group welcomes the 17 Sustainable Development Goals from the UN as an essential and relevant framework with regard to the use of the Earth’s resources. We have chosen to focus our sustainable initiatives on goal 7: Affordable & Clean Energy, which is where we can make a difference through our core business. The objective of this UN goal is to ensure access to financially accessible, reliable, sustainable and modern energy for everyone. The Energi Danmark Group is secondarily also supporting goal 9: Industry, Innovation & Infrastructure, goal 11: Sustainable Cities & Communities, goal 12: Responsible Consumption & Production and finally goal 13: Climate Action. We believe that these supporting goals are highly relevant to our business area and therefore important for us to acknowledge and support.

Using UN goal 7 as the guideline as well as supporting goal 9, 11, 12 and 13, we base our CSR strategy on the following four strategy points: Energy & Society, Responsible Commerce, People & Culture and Responsible Operations.

The CSR strategy has been developed through a dynamic process with research and discussions in Energi Danmark’s CSR group – sponsored by our CFO – with subsequent adjustment and approval in the management and board of directors of Energi Danmark A/S. The CSR strategy and the underlying analyses and priorities are reviewed and updated annually.



ENERGI DANMARK GROUP’S SUSTAINABLE DEVELOPMENT GOALS

Main goal	Secondary goals	
7 AFFORDABLE AND CLEAN ENERGY 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION

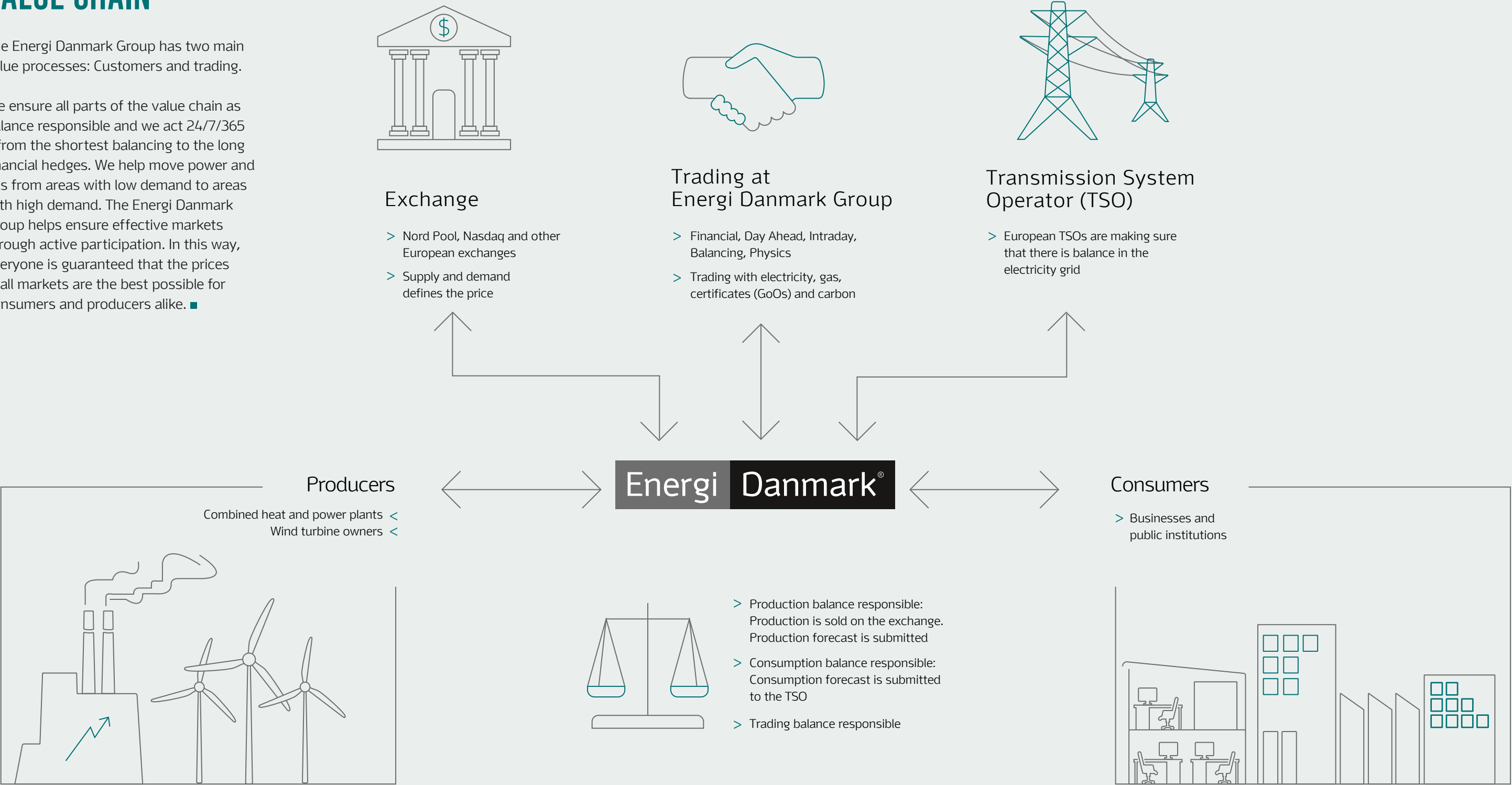
SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY 	2 ZERO HUNGER 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION 	5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION 	7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	
10 REDUCED INEQUALITIES 	11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	
14 LIFE BELOW WATER 	15 LIFE ON LAND 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	17 PARTNERSHIPS FOR THE GOALS 	

VALUE CHAIN

The Energi Danmark Group has two main value processes: Customers and trading.

We ensure all parts of the value chain as balance responsible and we act 24/7/365 – from the shortest balancing to the long financial hedges. We help move power and gas from areas with low demand to areas with high demand. The Energi Danmark Group helps ensure effective markets through active participation. In this way, everyone is guaranteed that the prices in all markets are the best possible for consumers and producers alike. ■



RISKS IN THE VALUE CHAIN

As a basis for our annual update of the CSR strategy, we conduct a series of analyses, including a risk analysis of the possible negative consequences that our business and our entire value chain can have for the world. It is our responsibility to minimise this risk as much as

possible; therefore, we follow up regularly on changes in risks (due diligence) and adjust our actions accordingly. The responsibility for this follow-up lies with the relevant departments.

Our operating activities impact a number of groups of people – our stakeholders. Part of the stakeholders are represented in the below value chain. ■

RISKS	PRODUCTION OF INFRASTRUCTURE	ENERGY PRODUCTION	TRANSPORT	ENERGI DANMARK	CUSTOMERS & CONSUMERS
ENVIRONMENT/CLIMATE	Chemicals Water consumption Waste Carbon dioxide	Chemicals Water consumption Waste Carbon dioxide	Particles Carbon dioxide Biodiversity	Waste Carbon dioxide	
HUMAN RIGHTS	Indigenous people Traffic safety Local communities	Indigenous people Traffic safety Local communities	Local communities	Fair marketing	
EMPLOYEE RIGHTS	Working conditions Health Child labour Forced labour Remuneration	Working conditions Health Child labour Forced labour Remuneration	Working conditions Health Remuneration	Working conditions Health	
ANTI-CORRUPTION	Bribery Facilitation payment	Bribery Facilitation payment	Bribery Facilitation payment	Bribery Facilitation payment	Bribery Facilitation payment

MATERIALITY ANALYSIS

Stakeholders
Following is a list of all the stakeholders that we affect positively or negatively via our activities.

- > Owners
- > Management and employees
- > Customers and consumers
- > Suppliers and partners
- > Authorities and legislators
- > NGOs and society
- > Local communities

Through thorough analysis and workshops, we have identified a long series of factors that are part of our responsibility towards society. We have prioritised these based on the effect on our own business and on our stakeholders. The following analysis shows the key factors for the Energi Danmark Group and our surroundings – and thus the factors that we have chosen as elements in our CSR strategy. ■





ENERGY & SOCIETY

The Energi Danmark Group is conscious of its social responsibility. Our business is based on healthy and responsible business activities. We want to contribute to society through our role in the value chain of the energy eco-system. The Energi Danmark Group works continuously to develop products and services that we identify a need for, now and in the future. With a focus on the future, we will contribute to sustainable societal growth, which can also provide additional business value for our customers and stakeholders. Within Energy & Society we focus on system data security, delivery reliability and electricity infrastructure, local society and adoption of renewable energy in society.



DELIVERY RELIABILITY AND ELECTRICITY INFRASTRUCTURE

Without electricity, most of the world as we know it would shut down. At the Energi Danmark Group, we consider our contribution to both supply and delivery reliability to be our most important task and we are involved in the delivery and trading of energy across borders. As a balance responsible party within consumption, production and trade, the Energi Danmark Group helps ensure a balance between consumption and production, as well as supply and demand. We work continuously to become even better at predicting needs and trends, thereby creating stability and security in relation to delivery and supply; securing the entire electricity infrastructure.

In December 2021, Energinet established an updated framework for the delivery of ancillary services from renewable energy. We want to be at the forefront when it comes to utilising these new possibilities. And therefore, during 2021 we initiated a dialogue with a major OEM (manufacturer of original equipment) and one of our close technology suppliers regarding launch of the first wind turbine site in our portfolio, which will be able to permanently provide ancillary services from renewable production units.

SYSTEM DATA SECURITY

As part of our security, we have extensive IT policies in place, as employees’ attentiveness with regard to safe use of email and internet facilities is crucial for avoiding the majority of potential virus and hacker attacks. To the Energi Danmark Group and as a balance responsible party IT security is essential. This is why we constantly keep our knowledge and processes updated. All IT and system data security across the Group is managed centrally from Denmark at Energi Danmark.

During 2021, Energi Danmark has been fully compliant with the legal requirements laid out in the L68 Law as

well as the current BEK 820 Act “IT Readiness in the electricity and natural gas sector”, as of August 14, 2019. In relation to our role in the electricity and natural gas sector, Energi Danmark is a company on the highest level, which means the law sets specific requirements for our IT Security.

Our work to be compliant with GDPR (General Data Protection Regulation) is a continuous process. In 2018, Energi Danmark established a GDPR steering committee. The steering committee adopted in that connection an annual cycle of work to ensure that we continually update our employees regarding key GDPR information through the use of awareness campaigns and ongoing training. Among other things, this is done using a system acquired especially for this purpose. In 2021 – as well as the previous years – we have followed the annual cycle. Furthermore, we follow internal and external processes and guidelines so we can continue to document and manage any incidents such as data leaks or requests for access to personal data, etc.

Energi Danmark processes large amounts of data every day. We are very aware of both the security and data ethical risks involved in this. We have several elements in existing policies and procedures that describe data ethics. During 2022, we will establish a specific data ethics policy.

LOCAL COMMUNITIES

Energi Danmark Group is committed to the local communities we are part of and we want to influence social development in a more sustainable direction.

In 2019, our subsidiary, Energi Salg Norge, entered into a climate pact with the City of Oslo and has committed to help achieve the city’s ambition to reduce the emission of greenhouse gases by 95% by 2030. 2021 was thus the third year, where Energi Salg Norge supplied the City of Oslo, our most complex customer in the ►

Norwegian market so far. By becoming a signatory, Energi Salg Norge became a member of the Enterprises for Climate Network. The pact is a recognition of intent, but also a forum for collaboration, exchange of experience and an opportunity to demonstrate the results that have been achieved by certain companies. At the same time, the pact should also be viewed as a desire to reduce our own emissions, while also influencing other companies and customers to do the same.

At Energi Danmark, we are also aware that our activities and the activities of our suppliers can disturb the local communities around us. We always try to minimise any disturbances and engage in dialogue with the relevant stakeholders.

ACCOMMODATION OF RENEWABLE ENERGY IN SOCIETY

The Energi Danmark Group takes responsibility for climate issues. We have a general Environment & Climate policy of contributing to the development of renewable energy and we are encouraging our customers to do the same. By offering climate friendly options and products, we want to play an active role in solving the global climate challenges of today.

Again in 2021 we have had great success with our climate friendly product: Power Purchase Agreement (PPA) in which Energi Danmark facilitates an agreement between the customer and the producer of a solar or wind turbine park. The agreement means that the customer’s climate friendly electricity originates from a plant developed exclusively on the basis of the agreement, contributing to the customer’s carbon neutrality and helping to add new renewable energy to society.

At the end of 2021, Energi Danmark’s new product “PPA Pool” saw the light of day. On behalf of 12 customers, Energi Danmark signed an agreement which means that Better Energy will build a new solar park to cover the electricity consumption of the pool. This new solution ▶

A SELECTION OF ENERGI DANMARK’S DEVELOPMENT PROJECTS IN 2021

In collaboration with various market participants, Energi Danmark participates in several projects that will investigate potential areas of development when it comes to the flexibility and production market.

GRIDSCALE – THERMAL STORAGE OF RENEWABLE ENERGY

Stiesdal Storage Technologies has developed a thermo-mechanical electricity storage system. This project has the potential to solve one of the greatest challenges associated with the green transition: How to store wind and solar power in a profitable manner so that our energy system can supply green electricity at all times of the day and year.

In 2021, the project drew closer to the crucial next phase, in which Energi Danmark will, among other things, help investigate the impact of the solution on the transmission and distribution networks using the first fully functioning pilot plant.

If the test phase proves successful, commercial storage units could become a reality as early as 2025.

FLEXIBLE CITIZEN ENERGY COMMUNITIES

In September 2021, Energi Danmark joined a new EU DP funded development project about creating and running flexible energy communities. The hope is that energy communities can help in providing flexibility to the electricity system through demand-response and efficient use of local storage units.

Energi Danmark takes on the responsibility of helping these communities create real life value out of the flexibility they provide, by offering them balancing services for the shared electricity system.

Energi Danmark participates in the following two test zones:

- > Nordhavn - a new city area under development in Copenhagen, including solar, battery storage, heat pumps and large residential areas.
- > Nordvest-kvarteret - an existing area in Copenhagen, including a school, rental apartments and a majority of privately owned residential areas.

The project is set to run till the end of 2023.



paves the way for all companies, large and small, to be able to purchase electricity from newly constructed plants, even though their consumption alone does not correspond to an entire solar power station or wind farm. 2021 thus became a milestone for the green transition, as all companies with the help of Energi Danmark now have the opportunity to help increase the amount of new renewable energy in society.

Energi Danmark have investigated how to closer involve consumers in the important task of balancing the electricity grid while simultaneously providing these costumers with access to a secondary revenue stream and cleaner energy. We call it Demand Response. This area has in 2021 been extended to several costumers with plans to include even more high electricity consuming processes in the coming year. Demand Response concerns consumption flexibility, i.e. being able to reduce electricity consumption in periods of power shortage in the electricity grid or increase it in periods when there is a surplus of electricity. As an example, the customer may have the possibility of powering down a cooling system during periods in which operation is not affected and the same cooling system can store the energy if there is a surplus. In the past, the electricity supply would simply have remained constant but, by shutting off power, other consumers can benefit from the energy instead. When there is a shortage of electricity in the grid and Demand Response is activated, Energinet.dk, for instance, is not forced to activate an emergency generator, which potentially gets energy from non-renewable sources. The flexibility in Demand Response thus benefits supply stability and the climate because the electricity is utilised optimally. Meanwhile, commercial consumers of electricity receive payment for offering such flexibility, which helps motivate them to take part in a cost-effective and safe accommodation of renewable energy in the electricity system.

- [Read more about PPA and PPA Pool here](#) →
- [Read more about Demand Response here](#) →

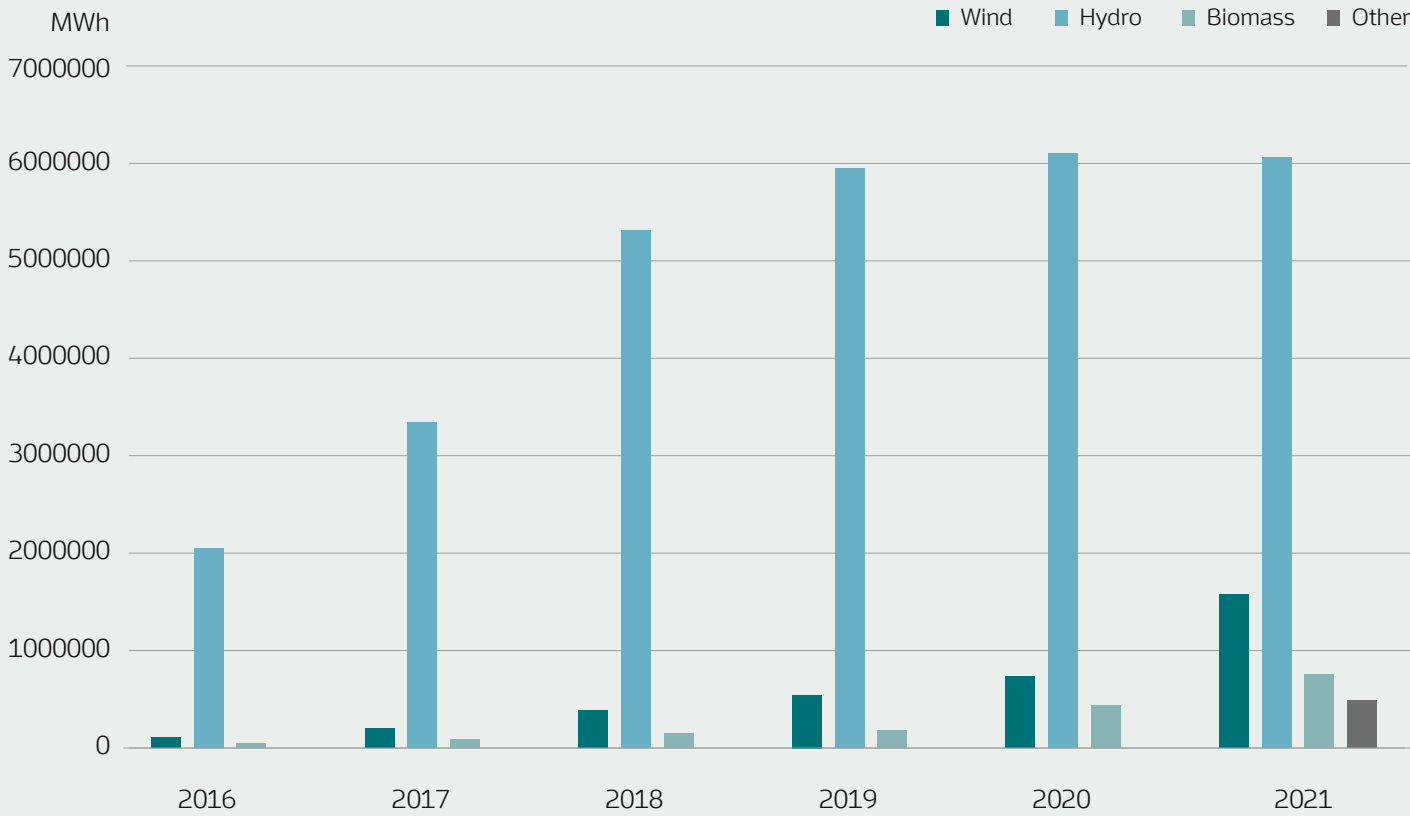
CLIMATE FRIENDLY ENERGY

The Energi Danmark Group’s customers can buy climate friendly energy, also referred to as Guarantees of Origin, produced from wind power, hydropower, biomass or other renewable energy sources. The Energi Danmark Group and the customer thereby help shine a light on the need for renewable energy, while making it attractive to produce more renewable energy. A customer can choose to cover its needs partly or entirely through wind turbines, either from a specific or non-specific turbine. By selecting a specific wind turbine that is less than two years old, the customer actively supports brand new wind turbines and the expansion of renewable energy. It is also possible to cover energy consumption in whole or in part through the purchase of energy from hydropower. The Energi Danmark Group has fixed agreements in place with hydropower plants in Sweden, Norway and Finland to purchase climate friendly electricity. The purchase is documented through certificates.

Interest in covering electricity through wind power, hydropower and biomass has been increasing since 2016. In 2021, more sources of renewable energy have been added to the options, and total sales of Guarantees of Origin increased by 22.1% from 7,274,580 MWh in 2020 to 8,894,640 MWh in 2021. The Energi Danmark Group considers this to be a very positive trend and we therefore also attempt to promote the choice of climate friendly energy among our customers.

To the right is an overview of sold MWh across the Group from 2016 to 2021 within the various sources of renewable energy. ▶

CLIMATE FRIENDLY ENERGY
SOLD ACROSS THE GROUP



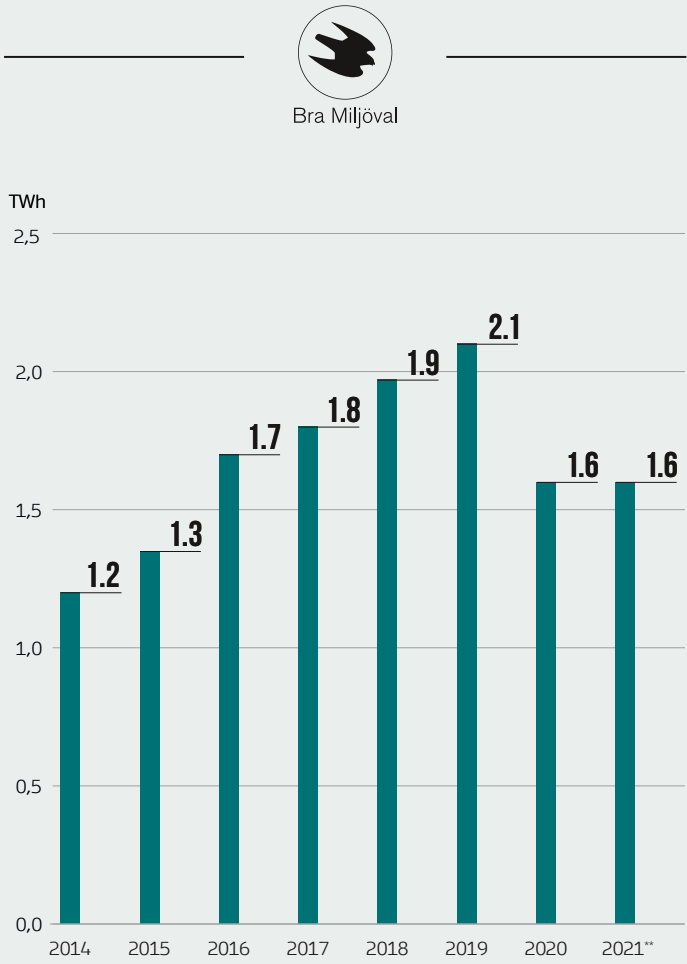
Group	Wind power	Hydropower	Biomass*	Other**
2016	109,066 MWh	2,047,781 MWh	42,452 MWh	
2017	200,099 MWh	3,336,496 MWh	91,839 MWh	
2018	384,299 MWh	5,309,701 MWh	147,924 MWh	
2019	544,166 MWh	5,947,183 MWh	183,058 MWh	
2020	738,510 MWh	6,097,928 MWh	438,142 MWh	
2021	1,578,944 MWh	6,057,863 MWh	759,016 MWh	489,737 MWhh

* There is an ongoing discussion about the climate friendliness of biomass. So far, we relate to the Danish government’s position and thus include biomass in renewable energy.

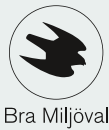
** Other renewable energy sources than wind power, hydropower or biomass.

BRA MILJÖVAL EL

In our subsidiary Energi Försäljning Sverige AB, customers are given the opportunity to purchase the product Bra Miljöval El (Good Environmental Choice Electricity), which guarantees that electricity comes from wind power, hydropower or biomass. Bra Miljöval is a Swedish electricity label from the Swedish Society for Nature Conservation. For the last seven years, Energi Försäljning Sverige AB has been the electricity supplier



**The result for 2021 is an expected estimate as we do not have the final result at the publication date.



that has sold most Bra Miljöval El in Sweden. In 2020, Energi Försäljning Sverige AB has sold a total of 1.6 TWh of Bra Miljöval El. The statement showing the most TWh sold is published one year in arrears.

Besides the energy being climate friendly, care must be taken not to disrupt the natural course of rivers, just as wind turbines must not be situated in particularly sensitive nature areas. For every kWh of Bra Miljöval electricity sold, Energi Försäljning Sverige AB is obligated to donate a sum for environment improvement projects and energy effective solutions via the Environmental Fund, the Energy Efficiency Fund and the Investment Fund. Together with our customers, we have been able to support several projects directed at reducing energy consumption and installing solar power during 2021.

CANCELLATION OF CARBON EMISSION ALLOWANCES

At Energi Danmark, it is possible to buy and subsequently cancel carbon emission allowances. This allows the customer to help reduce the total number of carbon emission allowances available in Denmark and the rest of Europe. By cancelling carbon emission allowances, the customer also helps push the price of the allowances up, thereby making it less attractive for the part of industry that creates the most pollution to release large quantities of carbon emissions.

ADVISORY SERVICES

Energi Danmark offers advisory services to all its customers so we can help to establish a climate friendly strategy. This can include, for instance, consultancy and information on the management and regulation of consumption, so the energy is used optimally, to the benefit of both customers and the environment. ■

» WE HAVE FOR A LONG TIME FOCUSED ON GREEN ENERGY AND PUT SUSTAINABILITY HIGH ON OUR AGENDA. TOGETHER WITH OUR CUSTOMERS, WE HAVE BEEN ABLE TO SUPPORT SEVERAL PROJECTS DIRECTED AT REDUCING ENERGY CONSUMPTION AND INSTALLING SOLAR POWER. THESE PROJECTS ALL HAVE A POSITIVE IMPACT ON THE ENVIRONMENT.

JOHANNA NILSSON

Project Manager, Sustainability and Operations, Energi Försäljning Sverige AB

RESULTS FOR THE YEAR 2021

RISKS	FOCUS AREAS	GOALS	ACTION	RESULTS
<div>➤ Data safety</div>	<div>SYSTEM DATA SECURITY</div> <div>Policy</div> <div>➤ Human rights policy</div>	<div>➤ Energi Danmark is compliant with all legal requirements regarding data security</div>	<div>➤ Regular implementation of new requirements</div>	<div>➤ Energi Danmark is compliant with L68 and BEK 820</div> <div>➤ Energi Danmark is compliant with GDPR</div>
<div>➤ Electricity infrastructure</div> <div>➤ Delivery reliability</div>	<div>ELECTRICITY INFRASTRUCTURE & DELIVERY RELIABILITY</div> <div>Policy</div> <div>➤ Climate policy</div>	<div>➤ Optimisation of delivery reliability</div>	<div>➤ Regular optimisation measures</div>	<div>➤ Delivery reliability improved</div>
<div>➤ Local community</div>	<div>LOCAL COMMUNITY</div> <div>Policy</div> <div>➤ Human rights policy</div>	<div>➤ Support for relevant NGOs and projects</div>	<div>➤ Screened for NGOs and projects</div>	<div>➤ Donation for various charitable organizations</div>
<div>➤ Renewable energy and climate</div> <div>➤ Accommodating renewable energy (RE) in society</div>	<div>RENEWABLE ENERGY AND CLIMATE & ACCOMMODATION OF RE IN SOCIETY</div> <div>Policy</div> <div>➤ Climate policy</div>	<div>➤ Demand Response concept further developed</div> <div>➤ New climate friendly PPA product ready for market</div> <div>➤ Ambition to increase the amount of RE sold</div>	<div>➤ Continued cooperation with Kiwi on Demand Response concept</div> <div>➤ Development of new climate friendly products</div> <div>➤ Introduced new PPA product to first customers</div> <div>➤ Nudged customers to buy more RE</div>	<div>➤ 22.1% increased amount of RE sold compared to the previous years</div> <div>➤ New climate friendly products are being developed - including completion of a new PPA product and signed PPA with several (approx. 20) customers</div>

GOALS 2022

RISKS	FOCUS AREAS	GOALS	PLANNED ACTIONS
<div>➤ Data safety</div>	<div>SYSTEM DATA SECURITY</div> <div>Policy</div> <div>➤ Human rights policy</div>	<div>➤ Remain compliant with the requirements stipulated in BEK 820 in regards to IT Preparedness in the Electricity- and Natural Gas sector</div> <div>➤ Govern our information in accordance with GDPR requirements</div> <div>➤ Establishment of a data ethics policy</div>	<div>➤ Do risk assessments and incorporate findings into our contingency planning</div> <div>➤ Establish a data ethics policy</div>
<div>➤ Electricity infrastructure</div> <div>➤ Delivery reliability</div>	<div>ELECTRICITY INFRASTRUCTURE & DELIVERY RELIABILITY</div> <div>Policy</div> <div>➤ Climate policy</div>	<div>➤ Optimisation of delivery reliability</div>	<div>➤ Regular optimisation measures</div>
<div>➤ Local community</div>	<div>LOCAL COMMUNITY</div> <div>Policy</div> <div>➤ Human rights policy</div>	<div>➤ Support for relevant NGOs and projects</div>	<div>➤ Screening for relevant NGOs and projects</div>
<div>➤ Renewable energy and climate</div> <div>➤ Accommodating renewable energy (RE) in society</div>	<div>RENEWABLE ENERGY AND CLIMATE & ACCOMMODATION OF RE IN SOCIETY</div> <div>Policy</div> <div>➤ Climate policy</div>	<div>➤ Demand Response concept further developed</div> <div>➤ New climate friendly PPA product ready for market</div> <div>➤ Ambition to increase the amount of RE sold</div>	<div>➤ Continued cooperation with Kiwi and IBM/ Andel on Demand Response concept</div> <div>➤ Development of new climate friendly products</div> <div>➤ Introduce new PPA product with consumption in more than one price area</div> <div>➤ Increase activity with PPA contracts</div> <div>➤ Nudge customers to buy more RE</div>



RESPONSIBLE COMMERCE

In energy trading groups such as the Energi Danmark Group, the primary task is to ensure optimal management of customers' risks within energy purchases. We help energy consumers and energy producers to exercise active and financially advantageous trading strategies rather than being passive players in the energy market.

In this context, we focus on responsible trade with suppliers and partners with emphasis on forced labour, child labour, anti-corruption, responsible procurement and pollution from the production of power.



SUPPLIER MANAGEMENT

Trade with suppliers depends upon mutual trust and respect for good business ethics. The great majority of our purchases are made through energy exchanges in the financial energy market and thus without any direct trade contracts with suppliers. The energy exchange is highly regulated, however, and there are strict requirements for registering with the exchanges.

Energi Danmark Group has developed a Supplier Code of Conduct with a specific focus on human rights, labour rights and anti-corruption, as well as the climate and environment. The guidelines set down in our Code of Conduct are based on the UN Global Compact's ten principles for business.

We do not accept any kind of child labour or forced labour, including slave labour or human trafficking. At the Energi Danmark Group, we have a Human Rights Policy covering forced labour and child labour. Our Supplier Code of Conduct does also make demands on our suppliers regarding child labour or forced labour.

ANTI-CORRUPTION

The Energi Danmark Group wishes to work actively to help fight all forms of corruption. Corruption contradicts the group's core values and is therefore unacceptable. We expect all employees to use their common sense with respect to the Group's and society's interests and that all employees act in accordance with the law, regulations and standards. Likewise, we also wish to work with our suppliers to fight corruption.

We have in place an anti-corruption policy and committed to incorporating the anti-corruption policy into all relevant business areas.

We have also in place a whistleblower scheme so that employees who experience any unacceptable or illegal

conduct in the Group can anonymously report this directly to the Group's auditor, who will impartially investigate the matter in more detail. The whistleblower scheme is accessible via the Intranet with our whistleblower policy and whistleblower investigation procedure, which explains the steps that will be taken when a report is submitted. There have been no incidents in 2021.

The Energi Danmark Group has a policy in place concerning the prevention of market abuse. The policy is compliant with the current EU legislation on insider trading, illegal disclosure of insider information and market manipulation, MAR, and on integrity and transparency in wholesale energy markets, REMIT. Our compliance setup is supplemented by an energy trade monitoring software system. The system enables Energi Danmark at an early stage to spot and handle trades which potentially could give rise to questions in relation to REMIT.

POLLUTION WITH WASTE WATER AND CHEMICALS

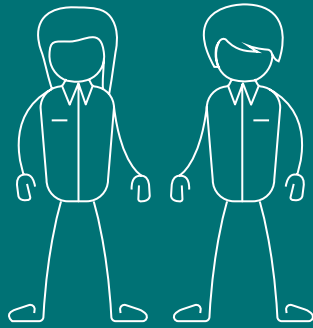
The Energi Danmark Group wishes to reduce pollution in order to protect biodiversity and prevent the destruction of natural ecosystems. In connection with our own operating activities, neither waste water nor chemicals are discharged into the environment, so it is mainly in our cooperation with suppliers in which energy is produced and transported that we will try to minimise the negative impact on the environment. ■

RESULTS FOR THE YEAR 2021

RISKS	FOCUS AREAS	GOALS	ACTION	RESULTS
<div>➤ All risks</div>	<div>SUPPLIER MANAGEMENT</div> <div>Policy</div> <div>➤ Human rights policy</div> <div>➤ Environmental policy</div> <div>➤ Climate policy</div> <div>➤ Employee rights policy</div> <div>➤ Diversity policy</div> <div>➤ Anti-corruption policy</div>	<div>➤ First batch of suppliers risk assessed</div> <div>➤ Supplier Code of Conduct approved by EMC</div> <div>➤ Supplier Code of Conduct signed by first suppliers</div>	<div>➤ Risk assessment of suppliers</div> <div>➤ Further implementation of Supplier Code of Conduct</div>	<div>➤ Supplier screening and risk assessment in process</div> <div>➤ REMIT trade monitoring system is minimising compliance risks</div>
<div>➤ Anti-corruption</div> <div>➤ Fair competition</div>	<div>ANTI-CORRUPTION & FAIR COMPETITION</div> <div>Policy</div> <div>➤ Anti-corruption policy</div> <div>➤ Policy on the prevention of market abuse</div>	<div>➤ First batch of suppliers risk assessed</div> <div>➤ Supplier Code of Conduct approved by EMC</div> <div>➤ Supplier Code of Conduct signed by first suppliers</div> <div>➤ Presentation of whistleblower scheme to new employees</div> <div>➤ Implemented internal training in anticorruption policy</div>	<div>➤ Risk assessment of suppliers</div> <div>➤ Presented whistleblower scheme to new employees</div> <div>➤ Implementation of internal training in anticorruption policy</div> <div>➤ Further implementation of Supplier Code of Conduct</div>	<div>➤ Supplier screening and risk assessment in process</div> <div>➤ REMIT trade monitoring system is minimising risks</div> <div>➤ Whistleblower scheme fully implemented</div>
<div>➤ Pollution from wastewater</div> <div>➤ Pollution with chemicals</div>	<div>POLLUTION FROM WASTEWATER AND CHEMICALS</div> <div>Policy</div> <div>➤ Environmental policy</div>	<div>➤ See “Supplier management”</div>	<div>➤ See “Supplier management”</div>	<div>➤ See “Supplier management”</div>

GOALS 2022

RISKS	FOCUS AREAS	GOALS	PLANNED ACTIONS
<div>➤ All risks</div>	<div>SUPPLIER MANAGEMENT</div> <div>Policy</div> <div>➤ Human rights policy</div> <div>➤ Environmental policy</div> <div>➤ Climate policy</div> <div>➤ Employee rights policy</div> <div>➤ Diversity policy</div> <div>➤ Anti-corruption policy</div>	<div>➤ Maintaining and developing our current policies and rules</div> <div>➤ Further enhancement of our compliance setup</div> <div>➤ Further implementation of Supplier Code of Conduct</div> <div>➤ Supplier Code of Conduct signed by suppliers</div>	<div>➤ Further strengthening of our compliance setup by hiring a Compliance Officer</div> <div>➤ Further implementation of Supplier Code of Conduct</div>
<div>➤ Anti-corruption</div> <div>➤ Fair competition</div>	<div>ANTI-CORRUPTION & FAIR COMPETITION</div> <div>Policy</div> <div>➤ Anti-corruption policy</div> <div>➤ Policy on the prevention of market abuse</div>	<div>➤ Enhancing our Fair Competition compliance setup</div> <div>➤ Implement education programme within anti-corruption and ethics policy</div>	<div>➤ Further strengthening of our compliance setup by implementing a Fair Competition Policy</div>
<div>➤ Pollution with waste water</div> <div>➤ Pollution with chemicals</div>	<div>POLLUTION FROM WASTEWATER AND CHEMICALS</div> <div>Policy</div> <div>➤ Environmental policy</div>	<div>➤ See “Supplier management”</div>	<div>➤ See “Supplier management”</div>



PEOPLE & CULTURE

At the Energi Danmark Group, our employees are our most valued resource and instrumental in implementation of our business strategies. We therefore focus on strategic competences and capability building. We want to provide a working environment that encourage our employees to develop their professional and personal skills. We continuously focus on diversity and inclusion, employee engagement, data security, work health and safety.



CAREERS AND CAPABILITIES

At the Energi Danmark Group, our holistic leadership approach is based on trust and respect for the individual employee. It is therefore essential that employees have working conditions that encourage and enable them to reach their full potential. We create our positive working environment based on our three core values: Teamwork, timing and trust.

As part of our human resource policy, Energi Danmark offers appropriate supplementary training in relation to each employee's areas of work. As a knowledge-heavy company, it is crucial that we constantly keep our finger on the pulse and follow the latest developments in the energy market.

We have implemented a policy for employment rights in the Energi Danmark Group. All countries in which we have offices are compliant with legislation concerning employment issues and rights.

HEALTH AND SAFETY AT WORK

The Energi Danmark Group prioritises health and safety at work. It is essential that we have a workplace which focuses on such parameters as healthy food, exercise and work environment, all of which contribute to a high level of employee satisfaction and well-being. We prioritise work safety because we wish to minimise work-related accidents and injuries.

Every other year, we conduct an Engagement Survey for the entire Group. In 2021, an impressive 94% of all employees completed the survey. The survey showed that 81% of the employees in the Group would recommend Energi Danmark as a place to work, compared to 75% in the survey from 2019. We are of course pleased to see that our efforts to improve the conditions for our employees are shown positively in the recent survey. However, there is still room for improving this area

even more in the future, which is why we will continue this journey by focusing on leadership development, individual work-life balance and career development opportunities. Hopefully, next survey will show that our initiatives successfully have further increased the number of employees who would recommend the Energi Danmark Group as a place to work.

Work-life balance remained an important focus point in 2021, when COVID-19 once again forced many of us to work from home from time to time. However, we had incorporated some good routines from 2020 that made the adjustment relatively easy. Although we often worked apart with some employees at home and others in the office, the collaboration in the various teams was at the same high level as always, and the feedback from both employees and managers has been very positive. It has, of course, required a lot of flexibility from both immediate managers and employees to ensure that work tasks and family life all came together, but the results were impressive, and the experiences we have gained this year will hopefully have a positive effect on work-life balance in the future also.

Throughout the year, all employees have taken great responsibility not to expose colleagues to unnecessary risk of COVID-19 infection. At the end of 2021, we introduced corona passport for both employees and visitors. It was received very positively, and it was clear that the main focus of all employees was to take care of each other.

At the Energi Danmark Group, we like to promote physical health among our employees. Each year, Energi Danmark participates in the DHL relay race, in which all employees have the opportunity to either run or walk five kilometres together with their colleagues. Energi Danmark also participated in this year's "Bike to work" campaign. 22 employees participated, and they covered a total distance of no less than 4,020 km. ▶

Multiple employees participate in daily resistance training, as part of which a physiotherapist has given them exercises for preventing and relieving office-related injuries as well as boosting the energy level during the day.

At our headquarters in Aarhus, employees have the opportunity to buy a healthy lunch from the canteen, which has been awarded bronze certification for its organic food. The kitchen staff have a strong focus on healthy, tasty and appetizing food, and delicious salads and other vegetables have a prominent place on the buffet every day. Both for the health and well-being of employees, but also because we are very aware that meat leaves a significantly larger CO₂ footprint than vegetables. This awareness is clearly reflected in the canteen's food purchases, where fruit and vegetables account for almost 40%. By comparison, meat accounts for only 15%.

At the Energi Danmark Group, our employees' safety and well-being is key to everything we do. Energi Danmark's internal work environment organisation ensures that we carry out the mandatory physical WPA measurements (in Denmark only) while we work to achieve long-term results in employee well-being and lower sick leave and ensure that work does not lead to injuries or illness. In addition, the work environment organisation helps with sparring and questions from both employees and management.

All employees in the Group have a general ongoing obligation to identify and reduce the risk of work-related accidents. Safety and improved processes will always be one of our key focus areas.

EMPLOYEE DATA SECURITY

The Energi Danmark Group works continuously with the EU's GDPR (General Data Protection Regulation), which became effective in May 2018.

It was our original goal to implement a single HR system across the entire Group in 2021. However, our research has shown that the ideal solution is not necessarily a single system, but rather to streamline the way data is stored and shared across the Group's systems. Finding the right setup is a big and time-consuming task and it will proceed in 2022.

It is a high priority for our systems to ensure uniform processing and storage of personal data, to the benefit of both current and potential employees.

DIVERSITY AND INCLUSION

Energi Danmark Group has a diversity policy. We do not tolerate any form of discrimination on the grounds of e.g. race, skin colour, gender, language, ethnicity, religion, political or other views, cast, national or social origin, wealth, birthplace, union affiliation, sexual orientation, health, age, disability or other characteristics. We offer the same opportunities for all our employees and candidates, regardless of the above characteristics.

At Energi Danmark, we want to help our senior employees to remain with the company for as long as possible if it aligns with the needs of both the company and the employee. We therefore implemented a Senior Policy last year. We look forward to it being relevant for some of our employees to take advantage of the opportunity.

The main purpose of the Senior Policy is to create a framework for the senior employee's working life, allowing the senior employee to remain with Energi Danmark on more flexible terms and working hours. The purpose is to retain senior expertise while offering the senior employee a smooth transition from working life to retirement. ■



DIVERSITY AND GENDER DISTRIBUTION

IN THE MANAGEMENT TEAM

REPORT FOR THE UNDERREPRESENTED GENDER

This is the Energi Danmark Group's statutory report for gender composition in accordance with section 99b of the Danish Financial Statements Act. The aim is to create focus on the under-represented gender, which is currently female due to the distribution within the Energi Danmark Group. Men are in the majority within the whole energy industry, and in the Energi Danmark Group most of the employees are also men.

As of 31 December 2021, 66% of employees were men. The Energi Danmark Group would very much like the gender distribution among employees of the Group to reflect the distribution of women and men in society. As Energi Danmark is an international energy trading group, diversity within its work force is seen as an asset. The Group is thus aware of the advantages of having a diversified organisation, which also includes a versatile management team composition. The Energi Danmark Group recruits its employees solely based on talent and personality, and offers the same opportunities to all employees, regardless of e.g. nationality, religion, political convictions, gender and age. We encourage all employees to achieve their full potential in line with their personal ambitions and goals.

STATUS FOR THE UNDER-REPRESENTED GENDER ON THE BOARD OF DIRECTORS AND AT OTHER MANAGEMENT LEVELS

The Energi Danmark Group appoints and promotes managers based on the approach that the most suitable person is always appointed regardless of gender. All employees can aspire to be part of the management and the Group's aim is for women and men to take equal advantages of the opportunity. We offer our employees the opportunities to develop professional competencies through participation in relevant courses etc. when it complements the Group's strategic goals.

In 2014, Energi Danmark's Board of Directors adopted a target figure for the proportion of the under-represented gender on the Board, and a policy to increase the proportion of the under-represented gender at the Group's other levels of management.

The goal and vision for 2021 was:

- > An 85/15 distribution on the Energi Danmark's Board of Directors, requiring at least one woman to be elected into the Board by close of 2021.

- > 28% of Energi Danmark's management to be comprised of women in 2021. We strive to reach the goal of a 72/28 gender distribution at the management level by close of 2021.

Status on Board level: We did not reach our goal of an 85/15 gender distribution. As of 31 December 2021, Energi Danmark's Board of Directors was made up of five people, of whom all were men.

In November 2021, the European Commission approved the consolidation of Energi Danmark's ownership. The consolidated group of owners are Andel and NRGi. In this connection, the Board of Directors elected its officers as follows: CEO Jesper Hjulmand and CFO Ole Hillebrandt Jensen from Andel, CEO Jacob Vittrup and CFO Morten Bryder Pedersen from NRGi as well as director Jens Otto Veile who has been on the Board since 2004.

We maintain our goal and extend the time frame to the end of 2024. In the time to come, the Board of Directors will consider the optimal composition of board members in the long run, and in these considerations, gender diversity is one of the focus points.

Status on management level: We did not reach our goal of a 72/28 gender distribution. As of 31 December 2021, Energi Danmark's management level was made up of 18 people, of whom 4 were women (22%). This is at the same level as last year.

We have had only one replacement at this level in 2021. The CEO of the Finnish subsidiary Energia Myynti Suomi (EMS) left his position in September. His successor was recruited internally for the position.

There are very rarely replacements at this level, which is why we have decided not to set a new target figure. However, we will continue to use our diversity policy as an active tool in everyday life to ensure equal opportunities and career development of female as well as male talents. In this way, we create the best possible conditions for diversity at management level.

GOALS FOR GENDER DISTRIBUTION ON THE BOARD OF DIRECTORS

By the end of 2021, we established our new goal and vision for 2024, which is:

- > An 85/15 distribution on Energi Danmark's Board of Directors. ■

RESULTS FOR THE YEAR 2021

RISKS	FOCUS AREAS	GOALS	ACTION	RESULTS
<div>➤ Career and challenges</div> <div>➤ Employment terms</div> <div>➤ Remuneration</div>	<div>CAREERS AND CAPABILITIES</div> <div>Policy</div> <div>➤ Employee rights policy</div>	<div>➤ Define and implement annual HR core processes</div> <div>➤ Focus on leadership training and development</div> <div>➤ Optimizing and developing the onboarding process</div> <div>➤ Attract more international candidates</div> <div>➤ Define and implement new career paths and job structure</div>	<div>➤ Current processes made more visual and linked together within the annual HR framework</div> <div>➤ Started implementation of more specific tools and training for primarily new leaders</div> <div>➤ New onboarding process defined</div> <div>➤ Strengthened focus on internal recruitment, student workers, interns and international candidates</div>	<div>➤ Attraction of more international candidates</div> <div>➤ More internal recruitments</div> <div>➤ Hiring of more student workers with potential for permanent employment after graduation</div>
<div>➤ Work health</div> <div>➤ Work safety</div>	<div>WORK HEALTH & SAFETY</div> <div>(diet, exercise, working environment, stress)</div> <div>Policy</div> <div>➤ Employee rights policy</div>	<div>➤ 76% of employees would recommend Energi Danmark as a workplace</div> <div>➤ 85% of employees experience a good working relationship with other units</div> <div>➤ Sick leave below the standard for the energy business</div> <div>➤ Attrition below 15%</div>	<div>➤ Completed MTU and APV</div> <div>➤ Acted proactively in handling potential long-term illness (mental wellbeing) by stepping in at the first signs</div>	<div>➤ MTU and APV completed with high response rate</div> <div>➤ 81% of employees would recommend Energi Danmark as a workplace</div> <div>➤ 81% of employees experience a good working relationship with other units</div> <div>➤ Sick leave: 1.87% (compared to an average of 2% for utility companies)</div> <div>➤ Attrition: 15.88%</div>
<div>➤ Data safety</div>	<div>EMPLOYEE DATA SECURITY</div> <div>Policy</div> <div>➤ Employee rights policy</div>	<div>➤ Implementation of a single system throughout the Group</div>	<div>➤ Continued the process towards defining overall needs, challenges, risks etc. in a future system</div> <div>➤ Looked into the different system options offered by the providers in the market</div>	<div>➤ More thorough knowledge of the providers on the market to figure out the best solution both data and technical wise</div>
<div>➤ Discrimination and inclusion</div>	<div>DIVERSITY</div> <div>Policy</div> <div>➤ Employee rights policy</div> <div>➤ Diversity policy</div>	<div>➤ New targets established</div> <div>➤ Gender distribution of 85/15 on board of directors by close of 2021 in process</div> <div>➤ Gender distribution of 72/28 in Top Management by close of 2021 in process</div>	<div>➤ Discussions at board level and decision on new targets</div>	<div>➤ Gender distribution of 100/0 (5 men) on board of directors</div> <div>➤ Gender distribution of 78/22 (14 men and 4 women) in Top Management</div> <div>➤ New target established at board level: Gender distribution of 85/15 on Board of Directors by close of 2024</div>

GOALS 2022

RISKS	FOCUS AREAS	GOALS	PLANNED ACTIONS
<div>➤ Career and challenges</div> <div>➤ Employment terms</div> <div>➤ Remuneration</div>	<div>CAREERS AND CAPABILITIES</div> <div>Policy</div> <div>➤ Employee rights policy</div>	<div>➤ Define and implement annual HR core processes</div> <div>➤ Attract more international candidates</div> <div>➤ Optimizing and developing the onboarding process</div> <div>➤ Focus on leadership training and development</div> <div>➤ Make internal career opportunities visible across the organization</div>	<div>➤ Make process for planning and holding holidays clear</div> <div>➤ Define more common leadership standards</div> <div>➤ Set up a structure for career levels and link these to daily tasks, responsibilities, seniority, level of experience etc.</div> <div>➤ Make new onboarding process digital</div>
<div>➤ Work health</div> <div>➤ Work safety</div>	<div>WORK HEALTH & SAFETY</div> <div>(diet, exercise, working environment, stress)</div> <div>Policy</div> <div>➤ Employee rights policy</div>	<div>➤ Increase employee satisfaction where MTU and APV have pointed out that there are currently challenges / opportunities for improvement</div> <div>➤ Sick leave below the standard for the energy business</div> <div>➤ Attrition below 15%</div>	<div>➤ Evaluate the results of the engagement survey and plan specific actions accordingly, if necessary</div> <div>➤ Potentially implement smaller thermometer measurements during the year to get a snapshot and have the opportunity to act accordingly</div>
<div>➤ Data safety</div>	<div>EMPLOYEE DATA SECURITY</div> <div>Policy</div> <div>➤ Employee rights policy</div>	<div>➤ Streamlining of the Group's employee information through our various systems</div>	<div>➤ Narrowing down the providers who can best handle the task and clarifying the need for integration</div>
<div>➤ Discrimination and inclusion</div>	<div>DIVERSITY</div> <div>Policy</div> <div>➤ Employee rights policy</div> <div>➤ Diversity policy</div>	<div>➤ Gender distribution of 85/15 on Board of Directors by close of 2024 in progress</div>	<div>➤ Ongoing focus at board level on the future composition of the board</div>



RESPONSIBLE OPERATIONS

The Energi Danmark Group aim to be transparent in all we do to maintain fair competition and good business ethics. We have an overriding Environment and Climate Policy with a specific focus on energy and water consumption – as well as waste handling. And we work continuously to reduce the negative impact on the environment from our own operations. Since 2014, we have been certified in accordance with ISO 14001 and have implemented quality and environmental policies in order to identify all environmental impacts, including ensuring the proper handling of significant environmental aspects and to ensure on-going identification of new aspects.



TRANSPARENCY

In general, the energy business is much regulated, and there are high demands on transparency. We are meeting the demands as part of our corporate social responsibility.

Transparency is key in maintaining fair competition and good business ethics. Each year, we publish the most important events in our annual report, both positive and negative. Similarly, we inform on an ongoing basis about current events on websites and in newsletters. Due to our issuance of corporate bonds, we are also obliged to publish all relevant news on the First North exchange.

ELECTRICITY CONSUMPTION

Our headquarters in Aarhus are located in a newly built sustainable building, which is awarded a gold medal in the EU standard for sustainable buildings DGNB. The Malmö office of our Swedish subsidiary, Energi Försäljning Sverige AB, is also located in a sustainable office building: The impressive 29-storey high “The Point”.

As all of our offices are sub-leases of larger offices, we do not have so many opportunities to minimise our energy consumption. We have, of course, chosen new and energy-efficient buildings that do not use so much energy. Instead, we focus on all our energy coming from renewable energy. In 2021, we reached our goal of ensuring that our entire electricity consumption is renewable, and we are thus from this year onwards climate neutral on our own consumption of electricity.

ISO CERTIFICATION

Since 2014, we have been certified in accordance with ISO 14001. ISO 14001 is the most renowned

international standard in environmental management systems and is used worldwide.

In January 2020, our ISO certification was renewed for a three-year period.

The certification applies to both Energi Danmark and all subsidiaries in Denmark, Sweden, Finland, Norway and Germany within advisory services and trade with energy products as well as derivative electricity products. The certification ensures that customers always receive the expected service regardless of which country they are trading in.

Internal audits are carried out every year and the most recent one was completed in April 2021. ▶

»» **THE ISO CERTIFICATION
HAS INTERNAL VALUE FOR
US AS A GROUP, BECAUSE
CONTINUOUS AUDITS AND
QUALITY ASSURANCE HELP
US TO ALWAYS DO OUR BEST.**

JØRGEN HOLM WESTERGAARD
CEO of Energi Danmark Group

WATER CONSUMPTION

Being certified with DGNB, our office in Aarhus has been built with a focus on maintaining the natural water cycle and reduce potable water demand by recycling waste water and using local resources.

For 2021, it was not possible to get data on water consumption for all locations. Many of our subsidiaries are part of bigger buildings and the cost is part of the total rent.

WASTE

All of our offices share office buildings with other companies and therefore follow the guidelines recommended in the buildings concerned. It is extremely difficult to provide an accurate idea of our waste generation as our waste is managed jointly with other companies. As a minimum, we sort paper, cardboard, plastic and glass, while some offices also sort biological waste and metal.

We do everything we can to reduce food waste. Among other things, employees can buy excess food from lunch to take home. And should there still be leftovers, the kitchen staff freezes it for later use or serves it in a new context the next day.

We also apply due diligence and look to minimise the negative effects on the environment when purchasing. Our kitchen staff focus – to the extent that it makes sense – on buying food that are close to the expiry date. Through this, we help fight waste of good food. ■



We are well aware that the main challenge facing the global society probably is the climate change.

During 2021, we have screened and measured our own impact on the climate coming from CO₂ emissions. We measure both the direct internal emissions (scope 1) and the indirect internal emissions (scope 2). Scope 1 emissions are mainly coming from fuel for own and leased vehicles. Scope 2 emissions come from district heating and our electricity consumption.

We have set a target of minimising our negative impact in scope 1 and 2, and hereafter compensating the remaining part, resulting in a net carbon neutrality in scope 1 and 2 from end 2021.

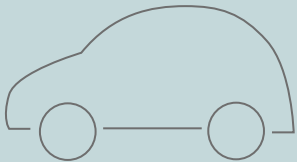
As a power trading company we see the majority of total CO₂ emissions coming from our suppliers and customers (scope 3). We will start screening and measuring these emissions in the coming years.

FIRST STEP TOWARDS CARBON NEUTRALITY

CALCULATION OF OUR DIRECT INTERNAL EMISSIONS (SCOPE 1)

Fuel for own and leased vehicles: During 2021, our fleet of owned or leased vehicles included 37 cars that operated with electricity or with hybrid, diesel and gasoline engines. Five of those cars (14%) were electric vehicles that do not directly contribute any CO₂ emissions to the atmosphere. A total of 35% (13 cars) of the fleet consisted of hybrid vehicles that generate emissions in the range between 35 and 77 g CO₂ per km. The remaining 19 cars operated with gasoline or diesel, and contributed a total of 53.2 tons of CO₂, which is approximately 75% of the total CO₂ emissions of our fleet. The total CO₂ emissions from the company's vehicles was equal to 71.2 tons CO₂. On average a car of Energi Danmark generated 94g CO₂/km.

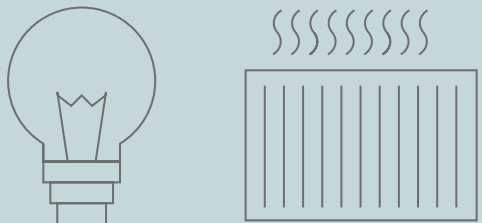
It is worth mentioning that out of the approximately 300 million passenger cars in Europe, only 5.5 million are plug-in-hybrids or electric. Energi Danmark however, has taken steps towards a carbon neutral future, with almost 50% of our fleet already being plug-in-hybrids or electric cars.



CALCULATION OF OUR INDIRECT INTERNAL EMISSIONS (SCOPE 2)

Electricity consumption: In 2021, we reached our goal of ensuring that our entire electricity consumption is renewable, and we are thus from this year onwards climate neutral on our own consumption of electricity.

District heating: Our district heating consumption is still uncertain and will thus be compensated as soon as data is available.

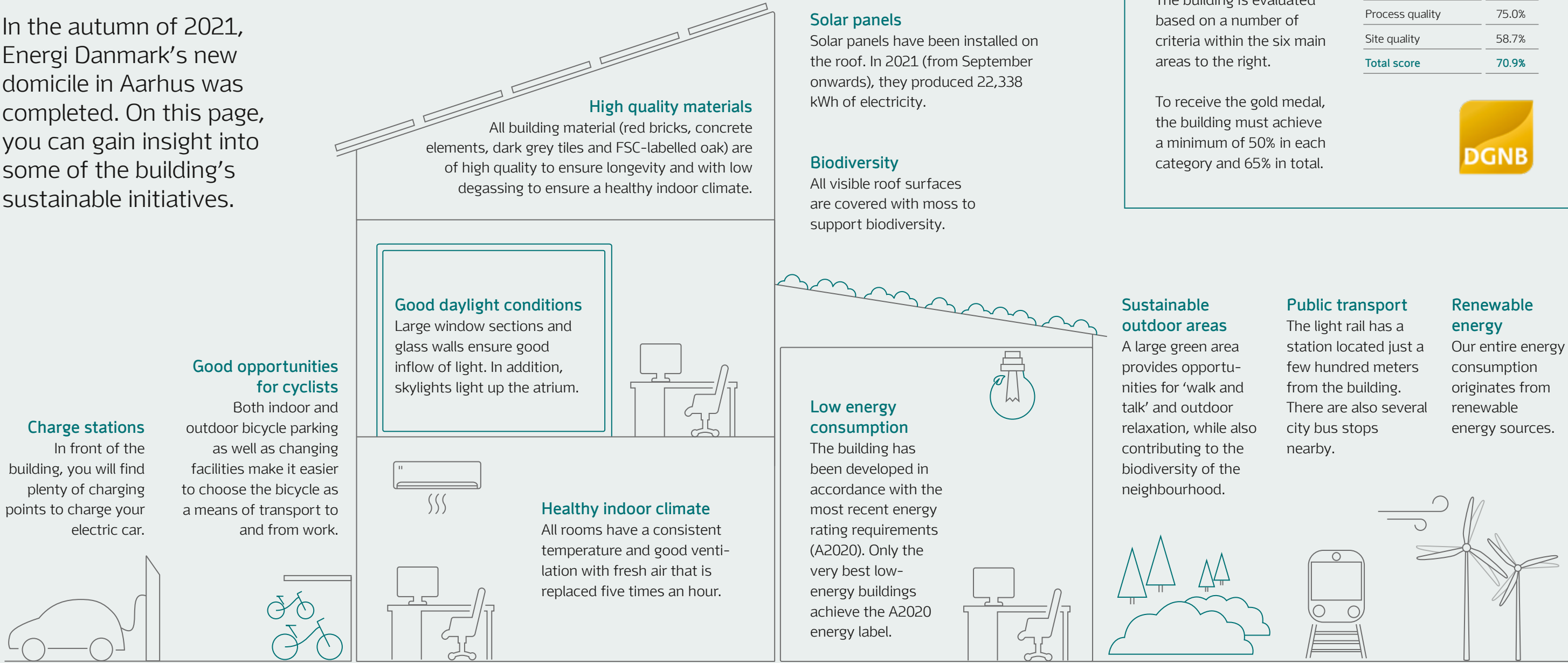


COMPENSATION OF OUR NEGATIVE IMPACT ON THE CLIMATE

We have compensated the 71.2 tons (71,193 kg CO₂) of direct internal emissions (scope 1) through Ecotree, where 99 trees have been planted, which are estimated to absorb as much as 84 tons of CO₂. Our indirect internal emissions from district heating will be compensated in 2022, when we have the exact figures.

WELCOME TO OUR NEW SUSTAINABLE HEADQUARTERS

In the autumn of 2021, Energi Danmark’s new domicile in Aarhus was completed. On this page, you can gain insight into some of the building’s sustainable initiatives.



DGNB SUSTAINABILITY CERTIFICATION

The domicile has received a gold medal in the EU standard for sustainable buildings DGNB.

Environmental quality	66.0%
Economic quality	83.9%
Sociocultural and functional quality	62.3%
Technical quality	69.4%
Process quality	75.0%
Site quality	58.7%
Total score	70.9%

The building is evaluated based on a number of criteria within the six main areas to the right.

To receive the gold medal, the building must achieve a minimum of 50% in each category and 65% in total.



RESULTS FOR THE YEAR 2021

RISKS	FOCUS AREAS	GOALS	ACTION	RESULTS
› Transparency	TRANSPARENCY Policy › Human rights policy › Environmental policy › Climate policy › Employee rights policy › Diversity policy › Anti-corruption policy	› Reporting on policies	› Included new KPIs in CSR Annual Report › Published Annual CSR Report	› CSR Annual Report published
› Electricity consumption	ELECTRICITY CONSUMPTION Policy › Environmental policy	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified › 100% of electricity consumption green or CO ₂ compensated	› Conducted internal audits of ISO 14001 › Conducted external audits of ISO 14001 › Collected electricity consumption data › Purchased 100% green electricity	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified › Data for electricity consumption collected › 100% green electricity consumption
› Water consumption	WATER CONSUMPTION Policy › Environmental policy	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified › Data for water consumption collected	› Conducted internal audits of ISO 14001 › Conducted external audits of ISO 14001 › Collected water consumption data	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified › Data for water collected where possible
› Waste	WASTE Policy › Environmental policy	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified › Data for waste consumption collected	› Conducted internal audits of ISO 14001 › Conducted external audits of ISO 14001 › Collected waste consumption data	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified › Data for waste collected where possible

GOALS 2022

RISKS	FOCUS AREAS	GOALS	PLANNED ACTIONS
› Transparency	TRANSPARENCY Policy › Human rights policy › Environmental policy › Climate policy › Employee rights policy › Diversity policy › Anti-corruption policy	› Reporting on policies	› Inclusion of new KPIs in CSR Annual Report › Publish Annual CSR Report
› Electricity consumption	ELECTRICITY CONSUMPTION Policy › Environmental policy	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified › 100% of electricity consumption green	› Conduct internal audits of ISO 14001 › Conduct external audits of ISO 14001 › Collect electricity consumption data › Purchase 100% green electricity
› Water consumption	WATER CONSUMPTION Policy › Environmental policy	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified	› Conduct internal audits of ISO 14001 › Conduct external audits of ISO 14001
› Waste	WASTE Policy › Environmental policy	› Internal audits of ISO 14001 conducted › External audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified	› Conduct internal audits of ISO 14001 › Conduct external audits of ISO 14001

KPI DEFINITIONS

ENERGY & SOCIETY

Wind power

Amount of sold MWh (megawatt hours) of electricity produced by wind turbines.

Hydropower

Amount of sold MWh (megawatt hours) of electricity produced by hydropower plants.

Biomass

Amount of sold MWh (megawatt hours) of electricity produced by the combustion of biomass, for example straw, wood and biodegradable waste.

Other

Amount of sold MWh (megawatt hours) of electricity produced by other renewable energy sources than wind power, hydropower or biomass.

Bra Miljöval El

Amount of sold MWh (megawatt hours) of electricity produced by renewable sources, for example wind turbines, hydropower plants and the combustion of biomass with Bra Miljöval certification.

RESPONSIBLE TRADE

Training of all employees

Number of employees in Energi Danmark who have actively taken part in training in our policy on anti-corruption and fair competition.

Supplier risk assessment

Suppliers being risk assessed for sustainability issues.

Supplier Code of Conduct

Suppliers who have signed our Supplier Code of Conduct.

PEOPLE & CULTURE

Women in senior management

A count has been taken of how many women are on the Board of Directors for Energi Danmark A/S. This is calculated as a share of all board members.

The number of women in top management in Energi Danmark has also been calculated. This group consists of Executive Management Committee (EMC) and managers.

A manager is defined as head of a department, no matter if the manager is responsible for staff or not.

Recommend Energi Danmark as a workplace

Percentage of employees in Energi Danmark who would recommend Energi Danmark as a workplace to others measured in annual employee satisfaction survey in all branches.

Working relationship with other units

Percentage of employees in Energi Danmark who have a good working relationship with other units in the organisation measured in annual employee satisfaction survey in all branches.

Sick leave

Average percentage of sick leave per employee in the Energi Danmark Group during the year. The percentage only covers employees in Denmark and Sweden, as our Norwegian, German and Finnish subsidiaries still does not register absenteeism in the Groups staff management system “HR Orkidé”. The percentage is calculated in relation to the planned working hours. Employees who do not register absences in connection with their employment, such as hourly paid student assistants, are not included in the calculation.

Sick leave standard

The industry standard is based on the category “Supply etc.” in the Confederation of Danish Industry’s (DI) statistics of absence for 2021.

Attrition

Percentage of employees that have left the Energi Danmark Group for any reason during the year.

RESPONSIBLE OPERATIONS

ISO 14001 certified departments

Number of departments that have valid ISO 14001 Environmental certification.

ISO 14001 - Internal audits

Number of audits performed on own sites via personnel in Energi Danmark, who do not work on this site on a daily basis, i.e. first party audits.

ISO 14001 - External audits

Number of audits performed on own sites via persons who do not work for Energi Danmark, i.e. third party audits. We use auditors from DNV GL.

Electricity consumption

The amount of fossil fuel and renewable energy respectively is listed for each site. It is not always possible to obtain these figures from the owners of office buildings for some sites.

Water consumption

The amount of consumed water in cubic metres is listed for each site. It is not always possible to obtain these figures from the owners of office buildings for some sites. ■

2021

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INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

Notes	DKK '000	2021	2020
4	Revenue - Sales of power etc	119,005,499	44,908,748
	Purchase of power	-118,961,532	-44,798,842
	Net income/(loss) from financial instruments	88,112	366,719
	Gross profit	132,079	476,625
5	Staff costs	-189,382	-196,531
6, 8	Other external costs	-176,616	-166,787
7	Depreciation	-37,027	-30,919
	Operating profit	-270,946	82,388
9	Finance income	5,463	4,280
10	Finance costs	-96,179	-81,923
	Profit before tax	-361,662	4,745
11	Tax	75,196	-12,594
	Profit for the year of continuing operations	-286,466	-7,849
12	Profit for the year of discontinued operations	0	147,435
	Profit for the year	-286,466	139,586
Attributable to:			
Shareholders of Energi Danmark A/S		-286,466	139,586
		-286,466	139,586
Statement of other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		-1,764	3,142
Cash flow hedge		-18,554	-7,182
Tax on cash flow hedge		4,082	1,580
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		-16,236	-2,460
Total comprehensive income for the year, net of tax		-302,702	137,126
Attributable to:			
Shareholders of Energi Danmark A/S		-302,702	137,126

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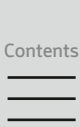
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BALANCE SHEET – ASSETS

Notes	DKK '000	2021	2020
Assets			
Non-current assets			
13	Intangible assets	147,768	125,558
14	Tangible assets	94,529	25,393
11	Deferred tax	91,833	23,784
Total non-current assets		334,130	174,735
Current assets			
Inventory		427,008	131,221
19	Trade receivables	12,079,951	4,836,151
11	Tax receivable	13,186	10,211
19,20	Derivative assets	6,352,940	1,384,592
Deposits		6,842,955	816,229
Other receivables		1,051,910	344,602
Cash		497,950	239,973
Total current assets		27,265,900	7,762,979
Total assets		27,600,030	7,937,714



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BALANCE SHEET – LIABILITIES

Notes	DKK '000	2021	2020
Equity			
16	Share capital	350,000	221,833
	Exchange rate reserve	-17,260	-15,496
	Retained earnings	1,626,966	1,041,599
	Cash flow hedge	-10,850	3,622
	Total equity	1,948,856	1,251,558
Non-current liabilities			
19	Lease liabilities	70,090	2,742
11	Deferred tax	7,766	30,423
	Total non-current liabilities	77,856	33,165
Current liabilities			
17,19,20	Credit institutions	1,064,297	636,168
17,19,20	Loans	2,386,500	650,000
17,19,20	Loans from related parties	3,109,813	0
19	Lease liabilities	7,788	7,553
	Trade payables	7,028,402	3,070,226
17,19,20	Corporate bonds	0	756,744
11	Income tax payable	7,242	306
19, 20	Derivative liabilities	11,134,586	1,232,394
	Deposits	262,025	0
	Other payables	572,665	299,600
	Total current liabilities	25,573,318	6,652,991
	Total liabilities	25,651,174	6,686,156
	Total equity and liabilities	27,600,030	7,937,714
15	Interest in subsidiaries		
18	Pledges, collateral and contingent liabilities		
21	Related party disclosures		
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STATEMENT OF CHANGES IN EQUITY

Notes	DKK '000				
	Share capital	Exchange rate reserve	Retained earnings	Cash flow hedge	Total
Equity 1 January 2021	221,833	-15,496	954,574	3,622	1,164,533
Adjustment to prior year	0	0	87,025	0	87,025
Adjusted equity 1 January 2021	221,833	-15,496	1,041,599	3,622	1,251,558
Capital increase	128,167	0	871,833	0	1,000,000
Transactions with owners	128,167	0	871,833	0	1,000,000
Profit for the year	0	0	-286,466	0	-286,466
Other comprehensive income in 2021					
Cash flow hedge after tax	0	0	0	-14,472	-14,472
Foreign currency translation adjustment	0	-1,764	0	0	-1,764
Comprehensive income for the period	0	-1,764	-286,466	-14,472	-302,702
Equity 31 December 2021	350,000	-17,260	1,626,966	-10,850	1,948,856
Equity 1 January 2020	221,833	-18,638	902,013	9,224	1,114,432
Profit for the year	0	0	139,586	0	139,586
Other comprehensive income in 2020					
Cash flow hedge after tax	0	0	0	-5,602	-5,602
Foreign currency translation adjustment	0	3,142	0	0	3,142
Comprehensive income for the period	0	3,142	139,586	-5,602	137,126
Equity 31 December 2020	221,833	-15,496	1,041,599	3,622	1,251,558

During the year dividend of DKK 0.00 per share was paid (2020: DKK 0.00).

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STATEMENT OF CASH FLOWS

Notes	DKK '000	2021	2020
	Operating profit	-270,946	82,388
	Cash flow hedge	-18,554	-7,182
	Depreciation and amortisation etc.	37,027	30,919
	Net foreign exchange differences	-1,764	3,180
	Finance income, received	5,463	4,280
	Finance costs, paid	-96,179	-81,923
	Changes in inventory	-295,787	-131,221
	Changes in trade and other receivables	-18,946,182	-777,642
	Changes in trade and other payables	14,395,458	703,218
	Income taxes paid	-7,540	-24,773
	Cash flow from operating activities	-5,199,004	-198,756
	Purchase of intangible assets	-44,299	-47,278
	Disposal of intangible assets	0	0
	Purchase of tangible assets	-6,740	-2,398
	Disposal of tangible assets	282	412
	Investment in subsidiaries	0	-3,808
	Cash flow from investing activities	-50,757	-53,072
	Loans	1,736,500	650,000
	Loans from related parties	3,109,813	0
	Capital increase	1,000,000	0
	Instalments on leases	-9,960	-7,989
	New bonds	0	757,179
	Expired bonds	-756,744	-750,000
	Cash flow from financing activities	5,079,609	649,190
	Cash flows from continuing operations	-170,152	397,362
	Cash and cash equivalents at 1 January	-396,195	-793,557
	Cash and cash equivalents at 31 December	-566,347	-396,195



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1 Accounting policies

Basis of preparation

Energi Danmark A/S (the Company) is a limited company incorporated and domiciled in Denmark. Energi Danmark A/S’ primary activity is trading in energy and commodities such as electricity and gas as well as carbon contracts.

The format for presenting the income statement is based on the type of expenditure to better reflect the activities provided by Energi Danmark A/S.

For more information regarding the group structure, please refer to Note 15.

The consolidated financial statements at 31 December 2021 for Energi Danmark A/S is presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and additional requirements in the Danish Financial Statements Act.

The consolidated financial statements have been prepared on a historical cost basis, except where otherwise indicated in the below stated accounting policy.

The consolidated financial statements of Energi Danmark A/S and its subsidiaries (collectively, Energi Danmark or the Group) for the year ended 31 December 2021 were authorised for issue in accordance with the directors on 20 May 2022.

The equity as of 1 January 2021 has been changed due to a correction of the valuation of sales contracts. The effect is recognized in the opening balance as of 1 January 2021 in accordance with IAS 8.

The consolidated financial statements are presented in Danish Kroner (DKK) and all values are rounded to the nearest thousand (DKK 000’s), except when otherwise indicated.

For other changes to accounting policies, see Note 2.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2021.

and losses on transactions between the consolidated entities are eliminated.

The consolidated financial statements cover the parent company Energi Danmark A/S and subsidiaries in which Energi Danmark A/S has control. The Group has control over an entity, when the Group is exposed to or has rights to variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Only potential voting rights that are considered to be substantive at the balance sheet date are included in the control assessment.

Subsidiaries’ financial statement items are recognised in full in the consolidated financial statements.

The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits

For more information regarding the Group structure, please refer to Note 15.

Foreign currency translation

The Group’s consolidated financial statements are presented in Danish Kroner (DKK), which is also the parent company’s functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Receivables, debt and other monetary items denominated in foreign currencies

are translated using the exchange rate at the balance sheet date. Differences between the exchange rate at the balance sheet date and the date on which the receivable or debt arose or was included in the latest annual reports are recognised in the income statement under financial income and costs.

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Foreign currency transactions are translated during initial recognition, applying the exchange rate on the transaction date. Exchange rate differences that arise between the rate at the transaction date and the rate in effect at the payment date are recognised in the income statement as financial items.

Differences in exchange rates arising from the translation of foreign subsidiaries’ equity at the beginning of the year at the exchange rates at the balance sheet date and from the translation of income statements from the average exchange rates for the currency exchange rates at the balance sheet date are recognised directly in other comprehensive income.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset

the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Income statement

Revenue - sale of power etc.

Sales of physical and financial electricity, gas and wind power to customers and counterparties are included and accrued in full after delivery. Revenue is measured at the contractually agreed price exclusive of VAT and taxes. The group collects payments from customers on behalf of grid companies and tax authorities. In that respect, the Group regards itself as an agent, and recognises these transactions on a net-basis.

Other external costs

Other external costs include expenditure for sales, marketing, advertising, IT, administration and facilities, etc.

Depreciation

Depreciation includes amortisation on completed development projects, technical facilities, operating equipment, vehicles, buildings and leasehold improvements. Depreciation is recognised based on the amortisation and depreciation profiles determined for the assets.

Finance income and costs

“Finance income” and “Finance costs” respectively include interest, capital gains and losses concerning securities as well as surcharges and refunds under the Danish Tax Prepayment Scheme etc.

Tax and deferred tax

Energi Danmark A/S is taxed jointly with Energi Danmark Securities A/S and ED Business Support A/S. The parent company is the management company for the joint taxation and settles all payments with the tax authorities.

Deferred taxes are measured based on all temporary differences between the carrying amount and taxable value of assets and liabilities. However, deferred taxes based on temporary differences concerning items on which temporary differences, other than acquisitions, have arisen at the time of acquisition without affecting profit and loss or taxable revenue are not recognised.

An adjustment is made to deferred tax resulting from elimination of unrealised intercompany profit and losses.

Realisation of the assets at their carrying amount will not cause tax liabilities or tax receivables other than those mentioned in note 11.

Purchase of power

Purchases of physical and financial electricity, gas and wind power from customers and counterparties are included and accrued in full after delivery.

Net income/loss from financial instruments

Net income/loss from financial instruments includes fair value adjustments of derivative financial instruments used for economic hedging of the Group’s exposure to interest rate risks, foreign currency risks and commodity price risks and unrealised fair value adjustments of sales and purchase contracts qualifying for a fair value measurement. Upon delivery, the fair value of the commodity price component is considered settled through a part of the sales price for the commodity. The difference is classified as revenue.

Staff costs

Staff costs include salaries and wages, as well as social benefits, pensions, etc. for the company’s staff.



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Balance sheet

Intangible assets

Costs for completed development projects include costs, wages and salaries that can be directly or indirectly attributed to these activities. Development projects recognised in the balance sheet are measured at cost less any accumulated amortisation and accumulated impairment losses.

Recognised costs for completed development projects are measured at cost less any accumulated amortisation and accumulated impairment losses.

The cost includes the purchase price and any costs directly associated with the acquisition until the asset is ready for use.

Costs for completed development projects are amortised on a straight-line basis over the estimated useful life, based on the expected service life up to a maximum of 10 years.

Tangible assets

Technical facilities, operating equipment and fixtures as well as leasehold improvements etc. are measured at cost less accumulated depreciations. Wind turbines acquired for the purpose of being included in the Group’s operating activities are listed as non-current assets. The cost includes the purchase price and any costs directly associated with the acquisition until the asset is ready for use.

Where individual components of an item of tangible assets have different useful lives, they are depreciated separately. Depreciation is provided on a straight-line basis over the expected useful lives of the assets/components.

Depreciation is linear over the expected useful lives of the assets based on the following assessments of the expected service life of the assets:

Operating equipment, fixtures etc.	3-5 years
Leasehold improvements	7-10 years

Land is not depreciated unless there is a future obligation to return it to a third party.

Profits or losses from the sale of tangible assets are determined as the difference between the sales price less sales costs and the carrying amount at the time of the sale.

Impairment of non-current assets

Non-current assets with definite useful lives are tested for impairment when there is an indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of

an asset’s fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Inventory

Inventories are measured at the lower of cost according to weighted average and net realisable value. The net realisable value of inventories is calculated at the amount expected to be generated by sales during normal operations less selling expenses.

Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- > fixed payments
- > amounts expected to be payable by the group under residual value guarantees

The Group measures the lease assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

The lease payments are discounted using the Group’s incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the lease asset in a similar economic environment with similar terms, security and conditions.

Subsequent to initial measurement, the liability will be reduced with payments made and increased with interest. When the lease liability is remeasured, the corresponding adjustment is reflected in the lease asset of profit and loss if the lease asset is already reduced to zero.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease assets are measured at cost comprising the following:

- > the amount of the initial measurement of lease liability
- > any lease payments made at or before the commencement date less any lease incentives received
- > restoration costs.

Lease assets are generally depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the lease asset is depreciated over the underlying asset’s useful life.

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Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Financial Assets

Non-derivative financial assets are in accordance with IFRS 9 Financial Instruments classified into the categories financial assets measured at fair value through profit or loss, fair value through other comprehensive income or amortised costs.

Receivables

The Group classifies receivables, including trade receivables, as financial instruments measured at amortised costs, when both of the following conditions are met:

- > The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- > The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets within this category are measured at amortised cost using the effective interest method, less any impairment losses.

Impairment of financial assets

The Group recognises a provision for impairment for expected credit loss (ECL) on financial assets measured at amortised costs. The provision for impairment for trade receivables are measured at an amount equal to lifetime ECL. For further information on the Group’s impairment of financial assets refer to Note 19.

Own use of contracts

The Group enters into certain contracts that meet the criteria for the own use exemption. For these contracts the Group generally applies the fair value option, as the measurement of both the physical contracts and the related hedging instrument at the fair value through profit or loss reduces or eliminates an accounting asymmetry.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The sales and purchase contracts that qualify for accounting as derivatives are recognised in the statement of profit or loss as net income/loss from financial instruments.

Consequently, any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

If, at time of inception, a difference arises between the model value of a financial instrument or physical contract accounted for as a derivative, and the transaction price (day-one profit or loss), the difference is recognised in the income statement over the delivery period.

Unrealised gain and losses on derivatives designated as cash flow hedges of the price risk related to the sale of electricity from own wind turbines are recognised in other comprehensive income and recycled to the income statement along with realisation of the hedged transactions.

Hedging

Changes in the fair value of derivative financial instruments that are designated and qualify as hedges of highly probable future transactions are recognised after tax in retained earnings in equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. The Group uses hedge accounting for buying the production of electricity from wind turbines at spot prices. As the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognized. The amount is recognised in the same item as the hedged transaction.

Liabilities

Financial liabilities, including payables to suppliers, corporate bonds and debt to credit institutions, are initially recognised at fair value (typically the amount of the proceeds received), net of transaction costs incurred. In subsequent periods, the financial liabilities are measured at amortised cost; any difference between the cost (the proceeds) and the nominal value is recognised in the income statement over the period of the borrowings using the effective interest method.

Other liabilities are measured at net realisable value.

Equity

Foreign currency translation reserve

The exchange rate translation reserve in the consolidated financialstatements comprises exchange differences arising on the translation of the financial statements of foreign enterprises from their functional currencies into Danish kroner. On realisation, accumulated translation adjustments are reclassified from equity to financial items in the income statement.

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Dividends

The proposed dividend is recognised as a liability on the date of adoption by the Annual General Meeting (date of declaration). The expected dividend payment for the year is disclosed as a separate item under equity.

Fair value measurement

The Group measures financial instruments such as derivatives, at fair value at each balance sheet date. Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in note 20.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market or, if not available, in the most advantageous market.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy

by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Operating segments

The operating segments are based on geographical segments, which also equals the legal structure of the Group. The segment reporting is based on the monthly reporting sent to the management.

Cash flow statement

The cash flow statement shows the Group’s cash flow for the year divided into operating, investing and financing activities during the year, as well as the year’s changes in cash and cash equivalents and the company’s cash and cash equivalents at the beginning and end of the year.

Cash flow from operating activities

Cash flow from operating activities is presented using the indirect presentation form and is stated as the year’s operating profit plus depreciation and impairment losses and with adjustments for changes in working capital, finance income/costs and paid corporate tax.

Cash flow from investing activities

Cash flow from investing activities includes payments in connection with the purchase and sale of non-current assets.

Cash flow from financing activities

Cash flow from financing activities includes cash flows provided by and dividends paid to shareholders as well as raising of loans and repayments on interesting-bearing debt.

Cash

Cash comprises liquid assets that can be converted without hindrance and for which there is only limited risk of changes in value.

Cash in foreign currency are measured at the average rate of The National Bank of Denmark on the balance sheet date.

Bank overdrafts which form part of the Group’s cash management and which are repayable on demand are classified as negative cash in the cash flow statement.

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Key Ratios

The key ratios were calculated in accordance with the recommendations of the Danish Society of Financial Analysts.

The key ratios listed in the overview of financial highlights were calculated as follows:

Gross margin ratio =	Gross profit x 100	Equity ratio (solvency) =	Equity, excluding non-controlling interests, end of year x 100
	Net revenue		Total assets, end of year
Profit ratio (EBIT) =	Profit from ordinary operating activities x 100	Return on equity before tax =	Profit before tax x 100
	Net revenue		Average equity, excluding non-controlling interests
		Return on equity after tax =	Profit after tax x 100
			Average equity, excluding non-controlling interests

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Effects of new and amended accounting standards

IASB has issued amended standards which have not yet entered into force, and which have consequently not been incorporated into the consolidated financial statements for 2021. None of these amended standards and interpretations are expected to have any significant impact on our financial statements.

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3 Significant accounting judgements, estimates and assumptions

The preparation of the Group’s consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Management continuously reassesses these estimates and judgements based on a number of factors in the given circumstances. The following accounting estimates are considered significant for the financial reporting.

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 described in the following. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

In the process of applying the Group’s accounting policies, management has made the following estimates and assumptions, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Other disclosures relating to the Group’s exposure to risks and uncertainties includes capital management, note 16. financial instrument risk management, liquidity risk and sensitivity analysis disclosures, note 19 and 20.

Fair value of financial and physical contracts

The Group measures its financial and physical contracts at fair value in accordance with the accounting policies as summarised in note 1.

Energi Danmark’s strategy for measuring the fair value of these energy contracts is to utilise quoted prices in an active trading market.

In the absence of quoted prices for identical or similar energy contracts, general acceptable valuation models are applied and observable market data is used as input to the fair value calculations. Where the instruments are complex combinations of standard or non-standard products, unobservable market data may be used in the valuation models in order to calculate the fair value.

To ensure the validity and accuracy of the models all assumptions and inputs are approved and continuously tested.

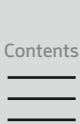
The assumptions within the models used to determine the fair value of the physical and financial energy contracts in accordance with IFRS 13 are central, since any changes in assumptions could have a significant impact on the fair values and movements which are reflected in the consolidated income statement and balance sheet.

The physical contracts in the balance sheet as derivate assets or liabilities are valued based on expected future consumption or production of energy to which there is some uncertainty attached as the expectations may deviate from what will be realized.

More detail on the assumptions used in the fair value measurement of the Group’s energy contracts and related sensitivities are further described in note 20.

On physical fixed price contracts the fair value is comprised by the financial element of the contract, which at initial recognition is zero.

At 31 December 2021, the carrying amount of derivative assets and liabilities amounts to DKK 6,353m (2020: DKK 1,385m) and DKK 11,135m (2020: DKK 1,232m), respectively.



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Notes	DKK '000
4	Operating segments
	<div><div>Management has defined the Groups business segments (report-able segments) based on the reporting presented regularly to the Executive Board and which forms the basis for Managements strategic decisions. The segmentation reflects the legal structure of the Group.</div><div><div>> Energi Salg Norge: Sells energy on the Norwegian market</div><div>> Energie Vertrieb Deutschland EVD GmbH: Sells energy on the German market</div><div>> ED Business Support: Sells billing and IT solutions</div><div>> Energi Danmark Anadolu Elektrik Enerjisi Toptan Ticaret Limited Sirketi: Energy trading</div><div>> Disam Nm Dooel Skopje: Energy trading</div><div>> DISAM BH d.o.o.: Energy trading</div><div>> DISAM Australia Pty. Ltd. Energy trading</div><div>> DISAM US LLC: Energy trading</div></div><div>The reportable segments have been determined without aggregating operating segments.</div></div>

	2021	2020	2021	2020
	External revenue		Non-current assets (excluding deferred tax asset)	
Denmark*	108,066,060	40,008,496	235,863	147,876
Sweden	3,371,915	1,698,787	4,623	700
Finland	2,628,141	1,459,677	511	642
Germany	1,287,362	1,225,016	547	865
Norway	3,647,768	516,772	753	868
Turkey	4,253	0	0	0
Total	119,005,499	44,908,748	242,297	150,951

Revenue is allocated to the country of domicile for the customer.
No single customer accounts for more than 10% of consolidated revenue.
* Gas included in external revenue with DKK 67.5m (2020: DKK 17.0m)
Governments grants: DKK 0m (2020: DKK 0m)

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Notes	DKK '000	2021	2020
5	Staff costs		
	Wages and salaries and remuneration	165,911	175,715
	Pensions, defined contribution plans	16,804	15,016
	Other expenses for social security	6,667	5,800
		189,382	196,531
	Of this amount:		
	Board of Directors, wages and salaries	125	125
	Executive Management, wages and salaries	9,241	10,739
		9,366	10,864
	Average number of full time employees	225	225
	The Executive Management has a bonus scheme that is based on achieved Group earnings.		
6	Development project costs		
	Relationship between costs and expensed research and development:		
	Incurring IT-development costs		
	IT-development costs accounted for under intangible assets	44,299	47,278
	IT-development costs for the year in the income statement	0	0

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Notes	DKK '000	2021	2020
7	Depreciation		
	Amortisation of intangible assets	22,090	18,075
	Depreciation of tangible assets	4,756	3,911
	Depreciations of leased assets	10,181	8,933
		37,027	30,919
8	Fees paid to auditors appointed at the annual general meeting		
	Fee regarding statutory audit	1,608	2,699
	Tax assistance	112	88
	Assurance engagements	35	22
	Other assistance	1,558	992
		3,313	3,801
9	Finance income		
	Interest income, credit institutions	457	42
	Interest on late payments	3,940	3,138
	Other interest income	1,066	1,100
		5,463	4,280
10	Finance costs		
	Interest expenses, credit institutions	66,923	39,762
	Leasing	502	556
	Interest expenses, corporate bonds	8,605	28,685
	Interest expenses, loans from related parties	15,024	0
	Interest rate swaps	4,554	7,236
	Other interest expenses	571	5,684
		96,179	81,923



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Notes	DKK '000	2021	2020
11	Tax		
Tax for the year is composed as follows:			
	Tax on profit for the year in the income statement	-75,196	12,594
Tax on profit for the year has been calculated as follows:			
	Current tax for the year	11,530	3,631
	Change of deferred tax	-88,622	12,268
	Adjustment of prior-year current tax	1,896	-3,305
		-75,196	12,594
Specification of the tax on the profit for the year:			
	Calculated 22% tax of the profit for the year	-78,106	1,043
	Adjustment of calculated tax in foreign subsidiaries	2,464	2,183
	Non-deductible costs and non-taxable income	-1,450	-2,405
	Adjustment of tax, previous years	1,896	11,773
	Effective tax	-75,196	12,594
Income tax receivable/payable			
	Income tax receivable/payable at 1 January	9,905	-20,240
	Foreign currency translation adjustments, income tax	-70	5,102
	Adjustment of tax, previous years	99	74
	Transferred from deferred tax	0	3,828
	Current tax for the year	-11,530	-3,632
	Income tax received	-11,582	-9,843
	Income tax paid	19,122	34,616
	Income tax receivable/payable at 31 December	5,944	9,905
Income tax is recognised in the balance sheet:			
	Income tax receivable	13,186	10,211
	Income tax payable	-7,242	-306
		5,944	9,905



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Notes	DKK '000	2021	2020
Deferred tax			
	Deferred tax, 1 January	6,639	-6,539
	Foreign currency translation, adjustments, deferred tax	5	-348
	Transferred to income tax	0	3,828
	Adjustment of deferred tax, previous year	1,994	0
	Change of deferred tax	-92,705	9,698
	Deferred tax 31 December	-84,067	6,639
Deferred tax relates to:			
	Intangible assets	9,425	27,622
	Tangible assets	-1,667	-1,210
	Loss allowance on trade receivables	-973	-943
	Foreign accounting policies	7,766	5,880
	Tax losses carryforward	-95,072	-22,928
	Corporate bonds	0	-2,540
	Provision and hedge	-3,546	758
	Carrying amount 31 December	-84,067	6,639
Deferred tax is recognised as follows in the balance sheet:			
	Deferred tax asset	-91,833	-23,784
	Deferred tax liability	7,766	30,423
		-84,067	6,639

Deferred tax assets are measured at the value at which the asset is expected to be realized. Either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

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Notes	DKK '000	2021	2020
12	Discontinued operations		
Financial performance and cash flow information			
	Revenue	0	0
	Net income/loss form financial instruments	0	0
	Expenses	0	0
	Profit before income tax	0	0
	Income tax expense	0	0
	Profit from discontinued operations	0	0
	Sales price net sales cost	0	423,931
	Carrying amount of net assets	0	-276,496
	Disposal gain	0	147,435
	Net cash flows from operating activities	0	0
	Net cash flows from investing activities	0	0
	Total cash flows	0	0
Assets and liabilities of disposal group classified as held for sale			
	Assets classified as held for sale		
	Property, plant and equipment	0	0
	Deposits	0	0
	Other receivables	0	0
	Total assets of disposal held for sale	0	0
	Liabilities directly associated with assets classified as held for sale		
	Deferred tax	0	0
	Credit institutions	0	0
	Trade payables	0	0
	Debt to affiliates	0	0
	Derivative liabilities	0	0
	Other payables	0	0
	Total liabilities of disposal group held for sale	0	0
	Net assets classified as held for sale	0	0

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Notes	DKK '000			
13	Intangible assets			
		2021		
		Completed development projects	Development projects in progress	Total
	Cost 1 January	370,483	0	370,483
	Foreign currency translation adjustment	-2	0	-2
	Additions	0	44,299	44,299
	Transfers	44,299	-44,299	0
	Disposals	-9,749	0	-9,749
	Cost 31 December	405,031	0	405,031
	Accumulated amortisations 1 January	244,925	0	244,925
	Foreign currency translation adjustment	-3	0	-3
	Amortisations for the year	22,090	0	22,090
	Amortisations, disposals for the year	-9,749	0	-9,749
	Accumulated amortisations 31 December	257,263	0	257,263
	Carrying amount 31 December	147,768	0	147,768
		2020		
		Completed development projects	Development projects in progress	Total
	Cost 1 January	323,204	0	323,204
	Foreign currency translation adjustment	1	0	1
	Additions	0	47,278	47,278
	Transfers	47,278	-47,278	0
	Cost 31 December	370,483	0	370,483
	Accumulated amortisations 1 January	226,846	0	226,846
	Foreign currency translation adjustment	4	0	4
	Amortisations for the year	18,075	0	18,075
	Accumulated amortisations 31 December	244,925	0	244,925
	Carrying amount 31 December	125,558	0	125,558

Development projects in progress includes development and test of IT-systems, which support the daily operation of the Group. The costs consists of internal costs, e.g. salary and external costs, e.g. assistance from external IT developers. The development of the IT systems is expected to lead to better service of customers.

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Notes	DKK '000				
14	Tangible assets				
	2021				
	Leasehold improvements	Vehicles	Tools and equipment	Buildings	Total
Cost 1 January	7,248	10,093	18,191	22,301	57,833
Foreign currency translation adjustment	16	37	-2	0	51
Additions	3,641	420	2,679	77,503	84,243
Disposals	0	-1,505	-372	-13,369	-15,246
Cost 31 December	10,905	9,045	20,496	86,435	126,881
Accumulated depreciation 1 January	5,676	4,886	8,765	13,113	32,440
Foreign currency translation adjustment	2	8	1	0	11
Depreciations for the year	1,315	1,750	1,691	10,181	14,937
Depreciations, disposals for the year	0	-1,295	-372	-13,369	-15,036
Accumulated depreciations 31 December	6,993	5,349	10,085	9,925	32,352
Carrying amount 31 December	3,912	3,696	10,411	76,510	94,529
Depreciation period	10 years	5 years	3-5 years	3-4 years	

In the carrying amount of Buildings, DKK 9.2m is relating to leases. Depreciation expenses relating to leases recognised in profit (loss) were DKK 10.2m.
For assets pledged as security, please refer to Note 18. The Group has no significant contractual commitment to invest in tangible assets in future years.

Leases	
The Group leases various offices. Extension and termination options are included in a number of property and equipment leases across the Group. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.	Interests on lease debt expensed in profit (loss) were DKK 0.5m (2020: DKK 0.6m) in 2021. There are no expenses related to leases of low-value assets. Total cash outflows for leases were DKK 10.4m in 2021.

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	2020				
	Leasehold improvements	Vehicles	Tools and equipment	Buildings	Total
Cost 1 January	6,934	9,675	17,935	13,560	48,104
Foreign currency translation adjustment	-9	-44	-271	0	-324
Additions	323	1,548	527	8,741	11,139
Disposals	0	-1,086	0	0	-1,086
Cost 31 December	7,248	10,093	18,191	22,301	57,833
Accumulated depreciation 1 January	4,970	3,843	7,691	4,180	20,684
Foreign currency translation adjustment	0	-29	-260	0	-289
Depreciations for the year	706	1,871	1,334	8,933	12,844
Depreciations, disposals for the year	0	-799	0	0	-799
Accumulated depreciations 31 December	5,676	4,886	8,765	13,113	32,440
Carrying amount 31 December	1,572	5,207	9,426	9,188	25,393
Depreciation period	10 years	5 years	3-5 years	3-4 years	

In the carrying amount of Buildings, DKK 76.5m is relating to leases. Depreciation expenses relating to leases recognised in profit (loss) were DKK 8.9m. For assets pledged as security, please refer to Note 18. The Group has no significant contractual commitment to invest in tangible assets in future years.

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Notes	DKK '000			
15	Interest in subsidiaries			
	Name	Address	Country of incorporation	Voting right and ownership share
	Energi Danmark Securities A/S	Sundkroggade 21, 2. 2100 København Ø	Denmark	100%
	Energi Försäljning Sverige AB	Hyllie Stationstorg 31, 21532 Malmö	Sweden	100%
	Energia Myynti Suomi Oy	Teknoboulevardi 3-5, 01530 Vantaa	Finland	100%
	Energi Salg Norge AS	Drammensveien 123, Skøyen, 0277 Oslo	Norway	100%
	Energie Vertrieb Deutschland EVD GmbH	Christoph-Probst-Weg 4, 20150 Hamburg	Germany	100%
	ED Business Support A/S	Tangen 29, 8200 Aarhus N	Denmark	100%
	Energi Danmark Anadolu Elektrik Enerjisi Toptan Ticaret Limited Sirketi	Esentepe Mahallesi Ecza Sokak Polcenter Ismerkezi C Blok No: 4/1 Levent Sisli Istanbul	Turkey	100%
	Disam Nm Dooel Skopje	Str. 8-ma Udarne Briada no. 43/3, Skopje - Centar	Macedonia	100%
	DISAM BH d.o.o.	Maglajska 1, 71000 Sarajevo	Bosnia-Herzegovina	100%
	DISAM Australia Pty. Ltd.	Market Street 1, 2000 Sydney NSW	Australia	100%
	DISAM US LLC	Little Falls Drive 251, Wilmington, Delaware 19808-1674 New Castle County	USA	100%

16	Share capital
	<div><div><p>Capital management</p><p>The capital structure is managed by Energi Danmark on behalf of the Group. This applies to managing capital used in daily operation as well as planning and deciding dividends to Energi Danmark.</p><p>The Group uses own funding, bank facilities and corporate issued bonds to finance working capital requirements.</p><p>The overall objective when managing capital is to ensure a continued development and strengthening of the Group's capital structure to support profitable growth.</p><p>The long term objective relating to capital structure is to improve solvency ratio significantly. This will primarily be achieved</p></div><div><p>through consolidation of future results. It has been agreed with the shareholders and the owners of the corporate bond, that no dividend will be distributed, before the solvency ratio equals a minimum of 20%. The solvency ratio at 31 December 2021 amounts to 7.1% (31 December 2020: 15.8%)</p><p>Share capital</p><p>The share capital as of 31 December 2021 consists of 350,000,000 shares of a nominal value of 1 DKK. (2020: 221,833,336 shares of a nominal value of 1 DKK).</p><p>All shares have the same voting rights.</p></div></div>

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17	Borrowings		
Credit institutions and borrowings			
Current borrowings			
Debt to credit institutions		1,064,297	636,168
Loans		2,386,500	650,000
Loans from related parties		3,109,813	0
Corporate bonds		0	756,744
		6,560,610	2,042,912
Total borrowings			
Nominal value			
Maturity of non-current and current borrowings			
Less than one year		6,560,610	2,042,912
Between one and five years		0	0
More than five years		0	0
		6,560,610	2,042,912

The interest rate to credit institutions is variable. The variable interest rate is hedged using interest rate swaps. Refer to the description in Note 19.

Loans from related parties are made on arm’s length terms.

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18	Pledges, collateral and contingent liabilities		
	The following assets are pledged as collateral for trading on power exchanges as well as balances with counterparties:		
	Power exchange Nord Pool Spot, EEX, APX , Nasdaq OMX and other counterparties etc.		
	Deposited cash	5,935,700	699,927
	Guarantees		
	Guarantees provided by a financial institute	2,408,709	1,791,196



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19Risks, financial instruments and recognised transactions

The Energi Danmark Group is exposed to market risks (price, volume, currency exchange risks), operational risks, credit risks, interest rate risks and liquidity risks. The Group’s Executive Directors oversees the management of these risks. The Group’s senior management is supported by a risk management team that advises on financial risks and the appropriate financial risk governance framework for the Group.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below. Energi Danmark is exposed to credit risks from our trading partners and customers.

Credit risk

Energi Danmark is exposed to credit risks from our trading partners and customers.

The credit risk exposure depends on the creditworthiness of the customers and counterparties. The customers are primarily to be found within the public sector, utility sector and across business markets (B2B).

Trading partners

The counterparties are typically established companies trading with commodities. Our trading with these companies is regulated under standard agreements, such as EFET and ISDA agreements which feature, for instance credit rating and netting provisions.

All counterparties are subject to a credit-rating before starting to trade. Existing counterparties are also reevaluated on an ongoing basis especially when new contracts are due to be signed. Counterparts are all evaluated and given a line of exposure within

which daily exposures are calculated and monitored by the Risk Management department.

The daily credit risk regarding counterparties varies significantly due to fluctuations in market prices (ie. fluctuations in electricity and gas prices, currencies etc.), as well as trading activity with the different counterparties.

Customers

All customers are subject to a credit-rating before starting to trade. Existing customers are also reevaluated on an ongoing basis especially when new contracts are due to be signed. To do the credit rating Energy Denmark uses a credit rating score model from an external party. If the score is below certain predefined levels a manual credit-rating is done as well, either accepting the new contract or asking for additional security before signing.

It is the credit rating policy not to decline any customer that would like to trade with Energy Denmark, however when evaluating the credit-score and, if necessary, security requirements, the Finance department demands high standards. The necessity of maintaining high standards has become even more relevant since the Wholesale Model was implemented because losses from customers not paying their energy taxes and the transport of electricity have shifted from grid companies/Energinet.dk to trading companies like Energi Danmark.

The maximum exposure for credit risk on financial assets is reflected in the carrying amounts of financial assets in the balance sheet, without deducting the received deposits.

Based on the above description, it is assessed, that the overall credit risk for the Energi Danmark Group is considered to be low.

	2021		2020	
Trade receivable and provisions for impairment:				
	Carrying amount before impairment	Provision for impairment	Carrying amount before impairment	Provision for impairment
Customers not due	12,077,646	537	4,832,647	1,510
Customers in dunning process	3,466	2,393	4,721	1,387
Insolvent customers	7,637	5,868	7,524	5,844
Total	12,088,749	8,798	4,844,892	8,741

Trade receivables are subject to impairment, where the actual provision is made based on a predefined percentage dependent on the numbers of reminders sent to the customer. If the customer

enters into bankruptcy or equivalent procedure a full writeoff of the receivable is performed.



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Liquidity risk

In Energi Danmark many of the working capital requirements from trading activities exist due to the funding of purchase of electricity for delivery to our customers and day-to-day settle-ment on incoming futures towards exchanges. Especially since the Wholesale Model was implemented, the liquidity requirements has increased by the end of each month, but rapidly declines at the beginning of the following month. The increase is due to the fact that Energi Danmark has to pay grid companies/Energinet.dk for customer consumption-related energy taxes, transportation of electricity and PSO before receiving payments from customers.

The use of futures with day-to-day cash settlement also has significant impact on the requirement for cash. When the price of electricity increases, the liquidity will increase as well, while a decrease in electricity prices will decrease the cash position. A decrease in the price of EUR 1 means an increased liquidity draw of approximately DKK 119m. When the price of gas increases, the liquidity will decrease, while a decrease in gas prices will increase the cash position. An increase in the price of gas of EUR 1 means an increased liquidity draw of approximately DKK 4m.

The liquidity risk is managed and monitored on a daily basis and a cash flow prognosis showing expected future cash movements

is maintained. During 2021 the Group cash reserve have been improved to accommodate an increase in collaterals from exchanges.

The Group owners (Andel A.m.b.a., SEAS-NVE Strømmen A/S and NRGi A.m.b.a.) have extended the guarantees of DKK 2,700m until middle of 2022. The owners have also supported Energi Danmark with loans of DKK 3,100m and an capital increase of DKK 1,000m in 2021.

When trading electricity on the exchanges there is a requirement for margin calls to be covered by collaterals in the form of guar-antees or cash. The mentioned guarantee’s given can be seen in Note 18. The amount to be covered by guarantees is calculated by the exchange every day and sent to Energi Danmark. Back office receives and monitors the collaterals always making sure that sufficient collateral is in place.

Energi Danmark estimates that there is sufficient liquidity and collateral lines to support the business the coming year.



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	Contractual maturity incl. interest (cash flow)				
	Carrying amount	Total	< 1 year	1-5 years	> 5 years
31 December 2021					
Non-derivative financial instruments					
Borrowings current and non-current	6,560,610	6,560,610	6,560,610	0	0
Lease liabilities	77,878	77,878	7,788	70,090	0
Trade payables	7,028,402	7,028,402	7,028,402	0	0
Deposits	262,025	262,025	262,025	0	0
Other liabilities	572,665	572,665	572,665	0	0
Derivative financial instruments					
Derivatives	11,134,586	11,134,586	10,021,127	1,060,013	53,446
Total financial instruments	25,636,166	25,636,166	24,452,617	1,130,103	53,446

	Contractual maturity incl. interest (cash flow)				
	Carrying amount	Total	< 1 year	1-5 years	> 5 years
31 December 2020					
Non-derivative financial instruments					
Borrowings current and non-current	2,042,912	2,052,668	2,052,668	0	0
Lease liabilities	10,295	10,295	7,553	2,742	0
Trade payables	3,070,226	3,070,226	3,070,226	0	0
Other liabilities	299,600	299,600	299,600	0	0
Derivative financial instruments					
Derivatives	1,232,394	1,232,394	556,156	662,347	13,891
Total financial instruments	6,655,427	6,665,183	5,986,203	665,089	13,891

The contractual maturity analysis is based on the expected contractual cash flows.



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Interest rate risk						
Energy Denmark is partly financing its operation with loans from banks. The loans are subject to a variable interest rate. Cash flows and interest rate levels are monitored on a regular basis.			The interest rate is hedged using interest rate swaps for the coming year. The corporate bond interest rate is based on a CIBOR + fixed margin.			
Sensitivity analysis						
Regarding the balances and loans with variable interest rate, a decrease in the interest rate of 1%-point compared to the interest rates at the balance sheet date, would lead to a positive effect of DKK 25.1m (2020: DKK 4.0m) in the profit and loss before tax and DKK 19.6m (2020: DKK 3.1m) on the equity. A corresponding increase in the interest rate would lead to a negative effect of DKK 25.9m (2020: DKK 1.8m) in the profit and loss before tax and DKK 20.2m (2020: DKK 1.4m) on the equity.			The sensitivity analysis is based on the recognised financial assets and liabilities and the interest rate swaps at the balance sheet date. No repayments of loans or new borrowings has been taken into account. The used change in interest rate is assessed to be reasonably likely considering the current market conditions.			
Market risk						
The market price for electricity has shown to be quite volatile and subject to changes and events that can not be predicted.			Combined customer consumption is monitored on a regular basis in order to predict and adjust the corresponding hedge position. Due to Covid-19 and changes in customer consumption volume, this has been a more difficult in 2021, where the uncertainty of future expected volumes have been higher than usual.			
The spot price is determined hourly on the physical exchanges and forms the basis for financial trading of electricity on futures and forward contracts.			Being present in multiple countries with different currencies (primarily DKK, NOK, SEK, EUR and GBP) also exposes the group to fluctuations and changes in exchange rates against DKK. Exposure is monitored on a daily basis and the Group enters into currency rate contracts in order to hedge exposure thereby minimizing the risk.			
The price risk from selling electricity with fixed price elements are hedged by buying corresponding financial contracts on the exchange markets thereby securing Energi Danmark the contract margin.			To manage all of these risks the Risk Management department is using an ETRM-system called Elviz. Elviz is the foundation for calculating daily exposures using both VaR-based models and models developed inhouse showing day-to-day risks and MWh-exposure. Elviz contains almost all of Energy Denmark's positions/contracts, which are used as a basis for calculating the exposure using price curves derived from exchange quotes (where applicable).			
Another market risk is the volume risk, when trading electricity based on future prices (with fixed price elements) because the corresponding price hedge needs to match actual customer volume in order to avoid ineffective positions. Ineffective positions are the risk of the company and settled as the difference between the hedge and the spot price, which can give both a profit and losses. If actual consumption is lower than the hedged volume and the hedged price higher than the spot price, the result is a loss and vice versa.						
			2021		2020	
Sensitivity analysis						
	P/L effect before tax	Equity effect	Reasonably possible change in variable%	P/L effect before tax	Equity effect	Reasonably possible change in variable%
Electricity	-219,818	-171,458	+40%	7,807	6,089	5%
Currency exchange rate	11,958	9,327	+1%	23,535	18,357	5%
The sensitivity analysis is based on the recognised financial assets and liabilities at the balance sheet date. Expected volatility of 40%			is used for electricity and 1% for currency exchange rate in the sensitivity analysis.			



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Fair value measurement of financial instruments

	2021			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative financial assets:				
Foreign exchange forward	0	15,262	0	15,262
Commodity derivative	36,093	5,557,381	744,204	6,337,678
Total	36,093	5,572,643	744,204	6,352,940

Financial assets measured at fair value

Derivative financial liabilities:

Interest rate swaps	0	-3,630	0	-3,630
Foreign exchange forward	0	28,316	0	28,316
Commodity derivative	20,147	10,659,695	430,058	11,109,900
Total	20,147	10,684,381	430,058	11,134,586

	2020			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative financial assets:				
Foreign exchange forward	0	16,434	0	16,434
Commodity derivative	95,190	861,852	411,116	1,368,158
Total	95,190	878,286	411,116	1,384,592

Financial assets measured at fair value

Derivative financial liabilities:

Interest rate swaps	0	11,911	0	11,911
Foreign exchange forward	0	68,853	0	68,853
Commodity derivative	1,260	1,021,289	129,081	1,151,630
Total	1,260	1,102,053	129,081	1,232,394

There is an off-balance MtM-value regarding the gas in inventory at the balance-sheet day of DKK 167.1m.

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<p>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market or, if not available, in the most advantageous market.</p> <p>The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.</p> <p>Foreign exchange forwards and interest rate swaps Foreign exchange forwards and interest rate swaps are measured using generally accepted valuation techniques based on relevant observable swap-curves and foreign exchange rates.</p> <p>Commodity derivatives Commodity derivatives are measured using generally accepted valuation techniques based on relevant observable electricity price curves, foreign exchange rates etc. and manual calculated charges.</p> <p>Since there are no active markets for the long-term prices of electricity, the fair value has been determined through an estimate of the future prices. The most important parameter resulting in the commodity contracts being classified as level 3 is the electricity price. Normally, the price can be observed for 5 years in the electricity market, after which an active market no longer exist. Beyond this horizon the electricity prices are based on, the known prices are used together with an appropriate interest rate to extrapolate the prices to future periods, where no prices are available. The used interest rate amounts to 2% at 31 December 2021 (2% at 31 December 2020).</p> <p>All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:</p> <p>Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities</p> <p>Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable</p> <p>Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable</p> <p>If electricity prices changes with 5% the net level 3 value will change with DKK 19.7m. (2020: DKK 19.9m.)</p> <p>The transfers from level 3 to level 2 consists primarily of wind contracts, where the terms of the contract is less than 5 year at the year end. Besides this DKK 28.4m in new transactions related to level 3.</p> <p>Trade receivables, trade receivables from associates, other receivables and deposits, credit institutions, trade- and other payables Trade receivables, trade receivables from associates, other receivables and deposits, credit institutions, trade- and other payables with a short credit time is assessed to have a fair value, which equals the carrying amount.</p>			
		2021	2020
Level 3			
Opening balance 1 January		282,035	196,847
Gains/loss recognised		60,489	55,262
Transfers		-28,378	29,926
Total		314,146	282,035

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Cash flow hedge

The Group’s purchase contracts with it’s previously owned company Energi Danmark Vind are maintained. As part of managing the electricity price risk in these contracts, the Group enters into financial derivatives comprising of Nordpool system price contracts and contracts for difference between the Nordpool system price and the local area price. The contracts are designated as cash flow hedges of the price risk related to highly probable sales of electricity.

price is hedged. This is considered a hedge of the component of the local area price and is therefore also fully effective in respect of price risk. Ineffectiveness may arise due to difference between actual production volumes and hedged production volumes.

The average price in EUR/MWh is 31.14.

As of 31 December 2021, the Group has the following contracts designated as cash flow hedges:

The combination of these contracts establish a perfect hedge in respect of price risk. In some cases, only the Nordpool system

Fair value 2021	Settlement 2022	Settlement 2023	Settlement 2024	Settlement 2025
	MWh	MWh	MWh	MWh
-10,850	37,668	37,668	37,683	37,668

As of 31 December 2020, the Group had the following contracts designated as cash flow hedges:

Fair value 2020	Settlement 2021	Settlement 2022	Settlement 2023	Settlement 2024	Settlement 2025
	MWh	MWh	MWh	MWh	MWh
3,622	148,657	37,668	37,668	37,683	37,668

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts

and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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Notes	DKK '000						
		2021			2020		
Offsetting of current derivatives							
	Derivative assets	Derivative liabilities	Total	Derivative assets	Derivative liabilities	Total	
Gross	54,965,967	-58,734,336	-3,768,369	8,243,897	-8,091,699	152,198	
Netting	-48,613,027	47,599,750	-1,013,277	-6,859,305	6,859,305	0	
Financial assets/liabilities in the balance sheet	6,352,940	-11,134,586	-4,781,646	1,384,592	-1,232,394	152,198	
Collateral	1,824,410	-239,824	1,584,586	178,805	0	178,805	
Net	8,177,350	-11,374,410	-3,197,060	1,563,397	-1,232,394	331,003	
The sales contracts and the associated hedging contracts can only be offset to a limited extent, as the transactions are made with different counterparties. As a consequence, the net value of the		derivatives will be affected by the difference between the average sales price, the price of the hedging and the current market price at the balance sheet date as well as the size of the open positions.					
21	Related party disclosures						
Energi Danmark's related parties include the following:							
Controlling interest							
Andel-Group has controlling interest.							
Ownership							
The following shareholders are noted in the company's shareholder list and are considered to have significant influence over Energi Danmark A/S:							
						% ownership	
Andel A.m.b.a. and SEAS-NVE Strømmen A/S (Andel-Group), Hovedgaden 36, Svinninge						63.65	
NRGi A.m.b.a., Dusager 22, Aarhus N						36.35	
						100.00	

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Notes	DKK '000										
	Management										
	The Group's related parties further includes members of the Board of Directors and Executive Management. Remuneration to the Board of Directors and Executive Management is disclosed in note 5.	The Group has had the following transactions and balances with related parties:									
		<table><tr><th></th><th>2021</th><th>2020</th></tr><tr><td>Sale of power to owners</td><td>6,188,421</td><td>1,375,662</td></tr><tr><td>Purchase of power from key personnel</td><td>9,886</td><td>11,923</td></tr></table>		2021	2020	Sale of power to owners	6,188,421	1,375,662	Purchase of power from key personnel	9,886	11,923
	2021	2020									
Sale of power to owners	6,188,421	1,375,662									
Purchase of power from key personnel	9,886	11,923									
	Related-party transactions are made on arm's length terms. Intra-group transactions have been eliminated in the consolidated financial statements.										
22	Subsequent events										
	No events have occurred after the reporting date of importance to the consolidated financial statements.										
23	Standards issued but not yet effective										
	The International Accounting Standards Board (IASB) has issued one new accounting standard (IFRS 17) and amendments to existing international accounting standards, that have not yet come into force. The Group has not early adopted any of the changes.	Energi Danmark does not expect any of these changes to have significant impact on the accounting policies.									

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INCOME STATEMENT

Notes	DKK '000	2021	2020
3	Revenue - Sales of power etc.	121,491,448	44,668,527
	Purchase of power	-121,605,185	-44,614,662
	Net income/loss from financial instruments	106,196	350,901
	Gross profit	-7,541	404,766
4	Staff costs	-124,653	-130,758
	Other external costs	-170,018	-174,940
5	Depreciation and amortisation	-19,899	-21,234
	Operating profit	-322,111	77,834
	Gain on sale of Energi Danmark Vind A/S	0	147,435
	Profit on investments in subsidiaries, net of tax	35,866	-13,210
6	Finance income	9,215	12,024
7	Finance costs	-100,761	-87,861
	Profit before tax	-377,791	136,222
8	Tax	91,325	3,364
	Profit for the year	-286,466	139,586

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BALANCE SHEET – ASSETS

Notes	DKK '000	2021	2020
Assets			
Non-current assets			
9	Intangible assets	46,340	37,179
10	Tangible assets	81,699	16,658
	Total intangible and tangible assets	128,039	53,837
11	Investments in subsidiaries	720,369	684,780
14	Deferred tax	84,793	0
	Total financial assets	805,162	684,780
	Total non-current assets	933,201	738,617
Current assets			
	Inventory	427,008	131,221
17	Trade receivables	7,167,389	3,100,761
12	Tax receivable	3,569	0
	Receivables from subsidiaries	3,957,211	1,133,613
	Derivative assets	5,992,559	1,126,112
	Deposits	6,379,361	733,473
	Other receivables	986,105	259,016
17,18	Total receivables	24,913,202	6,484,196
	Cash	521,258	239,369
	Total current assets	25,434,460	6,723,565
	Total assets	26,367,661	7,462,182



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BALANCE SHEET – LIABILITIES

Notes	DKK '000	2021	2020
Equity			
13	Share capital	350,000	221,833
	Reserve for development costs	36,145	29,000
	Reserve for net revaluation according to the equity method	393,062	562,063
	Retained earnings	1,180,499	435,040
	Cash flow hedge	-10,850	3,622
	Total equity	1,948,856	1,251,558
Non-current liabilities			
	Lease liabilities	61,050	1,173
14	Deferred tax	0	10,616
	Total non-current liabilities	61,050	11,789
Current liabilities			
	Lease liabilities	6,783	4,180
	Trade payables	5,971,179	2,612,031
15,17,18	Credit institutions	1,136,494	820,888
15,17,18	Loans	2,386,500	650,000
15,17,18	Loans from related parties	3,109,813	0
15,17,18	Corporate bonds	0	756,744
	Debt to subsidiaries	372,807	198,261
	Derivative liabilities	10,849,608	1,022,859
	Deposits	262,025	0
	Other payables	262,546	133,872
	Total current liabilities	24,357,755	6,198,835
17, 18	Total liabilities	24,418,805	6,210,624
	Total equity and liabilities	26,367,661	7,462,182
16	Pledges, collateral and contingent liabilities		
19	Subsequent events		
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STATEMENT OF CHANGES IN EQUITY

NotesDKK '000

	Share capital	Development Reserve	Reserve for net revaluation according to the equity method	Retained earnings	Cash flow hedge	Total
Equity 1 January 2021	221,833	29,000	365,475	544,603	3,622	1,164,533
Correction of equity 1 January 2021 (after tax)				87,025		87,025
Adjusted equity 1 January 2021	221,833	29,000	365,475	631,628	3,622	1,251,558
Capital increase	128,167			871,833		1,000,000
Transactions with owners	128,167	0	0	871,833	0	1,000,000
Foreign currency translation adjustment	0	0	-1,764	0	0	-1,764
Cash flow hedge after tax	0	0	0	0	-14,472	-14,472
Transferred through distribution of net profit	0	7,145	35,866	-329,477	0	-286,466
Equity 31 December 2021	350,000	36,145	399,577	1,173,984	-10,850	1,948,856
Equity 1 January 2020	221,833	75,158	572,131	236,086	9,224	1,114,432
Foreign currency translation adjustment	0	0	3,142	0	0	3,142
Cash flow hedge after tax	0	0	0	0	-5,602	-5,602
Transferred through distribution of net profit	0	-46,158	-209,798	395,542	0	139,586
Equity 31 December 2020	221,833	29,000	365,475	631,628	3,622	1,251,558



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NOTES TO THE PARENT FINANCIAL STATEMENTS

Notes

1 Accounting policies

The parent financial statements at 31 December 2021 for Energi Danmark A/S is presented in accordance with the provisions of the Danish Financial Statements Act regarding Class C (large) companies.

The parent financial statements are presented in Danish kroner (DKK) and all values are rounded to the nearest thousand (DKK 000's), except when otherwise indicated.

The equity as of 1 January 2021 has been changed due to a correction of the valuation of sales contracts. The effect is recognized in the opening balance as of 1 January 2021.

Reserve for development cost

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Group's operations by a transfer directly to the distributable reserves under equity. Furthermore the reserve will be reduced in accordance with the depreciations of the development costs.

IFRS for financial instruments

Following the Danish Financial Statements Act §37,5 the financial assets and financial liabilities are recognised and measured in accordance with the International Financial Reporting Standards. Please refer to the accounting policies for the Group for further description.

Additional accounting principles for the parent company

Profit on Investments in Subsidiaries

The proportionate share of the profit after tax of subsidiaries is recognised in the income statement of the parent company after elimination of the proportionate share of internal profit/loss.

Investments in Subsidiaries

Investments in subsidiaries are measured according to the equity method. Investments in subsidiaries are measured at the proportionate share of the companies' equity calculated in accordance with the Group's accounting policies, minus or plus unrealised intercompany profit and loss, with the remaining value of positive or negative goodwill added or subtracted in accordance with the acquisition method.

Net revaluation of investments in subsidiaries is transferred to the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds the acquisition cost. Dividends from subsidiaries expected to be adopted before the adoption of the annual report of Energi Danmark A/S are not bound to the revaluation reserve.

Cash flow statements

The consolidated financial statements contain a cash flow statement for the whole group, why a separate statement for the parent company is not included, cf. the exception clause section 86 of the Danish Financial Statements Act.

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NOTES TO THE PARENT FINANCIAL STATEMENTS

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Significant accounting judgements, estimates and assumptions

The preparation of the parent’s consolidated financial state-
ments requires management to make judgements, estimates
and assumptions that affect the reported amounts of revenues,
expenses, assets and liabilities, and the accompanying disclosures,
and the disclosure of contingent liabilities. Uncertainty about these
assumptions and estimates could result in outcomes that require a
material adjustment to the carrying amount of assets or liabilities
affected in future periods.

Management continuously reassesses these estimates and judge-
ments based on a number of factors in the given circumstances.
The following accounting estimates are considered significant for
the financial reporting.

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 described in the following. Energi Danmark based its
assumptions and estimates on parameters available when the
financial statements were prepared. Existing circumstances and
assumptions about future developments, however, may change
due to market changes or circumstances arising that are beyond
the control of the Company. Such changes are reflected in the
assumptions when they occur.

In the process of applying the Company’s accounting policies,
management has made the following estimates and assumptions,
which have the most significant effect on the amounts recognised
in the financial statements.

Other disclosures relating to the Company’s exposure to risks and
uncertainties includes capital management, financial instrument
risk management, liquidity risk and sensitivity analysis disclosures
(Note 17 and 18).

Fair value of financial and physical contract

Energi Danmark measures its financial and physical contracts
at fair value in accordance with the accounting policies as
summarised in note 1.

Energi Danmark’s strategy for measuring the fair value of these
energy contracts is to utilise quoted prices in an active trading
market.

In the absence of quoted prices for identical or similar energy
contracts, general acceptable valuation models are applied
and observable market data is used as input to the fair value
calculations. Where the instruments are complex combinations
of standard or non-standard products, unobservable market
data may be used in the valuation models in order to calculate
the fair value.

To ensure the validity and accuracy of the models all assumptions
and inputs are approved and continuously tested.

The assumptions within the models used to determine the fair
value of the physical and financial energy contracts in accordance
with IFRS 13 are central, since any changes in assumptions could
have a significant impact on the fair values and movements which
are reflected in the income statement and balance sheet.

More detail on the assumptions used in the fair value measure-
ment of the energy contracts and related sensitivities are further
described in note 18.

On physical fixed price contracts the fair value is comprised by the
financial element of the contract, which at initial recognition is zero.

At 31 December 2021, the carrying amount of derivative assets
and liabilities amounts to DKK 5,993m (2020: DKK 1,126m) and
DKK 10,850m (2020: DKK 1,023m), respectively.

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NOTES TO THE PARENT FINANCIAL STATEMENTS

Notes	DKK '000	2021	2020
3	Revenue		
	Sale of power	54,002,442	27,669,176
	Gas trading	67,489,006	16,999,351
		121,491,448	44,668,527
	Denmark	110,849,887	40,087,913
	Sweden	3,246,556	1,509,741
	Finland	2,736,714	1,390,193
	Germany	1,300,770	1,216,215
	Norway	3,182,009	464,465
	Macedonia	175,512	0
		121,491,448	44,668,527
4	Staff costs		
	Wages and salaries and remuneration	115,300	122,779
	Pensions, defined contribution plans	8,298	7,181
	Other expenses for social security	1,055	798
		124,653	130,758
	Of this amount:		
	Board members' fees	125	125
	Executive Management, wages and salaries	9,241	10,739
	Executive Management wages and salaries	9,366	10,864
	Average number of full time employees	129	119
	The Executive Management has a bonus scheme that is based on achieved Group earnings.		
5	Depreciation and amortisation		
	Amortisation of intangible assets	8,797	12,556
	Depreciation of tangible assets	3,645	2,998
	Depreciation of leased assets	7,457	5,680
		19,899	21,234

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Notes	DKK '000	2021	2020
6	Finance income		
	Interest income, credit institutions	48	38
	Interest income, subsidiaries	7,020	9,421
	Interest income, on late payments	1,435	1,788
	Other interest income	712	777
		9,215	12,024
7	Finance costs		
	Interest expenses, credit institutions	66,088	39,564
	Interest expenses, subsidiaries	5,568	6,682
	Interest expenses, corporate bonds	8,605	28,685
	Interest expenses, related parties	15,024	0
	Other interest expenses	5,086	12,764
	Interest expense, lease liability	390	166
		100,761	87,861
8	Tax		
	Current tax	0	0
	Adjustment of prior year current tax	0	4,954
	Adjustment of prior year deferred tax	0	-2,602
	Deferred tax	91,325	1,012
		91,325	3,364
	Specified as follows:		
	Tax on profit from ordinary activities	91,325	3,364
	Effective tax	24.2%	2.5%
	Income tax, received/paid	3,569	-20,342

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NOTES TO THE PARENT FINANCIAL STATEMENTS

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9Intangible assets

	2021		
	Completed development projects	Development projects in progress	Total
Cost 1 January	261,482	0	261,482
Additions	0	17,958	17,958
Transfers	17,958	-17,958	0
Disposals	-1,226	0	-1,226
Cost 31 December	278,214	0	278,214
Accumulated amortisation 1 January	224,303	0	224,303
Amortisations for the year	8,797	0	8,797
Amortisations, disposals for the year	-1,226	0	-1,226
Accumulated amortisation 31 December	231,874	0	231,874
Carrying amount 31 December	46,340	0	46,340

	2020		
	Completed development projects	Development projects in progress	Total
Cost 1 January	308,102	0	308,102
Additions	0	31,859	31,859
Transfers	-46,620	-31,859	-78,479
Cost 31 December	261,482	0	261,482
Accumulated amortisation 1 January	211,746	0	211,746
Amortisations for the year	12,557	0	12,557
Accumulated amortisation 31 December	224,303	0	224,303
Carrying amount 31 December	37,179	0	37,179

Development projects in progress includes development and test of IT-systems, which support the daily operation of the parent company. The costs consist of internal costs, e.g. salary,

and external costs, e.g. assistance from external IT developers. The development of the IT systems is expected to lead to better service of customers.

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Notes	DKK '000				
10	Tangible assets				
	2021				
	Leasehold improvements	Vehicles	Tools and equipment	Buildings	Total
Cost 1 January	6,596	6,954	14,801	13,560	41,911
Additions	3,839	421	2,221	74,805	81,286
Disposals	0	-1,055	-369	-13,369	-14,793
Cost 31 December	10,435	6,320	16,653	74,996	108,404
Accumulated depreciation 1 January	5,397	3,833	6,163	9,860	25,253
Depreciations for the year	1,273	1,120	1,252	7,457	11,102
Depreciations, disposals for the year	0	-1,055	-368	-8,227	-9,650
Accumulated depreciations 31 December	6,670	3,898	7,047	9,090	26,705
Carrying amount 31 December	3,765	2,422	9,606	65,906	81,699
Depreciation period	10 years	5 years	3-5 years	3-4 years	

In the carrying amount of Buildings, DKK 65.9m (2020: DKK 3.7m) is relating to leases. Depreciation expenses relating to leases recognised in profit (loss) were DKK 7.5m (2020: DKK 5.7m).

2020					
	Leasehold improvements	Vehicles	Tools and equipment	Buildings	Total
Cost 1 January	6,565	7,048	14,751	13,560	41,924
Additions	31	0	50	0	81
Disposals	0	-94	0	0	-94
Cost 31 December	6,596	6,954	14,801	13,560	41,911
Accumulated depreciation 1 January	4,740	2,578	5,077	4,180	16,575
Depreciations for the year	657	1,255	1,086	5,680	8,678
Accumulated depreciations 31 December	5,397	3,833	6,163	9,860	25,253
Carrying amount 31 December	1,199	3,121	8,638	3,700	16,658
Depreciation period	10 years	5 years	3-5 years	3-4 years	

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Notes	DKK '000	2021	2020
11	Investments in subsidiaries		
	Cost 1 January	444,535	443,395
	Additions	1,487	81,140
	Disposals	0	-80,000
	Cost 31 December	446,022	444,535
	Value adjustments 1 January	240,245	452,778
	Regulation on equity in subsidiaries	-1,764	3,142
	Dividends paid	0	-5,877
	Profit for the year	35,866	-13,210
	Adjustment, disposals for the year	0	-196,588
	Value adjustments 31 December	274,347	240,245
	Carrying amount 31 December	720,369	684,780

Name and address	Country of incorporation	Voting right and ownership
Energi Danmark Securities A/S, Sundkroggade 21, 2., 2100 København Ø	Denmark	100%
Energi Försäljning Sverige AB, Hyllie Stationstorg 31, 21532 Malmö	Sweden	100%
Energia Myynti Suomi Oy, Teknoboulevardi 3-5, 01530 Vantaa	Finland	100%
Energi Salg Norge AS, Drammensveien 123, 0277 Oslo	Norway	100%
Energie Vertrieb Deutschland EVD GmbH, Christoph-Probst-Weg 4, 20150 Hamburg	Germany	100%
ED Business Support A/S, Tangen 29, 8200 Aarhus N	Denmark	100%
Energi Danmark Anadolu Elektrik Enerjisi Toptan Ticaret Limited Liability company, Esentepe Mahallesi Ecza Sokak Polcenter Ismerkezi C Blok No: 4/1 Levent Sisli Istanbul	Turkey	100%
Disam Nm Dooel Skopje, Str. 8-ma Udarna Briada no. 43/3, Skopje - Centar	Macedonia	100%
DISAM BH d.o.o., Maglajska 1, 71000 Sarajevo	Bosnia-Herzegovina	100%
DISAM Australia Pty. Ltd., Market Street 1, 2000 Sydney NSW	Australia	100%
DISAM US LLC, Little Falls Drive 251, Wilmington, Delaware 19808-1674 New Castle County	USA	100%

The subsidiaries are autonomous legal entities.

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Notes	DKK '000	2021	2020
12	Income tax receivable/payable		
	Income tax receivable/payable 1 January	0	-29,027
	Income tax for the year	0	0
	Adjustment of tax, previous years	0	4,857
	Income tax received	-861	0
	Income tax paid	4,430	20,342
	Transferred from deferred tax	0	3,828
	Income tax receivable/payable 31 December	3,569	0
13	Share capital		
	For information in regards to the share capital, please refer to Note 16 in the Consolidated Financial Statements.		
	Proposal for the distribution of net profit		
	Reserve for net revaluation according to the equity method	35,866	-13,210
	Reserve for development costs	7,145	-46,158
	Retained earnings	-329,477	198,954
	Total	-286,466	139,586
14	Deferred tax		
	Deferred tax, 1 January	-10,616	-6,779
	Adjustments of deferred tax, previous years	0	-1,021
	Transferred to income tax	0	-3,828
	Adjustment of deferred tax	95,409	1,012
	Deferred tax 31 December	84,793	-10,616
	Deferred tax relates to:		
	Intangible assets	-6,271	-8,179
	Tangible assets	1,624	1,220
	Bad debt provision	838	838
	Tax losses carryforward	85,056	0
	Corporate bonds	0	2,540
	Provision and hedge	3,546	-7,035
	Carrying amount 31 December	84,793	-10,616

Deferred tax assets are measured at the value at which the asset is expected to be realized. Either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

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Notes	DKK '000	2021	2020
15	Borrowings		
Credit institutions and borrowings			
Current borrowings			
Debt to credit institutions		1,136,494	820,888
Loans		2,386,500	650,000
Loans from related parties		3,109,813	0
Corporate bonds		0	756,744
		6,632,807	2,227,632
Total borrowings			
Nominal value			
Maturity of non-current and current borrowings			
Less than one year		6,632,807	2,227,632
Between one and five years		0	0
More than five years		0	0
		6,632,807	2,227,632

The interest rate to credit institutions is variable. The variable interest rate is hedged using interest rate swaps. Refer to the description in Note 17.

Loans from related parties are made on arm’s length terms.

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Notes	DKK '000	2021	2020
16	Pledges, collateral and contingent liabilities		
	The following assets are pledged as collateral for trading on power exchanges as well as balances with counterparties:		
	Power exchange Nord Pool Spot, EEX, APX, Nasdaq OMX and other counterparties etc. Deposited cash	5,534,412	628,090
	Guarantees		
	Guarantees provided by a financial institute	2,408,709	1,791,196

Contingent liabilities for joint and several liabilities for corporate tax etc.
The parent company is included as a part of group taxation with Danish subsidiaries and Andel-Group. The companies are jointly and severally liable to pay Danish corporate tax and tax at source on dividends, interest and royalties within the sphere of joint

taxation. The joint taxation amount for the company amount to DKK 0m as at 31 December 2021 (2020: DKK 0m). Any subsequent correction of the joint taxable income or tax at source on dividends etc. may lead to the company being liable to pay a larger amount.

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Risks, financial instruments and recognised transactions

Energi Danmark is exposed to market risks (price, volume, currency exchange rate risks), operational risks, credit risks, interest rate risks and liquidity risks. The Executive Directors oversees the management of these risks. The Group's senior management is supported by a risk management team that advises on financial risks and the appropriate financial risk governance framework for the Company.

All derivative activities for Risk Management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk and counterparts

Energi Danmark is exposed to credit risks from our trading partners and customers. The counterparts are typically established companies trading with commodities. Our trading with these companies is regulated under standard agreements, such as EFET and ISDA agreements which feature, for instance credit rating and netting provisions.

The credit risk exposure depends on the creditworthiness of the customers and counterparts. The customers are primarily to be

found within the public sector, utility sector and across business markets (B2B). Counterparts are typically established companies trading with commodities.

All customers and counterparts are subject to a credit rating before starting to trade. Existing customer and counterparts are also reevaluated on an ongoing basis, especially when new contracts are due to be signed. To do the credit rating Energi Danmark uses a credit rating score model from an external party. If the score is below certain predefined levels a manual credit rating is done as well, either accepting the new contract or asking for additional security before signing. Counterparts are all evaluated and given a line of exposure within which daily exposures are calculated and monitored by the Risk Management department.

It is the credit rating policy not to decline any customer that would like to trade with Energi Danmark; however, when evaluating the credit score and, if necessary, security requirements, the Finance department demands high standards. The necessity of maintaining high standards has become even more relevant since the Wholesale Model was implemented because losses from customers not paying their energy taxes and the transport of electricity have shifted from grid companies/Energinet.dk to trading companies like Energi Danmark.

Trade receivable and provisions for impairment:

	2021		2020	
	Carrying amount before impairment	Provision for impairment	Carrying amount before impairment	Provision for impairment
Customers not due	7,167,108	537	3,099,810	720
Customers in dunning process	1,369	1,095	1,819	736
Insolvent customers	2,721	2,177	2,942	2,354
Total	7,171,198	3,809	3,104,571	3,810

Trade receivables are subject to impairment, where the actual provision made is based on a predefined percentage dependent on the numbers of reminders sent to the customer. If the customer enters into bankruptcy or equivalent procedure a full writeoff of the receivable is performed.

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Liquidity risk

In Energi Danmark many of the working capital requirements from trading activities exist due to the funding of purchase of electricity for delivery to our customers and day-to-day settlement on incoming futures towards exchanges. Especially since the Wholesale Model was implemented, the liquidity requirements has increased by the end of each month, but rapidly declines at the beginning of the following month. The increase is due to the fact that Energi Danmark has to pay grid companies/Energinet.dk for customer consumption-related energy taxes, transportation of electricity and PSO before receiving payments from customers.

The use of futures with day-to-day cash settlement also has significant impact on the requirement for cash. When the price of electricity increases, the liquidity will increase as well, while a decrease in electricity prices will decrease the cash position. A decrease in the price of EUR 1 means an increased liquidity draw of approximately DKK 119m. When the price of gas increases, the liquidity will decrease, while a decrease in gas prices will increase the cash position. An increase in the price of gas of EUR 1 means an increased liquidity draw of approximately DKK 4m.

The liquidity risk is managed and monitored on a daily basis and a cash flow prognosis showing expected future cash movements

is maintained. During 2020 the Group cash reserve have been improved to accommodate an increase in collaterals from exchanges.

The Group owners (Andel A.m.b.a., SEAS-NVE Strømmen A/S and NRGi A.m.b.a.) have extended the guarantees of DKK 2,700m until middle of 2022. The owners have also supported Energi Danmark with loans of DKK 3,100m and an capital increase of DKK 1,000m in 2021.

When trading electricity on the exchanges there is a requirement for margin calls to be covered by collaterals in the form of guarantees or cash. The mentioned guarantee’s given can be seen in Note 18. The amount to be covered by guarantees is calculated by the exchange every day and sent to Energi Danmark. Back office receives and monitors the collaterals always making sure that sufficient collateral is in place.

Energi Danmark estimates that there is sufficient liquidity and collateral lines to support the business the coming year.

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	Contractual maturity incl. interest (cash flow)				
	Carrying amount	Total	< 1 year	1-5 years	> 5 years
31 December 2021					
Non-derivative financial instruments					
Borrowings current and non-current	6,632,807	6,632,807	6,632,807	0	0
Lease liabilities	67,833	67,833	67,833	0	0
Deposits	262,025	262,025	262,025		
Trade payables	5,971,179	5,971,179	5,971,179	0	0
Other liabilities	635,353	635,353	635,353	0	0
Derivative financial instruments					
Derivatives	10,849,608	10,849,608	9,764,647	1,032,883	52,078
Total financial instruments	24,418,805	24,418,805	23,333,844	1,032,883	52,078
31 December 2020					
Non-derivative financial instruments					
Borrowings current and non-current	2,227,632	2,236,932	2,236,932	0	0
Lease liabilities	5,353	5,353	4,180	1,173	0
Trade payables	2,612,031	2,612,031	2,612,031	0	0
Other liabilities	332,133	332,133	332,133	0	0
Derivative financial instruments					
Derivatives	1,022,859	1,022,859	461,616	549,684	11,559
Total financial instruments	6,200,008	6,209,308	5,646,892	550,857	11,559

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Interest rate risk		
Energi Danmark is partly financing its operation with loans from banks. The loans are subject to a variable interest rate. Cash flows and interest rate levels are monitored on a regular basis.	The interest rate risk is hedged using interest rate swaps for the coming year. The corporate bond interest rate is based on CIBOR + fixed margin.	
Market risk		
The market price for electricity has proven to be quite volatile and subject to changes and events that can not be predicted.	Due to Covid-19 and changes in customer consumption volume, this has been a more difficult in 2021, where the uncertainty of future expected volumes have been higher than usual.	
The spot price is determined hourly on the physical exchanges and forms the basis for financial trading of electricity on futures and forward contracts.	Being present in multiple countries with different currencies (primarily DKK, NOK, SEK, EUR and GBP) also exposes Energi Danmark to fluctuations and changes in exchange rates against DKK. Exposure is monitored on a daily basis and the Company enters into currency rate contracts in order to hedge exposure, thereby minimizing the risk.	
The price risk from selling electricity with fixed price elements are hedged by buying corresponding financial contracts on the exchange markets thereby securing Energi Danmark the contract margin.	To manage all of these risks, the Risk Management department is using an ETRM-system called Elviz. Elviz is the foundation for calculating daily exposure using both VaR-based models and models developed inhouse showing day-to-day risks and MWh-exposure. Elviz contains almost all of Energi Danmark's positions/contracts, which are used as a basis for calculating the exposure using price curves derived from exchange quotes (where applicable).	
Another market risk is the volume risk when trading electricity based on future prices (with fixed price elements) because the corresponding price hedge needs to match actual customer volumes in order to avoid ineffective hedging positions.		
Combined customer consumption is monitored on a regular basis in order to predict and adjust the corresponding hedging position.		

	2021			2020		
	P/L effect before tax	Equity effect	Reasonably possible change in variable%	P/L effect before tax	Equity effect	Reasonably possible change in variable%
Electricity	-219,142	-170,931	+40%	7,486	5,839	5%
Currency exchange rate	11,059	8,626	+1%	23,408	18,258	5%

The equity will be affected with the P/L effect less tax of approximately 22%.



Notes	DKK '000				
18	Information about financial instruments				
Categories of financial instruments					
		2021		2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Trade receivables		7,167,389	7,167,389	3,100,761	3,100,761
Trade receivables from associates and subsidiaries		3,957,211	3,957,211	1,133,613	1,133,613
Other receivables and deposits		7,365,466	7,365,466	992,489	992,489
Cash		521,258	521,258	239,369	239,369
Financial assets measured at amortised cost		19,011,324	19,011,324	5,466,232	5,466,232
Derivative assets		5,992,559	5,992,559	1,126,112	1,126,112
Financial assets measured at fair value through profit or loss		5,992,559	5,992,559	1,126,112	1,126,112
Credit institutions		1,136,494	1,136,494	820,888	820,888
Loans		2,386,500	2,386,500	650,000	650,000
Loans from related parties		3,109,813	3,109,813	0	0
Corporate bonds		0	0	756,744	757,500
Trade payables		5,971,179	5,971,179	2,612,031	2,612,031
Lease liabilities		67,833	67,833	5,353	5,353
Other payables and deposits		897,378	897,378	332,133	332,133
Financial liabilities measured at amortised costs		13,569,197	13,569,197	5,177,149	5,177,905
Derivative liabilities		10,849,608	10,849,608	1,022,859	1,022,859
Financial liabilities measured at fair value through profit or loss		10,849,608	10,849,608	1,022,859	1,022,859
				2021	2020
Assets					
Financial				48,086	153,914
Physical				5,944,473	972,198
				5,992,559	1,126,112
Liabilities					
Financial				2,214,224	163,643
Physical				8,635,384	859,216
				10,849,608	1,022,859

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NOTES TO THE PARENT FINANCIAL STATEMENTS

NotesDKK '000

Fair value measurement of financial instruments

	2021			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative financial assets:				
Foreign exchange forward	0	15,303	0	15,303
Commodity derivative	36,093	5,199,608	741,555	5,977,256
Total	36,093	5,214,911	741,555	5,992,559

Financial liabilities measured at fair value

Derivative financial liabilities:				
Interest rate swaps	0	-3,630	0	-3,630
Foreign exchange forward	0	28,989	0	28,989
Commodity derivative	20,147	10,374,044	430,058	10,824,249
Total	20,147	10,399,403	430,058	10,849,608

If electricity prices changes with 5% the net level 3 value will change with DKK 19.7m.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market or, if not available, in the most advantageous market.

The principal or the most advantageous market must be accessible by Energi Danmark.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Energi Danmark uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Commodity derivative are measures using generally accepted valuation techniques based on relevant observable electricity price cures, foreign exchange rates ect. and manual calculated changes. Since there are no active markets for the long term prices of electricity, the fair value has been determines through an estimate of the future prices. The most important parameter resulting in commodity contracts being classified as level 3 in the electricity price. Normally the price can be observed for a maximum of 2-3 years in the electricity market, after which an active market no longer exist. Beyond this horizon the electricity prices are based on the known prices and are used together with an appropriate interest rate to extrapolate the prices to the future periods, where no prices are available. The used interest rate amounts to 2% on 31 December 2021 (2% at 31 December 2020).

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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NOTES TO THE PARENT FINANCIAL STATEMENTS

NotesDKK '000

Fair value measurement of financial instruments

	2020			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative financial assets:				
Foreign exchange forward	0	20,541	0	20,541
Commodity derivative	95,190	603,712	406,669	1,105,571
Total	95,190	624,253	406,669	1,126,112

Financial liabilities measured at fair value

Derivative financial liabilities:				
Interest rate swaps	0	11,911	0	11,911
Foreign exchange forward	0	75,492	0	75,492
Commodity derivative	1,260	805,115	129,081	935,456
Total	1,260	892,518	129,081	1,022,859

Level 3	
Opening balance 1 January 2021	277,588
Gains recognised	60,489
Transfers	-26,580
Total	311,497

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See note 21 to the consolidated financial statements for information on related party transactions.

STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

The Board of Directors and the Executive Board have today discussed and approved the annual report of Energi Danmark A/S for the financial year 1 January – 31 December 2021.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act. The financial statements of the parent company, Energi Danmark A/S, have been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and parent company financial statement give a true and fair value of the Group’s and the Parent Company’s assets, liabilities and financial position at 31 December 2021 and of the results of the

Group’s and the Parent Company’s operations and the Group cash flows for the financial year 1 January – 31 December 2021.

In our opinion the managements review provides a true and fair account of the development in the Group’s and the Parent Company’s operations and financial circumstances, of the result for the year and of the overall financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

We recommend that the annual report is approved at the annual general meeting.

Aarhus, 2 May 2022

Executive Board

Jørgen Holm Westergaard	Jesper Nybo Stenager
CEO	CFO

Board of Directors

Jesper Hjulmand	Jacob Vittrup
Chairman	Deputy Chairman
Ole Hillebrandt Jensen	Morten Bryder Pedersen
Jens Otto Velle	

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ENERGI DANMARK A/S

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of Energi Danmark A/S's financial position at 31 December 2021 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2021 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Energi Danmark A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group ("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 Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's 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's Review and, in doing so, consider whether Management's 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's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared

in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company 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 Group's and the Parent 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 Group or the Parent 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 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.

- > Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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. ■

Aarhus, 2 May 2022

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Kragh
State Authorised Public
Accountant
mne-no. 26783

Christine Tveteraas
State Authorised Public
Accountant
mne-no. 34341

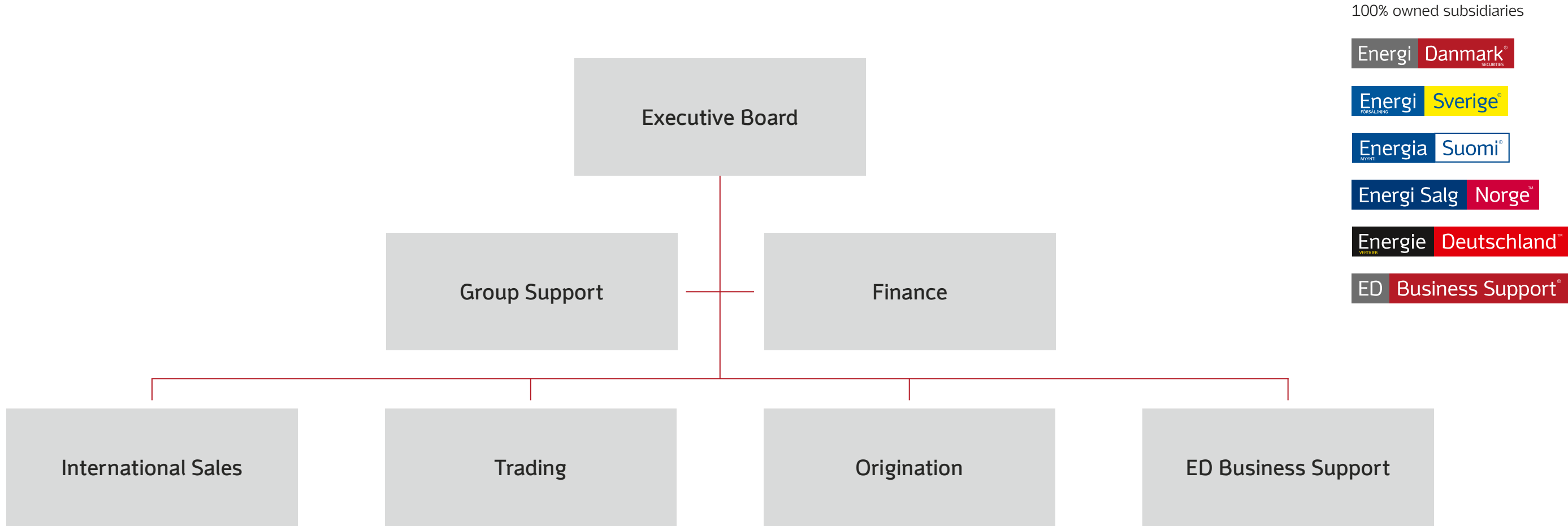


ORGANISATION

On the following pages, you can find our corporate information, organisational chart and information about ownership, Board of Directors and Management.

ORGANISATIONAL CHART

As of December 31, 2021



CORPORATE INFORMATION

Energi Danmark A/S
Tangen 29
DK-8200 Aarhus N
Tel. +45 87 42 62 62
Email: ed@energidanmark.dk
www.energidanmark.com
CVR no.: 17 22 58 98
Established: 1 July 1993
Domicile: Aarhus Municipality
Financial year: 1 January – 31 December

BOARD OF DIRECTORS

- > Chairman, CEO Jesper Hjulmand, Andel
- > Deputy chairman, CEO Jacob Vittrup, NRGi
- > CFO Ole Hillebrandt Jensen, Andel
- > CFO Morten Bryder Pedersen, NRGi
- > Director Jens Otto Veile

THE EXECUTIVE MANAGEMENT COMMITTEE

Executive Board
Jørgen Holm Westergaard, CEO
Jesper Nybo Stenager, CFO

Trading
Thomas Bjørn Houliind,
Director, Markets

International Sales
Peter Lønbro Lehm,
Director, International Sales

IT
Thomas Bech Pedersen,
Systems Manager

Origination
Thomas Elgaard Jensen,
Director, Origination

Legal
Mads Bang-Christensen,
Head of Group Legal

HR
Anne Katrine Høg-Nørregaard
HR Manager

Auditor
PricewaterhouseCoopers
Approved Public Accountants
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Law Firm
Gorrissen Federspiel

Main Bank
Danske Bank A/S
Jyske Bank A/S

Annual General Meeting
The Annual General Meeting
is to be held on April 25, 2022



Jesper Hjulmand



Jacob Vittrup



Ole Hillebrandt Jensen



Morten Bryder Pedersen



Jens Otto Veile



Jørgen Holm Westergaard



Jesper Nybo Stenager

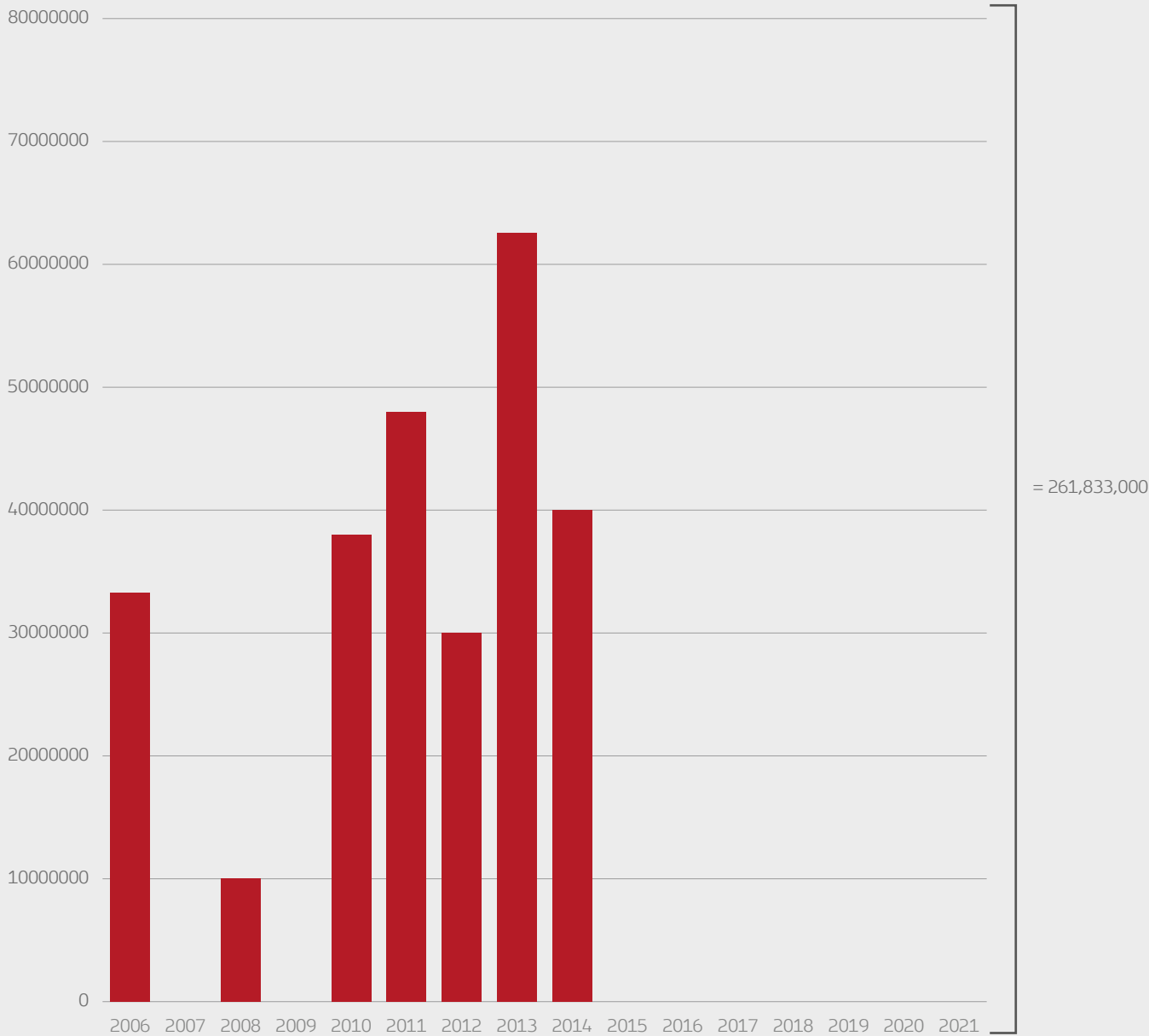
OWNERSHIP

Energi Danmark is owned by three electricity compa-
nies, which in turn are owned by private shareholders.
Shareholders are Andel, NRGi and SEAS-NVE Strømmen.

As of 31 December 2021, the company has the
following shareholders:

	Ownership%	Share capital (DKK)
1. Andel a.m.b.a., Svinninge, Denmark	45.54	159,387,474
2. NRGi a.m.b.a., Aarhus N, Denmark	36.35	127,223,923
3. SEAS-NVE Strømmen A/S, Svinninge, Denmark (Andel)	18.11	63,388,603
	100.00	350,000,000

ANNUAL DIVIDEND IN DKK



BOARD OF DIRECTORS AND MANAGEMENT

BOARD OF DIRECTORS

Jesper Hjulmand

CEO of Andel
MSc (Business Administration)
Date of birth: 15.12.1963
Member of the Board since: 01.01.2005

Board memberships, honorary offices:

- > Energi Danmark A/S (Chairman)
- > Dansk Energi (Chairman)
- > Fibia P/S (Chairman)
- > Employer's Association for Danish Energy and Utility Companies
- > DEA (Chairman)
- > Dansk Industri Hovedbestyrelse (Executive committee)
- > SEAS-NVE Strømmen a/s (Chairman)
- > Watts a/s (Chairman)

Committee memberships:

- > DI Forretningsudvalg
- > Supervisory board in Dansk Energi
- > Supervisory board in Forenet Kredit

Jacob Vittrup

CEO of NRGi
MSc in Economics
Date of birth: 03.09.1971
Member of Board since: 06.04.2018

Board memberships, honorary offices:

- > NRGi Holding A/S (Chairman)
- > NRGi Renewables (including subsidiaries) (Chairman)
- > NRGi Elsalg A/S (Chairman)
- > Energiselskabet Natur-Energi (Chairman)
- > ELCON A/S (Chairman)

- > Energi- og Bygningsrådgivning A/S (Chairman)
- > Kuben Management A/S (Chairman)
- > Energi Danmark A/S
- > Fibia P/S (Deputy Chairman)
- > Dansk Energi (Board member)
- > Dansk Industri - Energi (Board member)

Ole Hillebrandt Jensen

CFO of Andel
HD(R)
Date of birth: 07.01.1962
Member of board since: 01.11.2021

Board memberships, honorary offices:

- > Nexel a/s (Chairman)
- > Andel Lumen a/s (Chairman)
- > Rødsand 2AB (Chairman)
- > SEAS-NVE Finans a/s (Chairman)
- > Impagt Invest Sjælland a/s
- > Fibia P/S
- > Energi Danmark

Morten Bryder Pedersen

CFO of NRGi
Cand. Merc. Aud.
(Msc. Business Economics and Auditing)
Date of birth: 10.09.69
Member of the Board since: 01.11.2021

Board memberships, honorary offices:

- > NRGi Holding A/S
- > NRGi Renewables A/S incl. subsidiaries
- > NRGi Elsalg A/S
- > Energiselskabet Natur-Energi A/S
- > Kuben Management A/S
- > Fibia P/S
- > Clever A/S

Jens Otto Veile

Director
MSc Economics
MBA INSEAD
Date of birth: 24.07.1950
Member of the Board since: 27.09.2004

Board memberships, honorary offices:

- > Kaj Andersen & Sønner Holding A/S (Chairman)
- > Investeringselskabet af 1. november 2001 A/S (Chairman)
- > Andersen Motors A/S (Chairman)
- > Andersen Motors Ejendomme A/S (Chairman)
- > Suzuki Bilimport Danmark A/S (Chairman)
- > e-parts A/S (Chairman)
- > Bascon Holding A/S (Chairman)
- > Bascon A/S (Chairman)
- > The Danish Pension Fund for Engineers (DIP)
- > Karen Krieger-Fonden
- > Bursar of The Carlsberg Foundation and The New Carlsberg Foundation

EXECUTIVE BOARD

Jørgen Holm Westergaard

CEO of Energi Danmark A/S
(since 1 May 1999)
MSc Economics
Date of birth: 06.08.1963

Board memberships, honorary offices:

- > Energi Danmark Securities A/S (Chairman)
- > Energi Försäljning Sverige AB (Chairman)
- > Energia Myynti Suomi Oy (Chairman)
- > Energi Salg Norge AS (Chairman)
- > Energie Vertrieb Deutschland EVD GmbH (Chairman)
- > ED Business Support A/S (Chairman)
- > Dansk Elhandel

Jesper Nybo Stenager

CFO of Energi Danmark A/S
(since 1 April 2015)
State-authorized Public Accountant
(MSc Business Economics & Auditing)
Date of birth: 08.09.1970

Board memberships, honorary offices:

- > Energi Danmark Securities A/S
- > Energi Försäljning Sverige AB
- > Energia Myynti Suomi Oy
- > Energi Salg Norge AS
- > Energie Vertrieb Deutschland EVD GmbH
- > ED Business Support A/S

CORPORATE INFORMATION, SUBSIDIARIES



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Email eds@energidanmark.dk

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Tel. +45 87 42 62 62
Email edbs@edbs.dk

Aarhus



Energi Försäljning Sverige AB
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Tel. +46 40 627 18 80
Email efs@energi-sverige.se

Malmö | Stockholm



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FI-01530 Vantaa
Tel. +358 20 765 9970
Email energiasuomi@energiasuomi.fi

Vantaa | Kuopio | Kristinestad | Turku



Energi Salg Norge AS
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Tel. +47 67 20 81 90
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Oslo | Trondheim



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Email evd@energiedeutschland.de

Hamburg | Münster | Munich

Energi Danmark A/S
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DK-8200 Aarhus N

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Email ed@energidanmark.dk
www.energidanmark.com

Aarhus
Copenhagen
Odense
Vejle

Malmö
Stockholm

Vantaa
Kuopio
Kristinestad
Turku

Oslo
Trondheim
Kristiansund

Hamburg
Münster

