

2022

annual report

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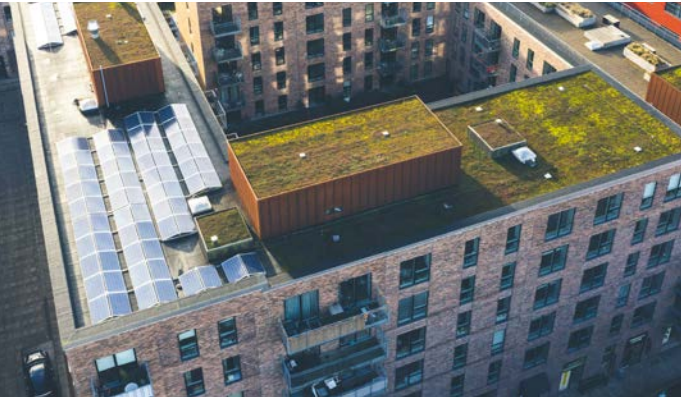
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ANNUAL REPORT

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

[Read more](#) →



SUSTAINABILITY

Energy is crucial to a well-functioning society. Therefore our sustainability initiatives take their starting point in UN Development Goal 7.

[Read more](#) →



IT IS ALL ABOUT CONNECTIONS

2022 was an extreme year in energy trading; with extreme connections, conditions and complexity.

[Read more](#) →



MANAGEMENT REVIEW

BOARD OF DIRECTORS & MANAGEMENT REVIEW 2022

The Energi Danmark Group achieved a revenue of DKK 344.6bn in 2022 driven by high prices in the electricity and gas markets. Successful trading strategies outside the Nordic countries resulted in a high group result after tax of DKK 8.8bn. However, the Energi Danmark Group's business area servicing customers within the Nordic countries incurred significant losses due to long-term sales contracts in the wind portfolio. With the good result, Energi Danmark has contributed considerably to society with corporate tax of DKK 2.5bn regarding 2022.

Market Conditions

We have been through an extraordinary year in the European energy markets, with rapidly increasing and unprecedentedly volatile energy prices and collateral requirements for trading at the power exchanges.

The extreme price increases were not entirely unexpected, as the market was already operating at very high levels by the end of 2021. Furthermore, a wide range of factors contributed to the even higher prices in 2022. In addition to the circumstances surrounding the war in Ukraine, outages on nuclear assets in France also affected prices. Further, bottlenecks due to the inflow of Liquid Natural Gas (LNG) and the difference

in marginal prices in electricity production between LNG-offtaking countries and countries dependent on Russian gas also created significant electricity price differences across Europe. Lastly, the weather in the Nordic countries also supported high prices throughout most of the year. The winter of 2022/2023 has on the contrary been rather mild which has contributed to lower prices in the first quarter of 2023.

Result of the year

In 2022, the Energi Danmark Group achieved a revenue of DKK 344.6bn driven by high prices in the electricity and gas markets. The volume of delivered energy is not significantly higher than in 2021. The revenue is mainly

based on cross-border and gas trading activities. The Energi Danmark Group's result after tax of DKK 8.8bn is considered very satisfactory compared to the budget for the year. The result is realized due to successful trading strategies outside the Nordic countries.

The good result also means that the Energi Danmark Group has contributed considerably to society with corporate tax of DKK 2.5bn for the year.

Invalid bonus agreements in Energi Danmark

In 2023, Energi Danmark – and other similar companies – have been the focus of interest regarding the company's bonus agreements. In Energi Danmark, as it is common in the energy trading industry, there are bonus schemes for relevant groups of employees. It is the company's clear policy to cap bonus schemes. Three employees from Energi Danmark have had a share-based bonus agreement with a cash option and without a cap. It was entered into without the board's knowledge and under circumstances that Energi Danmark strongly believe render the agreement invalid, however, the three employees currently claim the agreement to be valid. In the financial statements, Energi Danmark has recognised an amount equal to a normal bonus for the three traders in question.

Energy Trading

The Energi Danmark Group's Trading division focuses on trading energy with counterparties and exchanges

in the European markets. The Energi Danmark Group's trading division has had a very successful 2022. The portfolio consists of options to flow electricity and gas, which become valuable in scenarios with high prices or extreme volatility as experienced in 2022. Most of the Energi Danmark Group's portfolio has been focused on the effects of Russia's halt of gas flows to Germany via Nordstream and of Russia's reduction of flows through Ukraine on the European energy market.

In 2022, the Energi Danmark Group's trading division's result primarily stems from markets outside the Nordic countries.

Energy Sales to Customers

The Energi Danmark Group's sales division focuses on purchasing energy from producers and selling to customers in the Nordic countries. The division has had a year with significant losses due to long-term contracts in its wind portfolio. Energi Danmark will always fulfil the obligations of the contracts even though the contracts are significantly lossmaking for Energi Danmark. The Energi Danmark Group focuses on servicing customers and gives them added value through flexible and efficient solutions based on long-term customer relations. In 2022, we continued with this focus even though we have been reluctant to sign new contracts in our International Sales division in order to manage the level of collateral and working capital requirements. ►

When signing a contract for future delivery with a customer, the Energi Danmark Group purchases and hedges the agreed volume on the exchanges. The continuous and extreme increase in energy prices during 2021 and especially 2022 caused significantly higher collateral claims from the exchanges during the year than in a normal market. The Energi Danmark Group has therefore had a substantial amount of liquidity bound to the exchanges, but due to the strong result in 2022 and the support of our shareholders, the Energi Danmark Group has coped very well with the requirements.

In addition to the already mentioned reduction in the number of new customer contracts, the Energi Danmark Group has further implemented a range of initiatives to mitigate the capital requirements. Among the initiatives are a different clearing strategy on the exchanges, an adjustment of our hedging strategy, a change of our payment and invoicing structure and entering into bilateral agreements with other major energy companies to minimise liquidity risk exposure. Consequently, the liquidity requirements and the need for external funding and guarantees were lowered significantly.

Acquisition of Andel Energi’s business customers

In 2022, we executed the new strategy following Andel and NRGi’s consolidation of the ownership of the Energi Danmark Group in 2021, which laid the ground for further development of the Energi Danmark Group. With effect from the 1st of January 2023, we concluded a transfer of Andel Energi’s business activities regarding larger business customers to the Energi Danmark Group. This will increase the Energi Danmark Group’s possibilities in the market even further.

Capital increase, release of guarantees from owners and repayment of all loans

A capital increase in the Energi Danmark Group of DKK 1bn was concluded in May 2022 via conversion of debt to equity, resulting in an even more financially solid Energi Danmark Group. The capital increase was made to support the Energi Danmark Group’s capital

considering the extremely high prices and collateral levels, especially in the second and third quarters of 2022.

The strong performance in especially the second half of 2022 also meant that the Energi Danmark Group was able to repay all loans towards banks and owners and release guarantees from owners to support the bank loans and credits. At the balance sheet date, guarantees from our owners towards external partners have been reduced from DKK 2.7bn by the end of 2021 to DKK 0.35bn. The latter will expire on the 1st of June 2023.

Further, the Energi Danmark Group appreciates the initiative from the EU and the Danish government, who during 2022 decided to support the electricity sector with collaterals through Denmark’s Export and Investment Fund (EKF). Even though the Energi Danmark Group did not use any of the available support, it probably contributed to the decline in the record high prices of gas and electricity in the third quarter of 2022.

Allocation of dividends for 2022

The equity as of the balance sheet date is DKK 11.7bn, which has enabled the company to pay dividends to our owners, Andel amba and NRGi amba of DKK 3bn.

Legal case against Ørsted

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 excessively high electricity prices in the period between the 1st of July 2003 and the 31st of December 2006.

The class action for compensation continued at the Danish Maritime and Commercial High Court in April 2022. The case is progressing well for the Energi Danmark Group and the other plaintiffs, and we expect a final verdict from the court by the end of 2024.

Sustainability is key to success

It is of great importance to the Energi Danmark Group, that we continuously develop 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 this in our Sustainability section, starting on page 33.

Events after the balance sheet date

See above regarding the acquisition of Andel Energi’s business customers.

2023 expectations

The Energi Danmark Group expects a pre-tax profit of DKK 600m in 2023. ■

The 31st of March 2023

Jesper Hjulmand	Jesper Nybo Stenager
Chairman of the board	CEO



JESPER NYBO STENAGER
CEO

» WE ARE PLEASED TO REALIZE SUCH A SOLID RESULT IN 2022, WHICH ENABLED THE ENERGI DANMARK GROUP TO REPAY ALL LOANS TO THE OWNERS AND BANKS AND AT THE SAME TIME CONTRIBUTE TO THE SOCIETY WITH A SIGNIFICANT CORPORATE TAX OF DKK 2.5BN. I WOULD LIKE TO THANK ALL OF OUR EMPLOYEES FOR THEIR CONTRIBUTION TO THE RESULT.

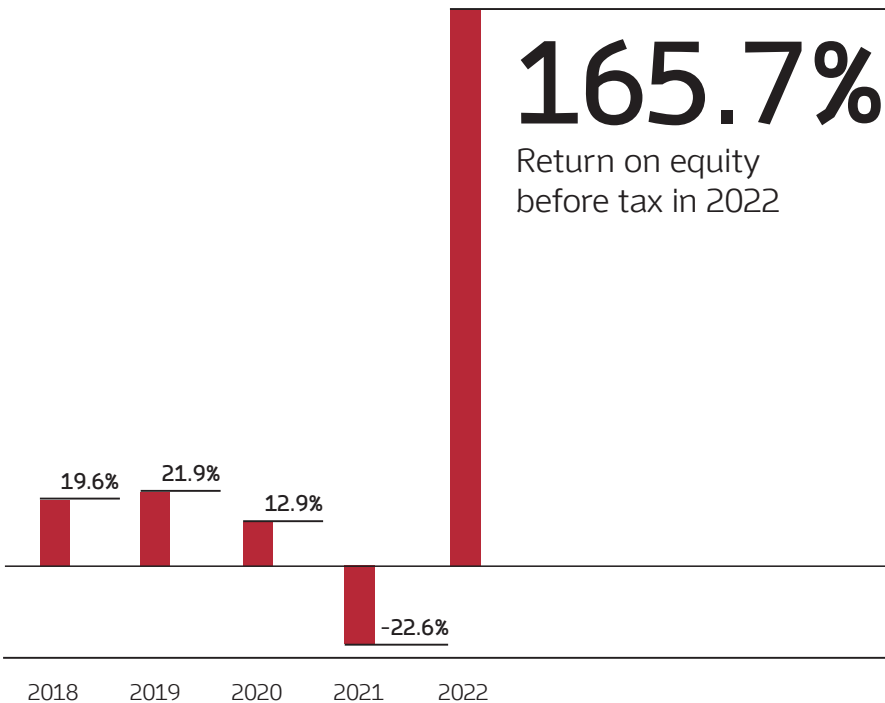
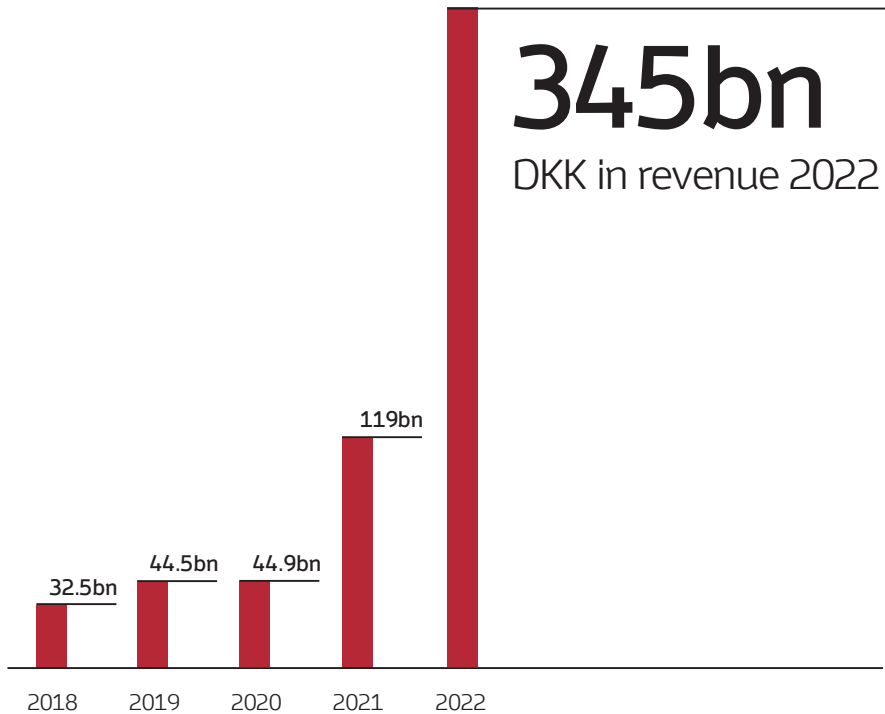


FINANCIAL HIGHLIGHTS FOR THE ENERGI DANMARK GROUP

DKK million	2022	2021	2020	2019	2018
Key figures, Energi Danmark Group					
Revenue	344,556.3	119,005.5	44,908.7	44,541.7	32,498.2
Gross profit	12,031.5	132.1	476.6	599.7	552.5
Operating profit	11,379.0	-271.0	82.3	192.6	239.7
Profit from financial items	-37.6	-90.7	-77.6	-43.0	-38.1
Profit before tax, continued operations	11,341.4	-361.7	4.7	149.6	201.6
Profit before tax, discontinued operations	0.0	0.0	147.4	72.4	-31.6
Profit before tax	11,341.4	-361.7	152.1	222.0	170.0
Tax, continued and discontinued operations	-2,497.3	75.2	-12.6	-54.6	-38.9
Profit for the year	8,844.1	-286.5	139.5	167.4	131.1
Balance sheet total					
Investments in non-current assets	-34.2	-51.0	-57.3	-26.2	-50.7
Equity	11,738.3	1,948.9	1,251.6	1,114.4	917.7
Cash flow from operating activities					
Cash flow for investing activities	-33.1	-50.8	-53.1	399.5	-50.2
Cash flow from financing activities	-4,505.6	5,079.6	649.2	-4.0	-98.4
Total cash flow	6,169.1	-170.2	397.3	-1,193.2	158.4
Key ratios, Energi Danmark Group					
Gross margin ratio	3.5%	0.1%	1.1%	1.3%	1.7%
Profit ratio (EBIT)	3.3%	-0.2%	0.2%	0.4%	0.7%
Equity ratio (solvency)	33.4%	7.1%	15.8%	13.9%	9.7%
Return on equity before tax	165.7%	-22.6%	12.9%	21.9%	19.6%
Return on equity after tax	129.2%	-17.9%	11.8%	16.5%	15.1%
Average number of full-time employees	220	225	225	211	209

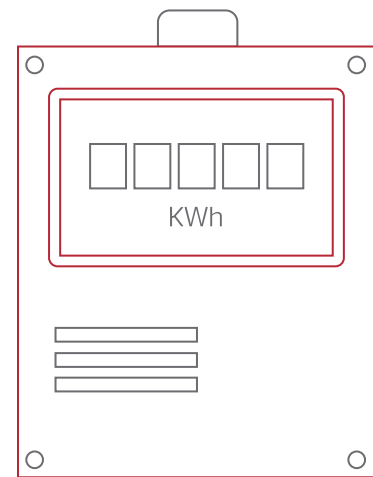
The key ratios were calculated according to the recommendations published by the Danish Society of Financial Analysts. Please refer to definitions and concepts under “Accounting Policies”.

THE YEAR IN BRIEF



-6.6%

drop in the average number of metering points in the Energi Danmark Group from 2021 to 2022.



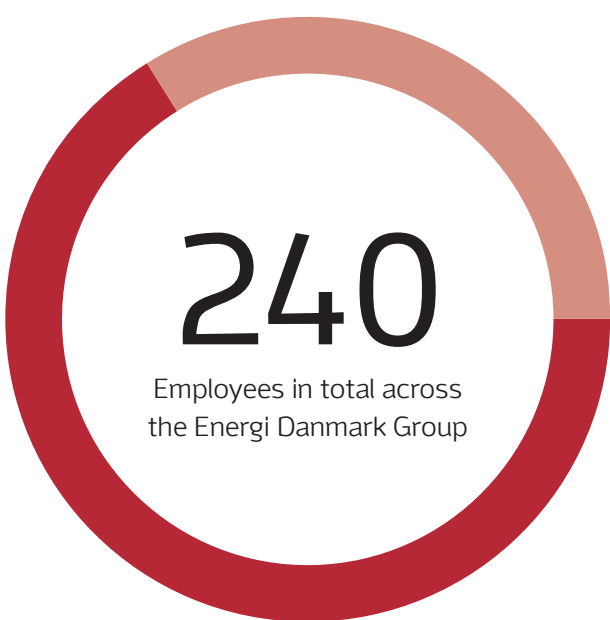
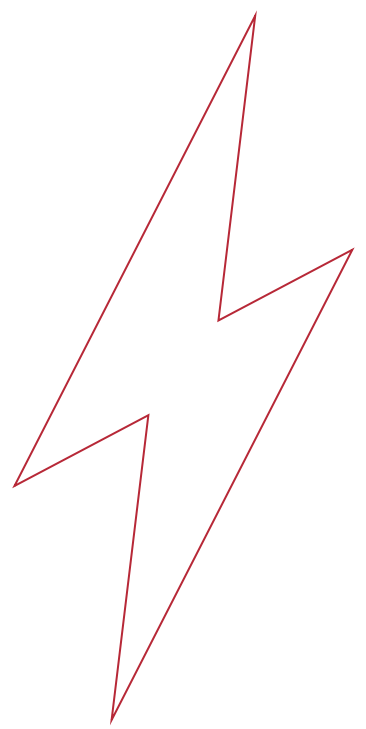
The average number of metering points in 2022 was 204,793 compared to 219,348 in 2021.

TWh delivered in 2022

41.5

TWh sold in 2022 for future delivery

22.5



240

Employees in total across the Energi Danmark Group

34% Women

66% Men



THE ENERGY MARKETS IN 2022

2022 was a year of unprecedented turmoil and fluctuations across the European energy markets. Prices jumped to all-time highs on both electricity and gas markets, which had to face new realities during the year.



The outbreak of the war led to extreme price climbs

The European energy markets experienced a highly uncertain 2021, but the events and the price fluctuations of that year paled in comparison to what was seen in the following year. Early on, fears of a possible Russian invasion of Ukraine caused the markets to price in a certain risk premium and when the full-scale war broke out in late February, the prices on both the electricity and the fuel markets rapidly increased. The key focus was of course the relationship between Europe and Russia, and Europe’s heavy dependence on first and foremost Russian gas, but also coal and oil.

Steadily declining gas imports from Russia

The Russian invasion led to the cessation of the Nord Stream 2 pipeline project, which had already been a point of contention for a long time because European courts wouldn’t approve it. Gas was still sent through the existing Nord Stream 1 pipeline, but as the war went on, and tensions between the West and Russia escalated, the Russians gradually reduced supply through the pipeline until it was cut off completely during summer. Since then, only limited amounts of Russian gas have reached Europe through other pipelines in Southern Europe. In a peak of drama, sabotage was conducted on the Nord Stream pipelines in September, though the official responsibility for the explosions has not been officially determined.

The shortage of Russian gas led to a huge crisis in the energy markets, as Russia was previously the main source of gas for Europe. Throughout the year, the fears of a gas supply shortage and extremely high gas prices became the main topics across the energy markets, and even though Europe managed to fill up the continent’s gas storage, the markets remained nervous and priced in a high-risk premium due to fears of a cold winter.

A big debate ensued within Europe about whether to boycott Russia and despite internal opposition, the EU agreed to halt purchasing Russian coal completely while also reducing oil purchases significantly. Gas was, however, the most difficult topic to agree upon, as many countries in the EU rely heavily on Russian gas and couldn’t find alternative sources on such short

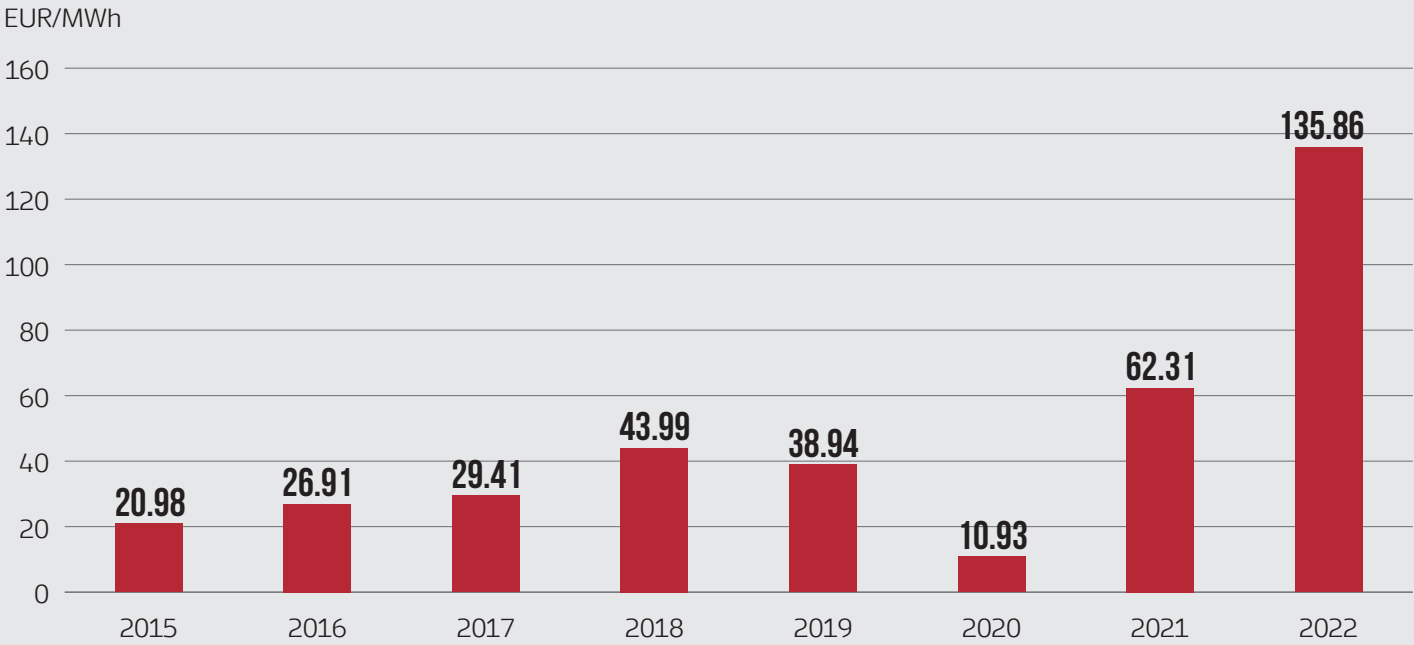
notice. As a result, the EU continued to purchase gas from Russia, even as Russia cut its supply substantially.

Unbelievable prices across the markets

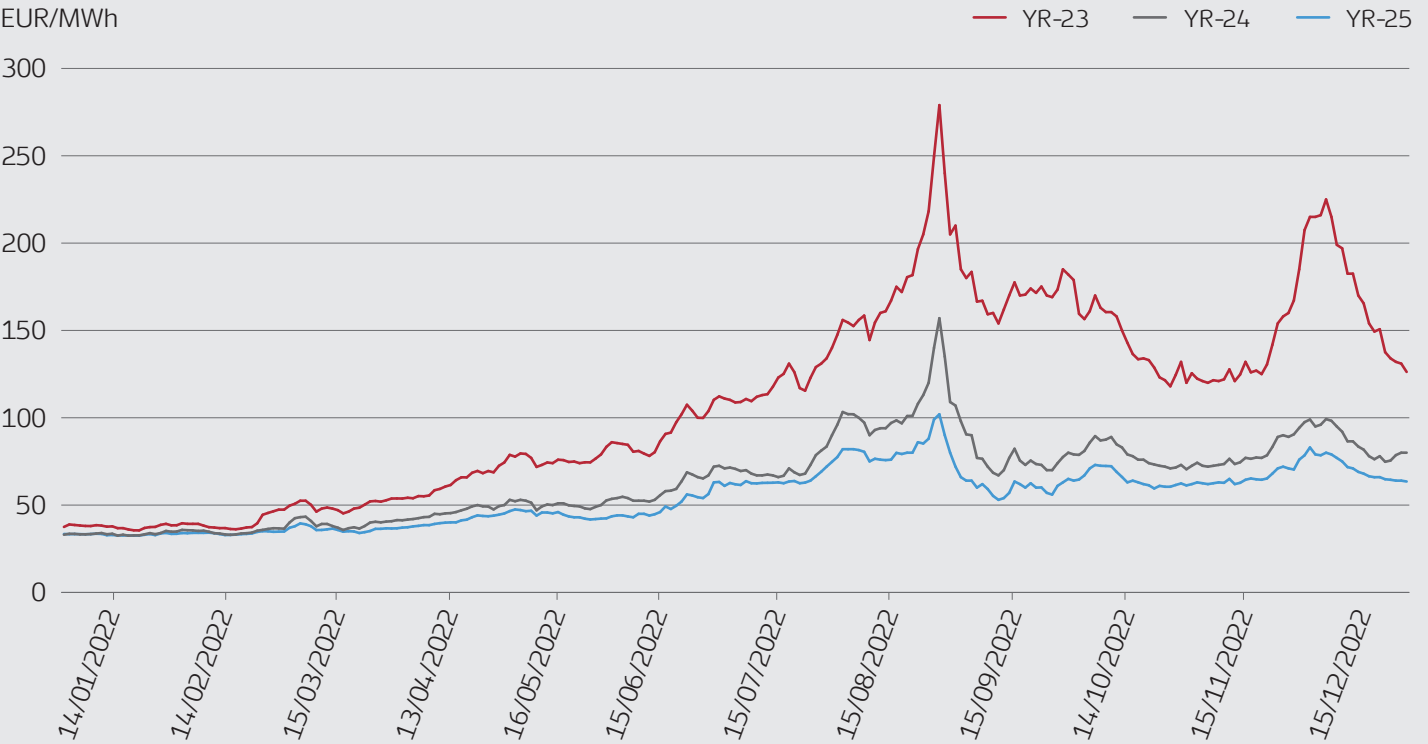
In addition to the war, other elements contributed to the rising prices and created an almost perfect storm of concurrent bullish factors. Europe experienced an extremely warm summer, which led to high cooling demand as well as low river levels in Europe that reduced production from nuclear reactors, particularly in France.

The prices peaked in the late summer, with unprecedentedly high prices across the markets. For example, the German electricity contract for 2023 rose to an unfathomable 1,000 EUR/MWh in late August, 10 times

Average annual system price



Nordic electricity forwards through 2022



higher than the level at the start of the year, which was already considered high. On the gas market, spot prices meanwhile rose above 300 EUR/MWh during the peak of the cooling season in especially Southern Europe.

These massive price increases prompted calls to action from politicians at both national and EU levels. As a result, the EU announced several emergency plans, including a cap on gas prices and a cap on profits for low-cost energy producers, who had seen a significant increase in earnings due to the rising prices – without experiencing higher production costs. The scheme is set to run until the summer of 2023.

Record-high Nordic spot prices

For the second consecutive year, the Nordic spot prices reached record highs in 2022. Prices were already at a very high level by the end of 2021, and a wide range of bullish factors contributed to an even more expensive year in 2022.

Aside from the war in Ukraine, the weather in the Nordic area also contributed to high prices throughout the year. The hydro balance was already in deficit at the start of the year, and a dry and warm summer, coupled with high exports through numerous new transmission cables to the continent, resulted in the Norwegian reservoirs having less water than usual for that time of the year. In August, the level was around -20 TWh, and this added to the concerns on the market, as did below-average wind output. It did not help either that the new large Finnish nuclear reactor, Olkiluoto 3, did not start commercial production at all during the year as it had originally been scheduled to do.

Prices doubled from the previous year

The consequence was extremely high spot prices, with the average system price of the year reaching 135.86 EUR/MWh, more than twice as high as the level from the previous year (62.31 EUR/MWh), which itself had been the highest level ever recorded at the time. To put it in perspective, the average system price in the years

2015–2020 was approximately 28 EUR/MWh, highlighting the completely new reality consumers had to face last year. Prices peaked in late summer and again in December, with the 30th of August 2022 being the most expensive day, with a system price of 462.10 EUR/MWh.

In addition to the rapidly increasing system price, EPADs (Electricity Producer Price for Administrative and Distribution) also rose sharply, especially in Denmark, which was once again highly influenced by Germany. Since German electricity prices rose even more than the Nordic ones, Danish EPADs more than doubled compared to the previous year. Southern Norway also experienced rapidly rising prices, while Northern Sweden and Northern Norway remained the cheapest price areas.

Massive uncertainty on the forward market

It was not just the Nordic day-ahead market that saw massive price spikes during the year. Both short- and long-term contracts increased sharply as well. For example, the front-year contract, which at the time was the 2023 contract, rose from a price level of 37 EUR/MWh at the beginning of the year to more than 200 EUR/MWh in both August and December. Contracts for 2024 and beyond also reached new record highs, as did the continental electricity markets and the gas market.

This was a clear sign that the markets feared that the effects of the war would change the fundamental situation for years to come. No one knows, of course, how long the war will last, but the uncertainty is also connected to whether and/or when the Nord Stream pipelines will be repaired, whether Europe will ever resume purchasing Russian coal and oil, and what decisions will be made regarding Europe’s own energy production in the coming years. Despite the EU’s plans for new LNG terminals and large investments in renewable energy sources to reduce dependence on Russian gas, Europe faces a problem in the coming years if gas imports from Russia are not restarted. ▶

» DESPITE THE EU’S PLANS FOR NEW LNG TERMINALS AND LARGE INVESTMENTS IN RENEWABLE ENERGY SOURCES TO REDUCE DEPENDENCE ON RUSSIAN GAS, EUROPE FACES A PROBLEM IN THE COMING YEARS IF GAS IMPORTS FROM RUSSIA ARE NOT RESTARTED.

KARSTEN SANDER NIELSEN
Senior Market Analyst in the Energi Danmark Group

Pressure on suppliers

The upward trend on the market has, like in 2021, also been due to insecurity among suppliers and trading houses. The huge increases cause illiquidity, and when traders are forced to close their positions, prices go even higher. Exchanges continue to require higher collaterals and margins, which make the market even more difficult for the trading houses. As an example of the enormous pressure on suppliers, the German government had to save energy giant Uniper from bankruptcy by nationalizing the company.

In Denmark, the state made a DKK 125bn credit available to the Danish energy companies, administered by the Danish Export Credit Agency (EKF).

Mild autumn and winter calmed the markets down

At the end of the summer, prices reached record highs across markets, and fears about the supply situation in case of a cold autumn and winter in Europe were increasing. However, this turned out to be unfounded, as both the autumn and the beginning of the winter were much warmer than the seasonal averages, both in the Nordic area and in Europe as a whole.

Europe’s gas and coal inventories were filled ahead of the winter, and with high temperatures and consistent wind, demand was low. As a result, hope grew that Europe could get through the winter without any supply shortfalls.

This meant that prices on the markets started falling. Spot gas prices in fact dropped to the lowest level in years, delivering at around 25–30 EUR/MWh in parts of the autumn, while LNG ships from other continents had to wait to deliver their gas in the ports because Europe could not find space to store it.

The situation with above-average temperatures and high wind output continued at the beginning of 2023.

Still very high price levels

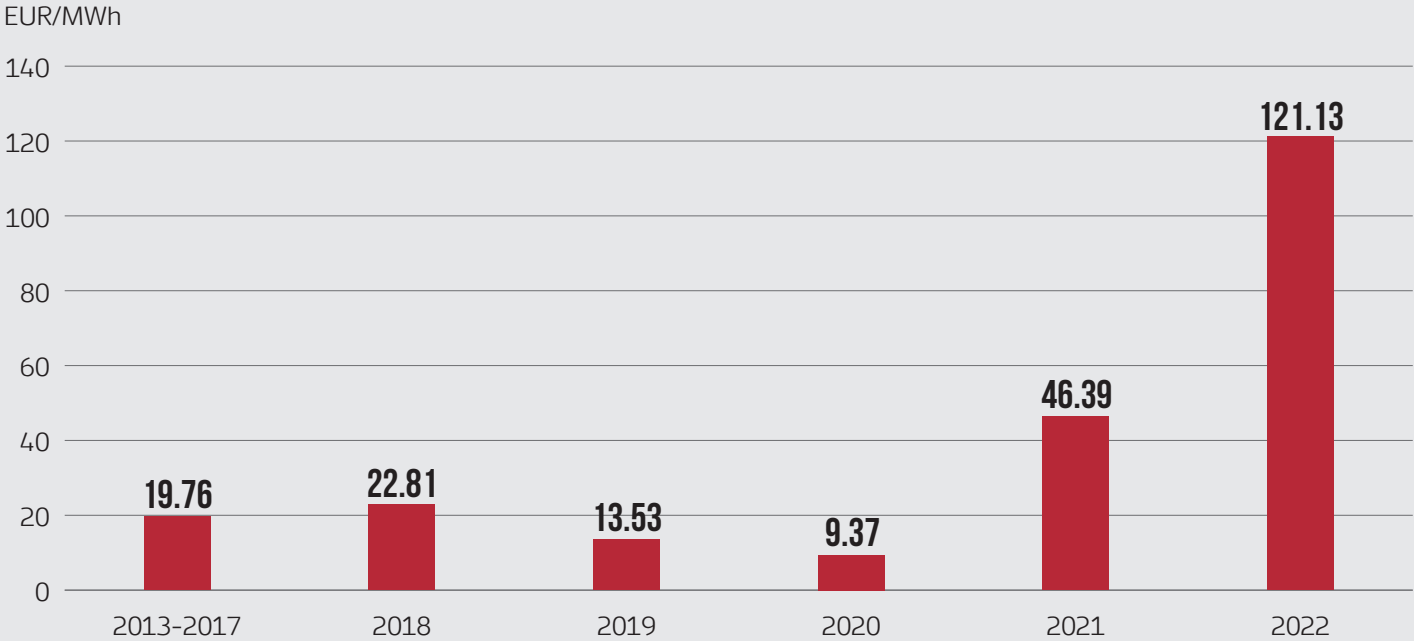
This was of course in sharp contrast to the extreme price levels seen during the summer, highlighting that a lot of the price climbs during the year were based on panic and fear rather than fundamental conditions. Meanwhile, the hydrological situation in the Nordic area

has improved, and the new Finnish nuclear reactor, Olkiluoto 3, is expected to finally start commercial production during the first months of the year.

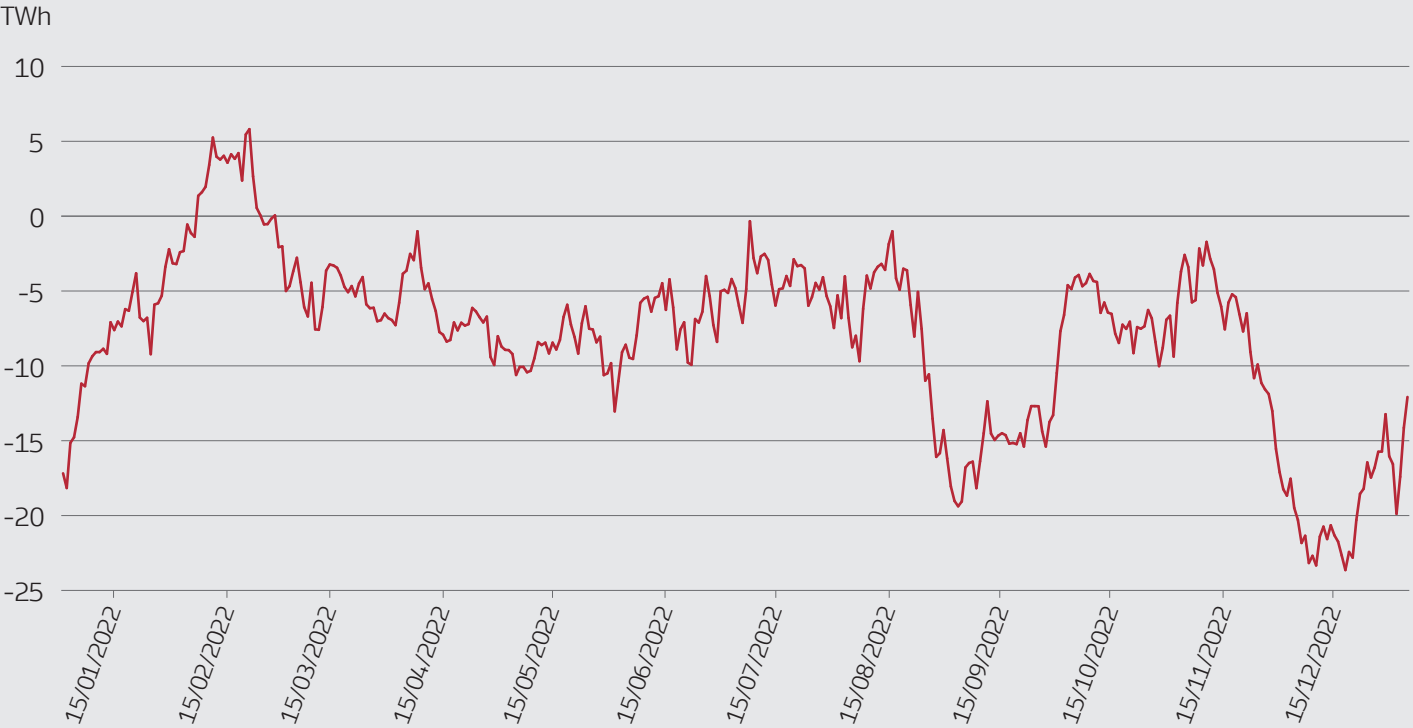
As of the start of 2023, prices across the markets have fallen substantially, but it is worth noting, that they are still significantly higher than what was considered normal just a year ago.

Despite the price falls in late 2022 and early 2023, nothing suggests that we will return to anything near the old normal on the markets. We expect uncertainty to remain high throughout the year, as markets will continue to price in a certain risk premium, with the war in Ukraine unresolved and concerns about the state of the global economy. ■

Average annual prompt gas price (TTF)



Nordic hydro balance



A wide-angle photograph of a long, dark bridge spanning a calm body of water. The sky is a vibrant orange and yellow from the setting or rising sun, with a thin crescent moon visible in the upper left. The bridge's reflection is clearly visible in the still water. In the foreground, large, dark, rounded rocks are scattered across the bottom left and center. The overall mood is serene and expansive.

TRENDS IN THE SUBSIDIARIES

On the following pages, you will find key figures from our subsidiaries Energi Danmark Securities A/S and ED Business Support A/S as well as our subsidiaries in Sweden, Finland, Norway, and Germany.

ENERGI DANMARK SECURITIES A/S



With a pre-tax profit of DKK 130m 2022 was a very satisfying year for Energi Danmark Securities (EDS).

2022 was in many ways a defining year for the European energy markets, as the war between Russia and Ukraine resulted in extreme price fluctuations in the gas market and record-high electricity prices. This affected the entire electricity value chain, from producers to end consumers, in a manner never seen before.

However, most of our customers follow a long-term hedging strategy – going from 2 to 5 years - which

resulted in very low hedge prices in 2022 compared to current spot price levels. This is because many hedges were traded back in e.g. 2020 when price levels were much lower.

For such customers, who value risk management, lowering risks and price stability, long-term hedging strategies are the road to continuous price stability. These customers simply are not as exposed to the high price levels of the spot market as other customers, and the energy prices have thus not been a threat to the existence of their companies.

Many of the hedging strategies – both with and without max price guarantee – include performance fees. If the customers get a lower hedging price compared to the agreed benchmark, EDS thus receives a fee. This benefits both parties, as customers get low prices in high-price scenarios, and EDS receives a percentage of that in performance fees.

Because of this, the 2022 results of EDS are the best in the company’s history, with the aforementioned pre-tax profit of DKK 130m. But most importantly, we have managed to maintain tight risk management for

our customers, highlighting the added value of performance-related contracts, where both parties benefit from the positive results of the hedging strategies.

The 2022 results are a milestone for EDS, as they show that a great team of experienced portfolio managers and a close collaboration with the customers is the key to success. ■

Amounts in DKK million	2022	2021	2020	2019	2018
Key figures, Energi Danmark Securities A/S					
Revenue	15.5	19.9	34.2	19.2	17.6
Gross profit	153.2	43.7	4.9	45.4	23.1
Operating profit	130.5	25.4	-15.1	25.5	6.2
Profit from financial items	-0.7	-0.5	1.2	0.2	0.4
Profit before tax	129.8	24.9	-13.9	25.7	6.6
Tax	-28.6	-5.5	3.1	-5.7	-1.4
Profit for the year	101.2	19.4	-10.8	20.0	5.2
Balance sheet					
Balance sheet total	556.7	265.4	280.2	211.8	1,277.2
Of this, investment in non-current assets	-0.5	0.0	0.0	0.1	0.0
Equity	309.8	208.6	189.1	205.8	185.9
Key ratios, Energi Danmark Securities A/S					
Gross margin ratio	988.4%	219.6%	14.3%	236.5%	131.3%
Profit ratio (EBIT)	841.9%	127.6%	-44.2%	132.8%	35.2%
Solvency ratio	55.6%	78.6%	67.5%	97.2%	14.6%
Return on equity before tax	50.1%	12.5%	-7.0%	13.1%	3.6%
Return on equity after tax	39.0%	9.8%	-5.5%	10.2%	2.8%
Average number of full-time employees	8	8	10	9	11



The Nyhavn area of Copenhagen is popular all around the year.



ED BUSINESS SUPPORT A/S

With a pre-tax profit of DKK 2.4m, 2022 has been as expected for ED Business Support (EDBS).

In EDBS, we have developed a modern and complete system platform that we offer as SaaS (Software as a Service) for all energy companies - including companies outside the Energi Danmark Group. The platform is available to companies operating in Denmark, Sweden, Finland, Norway, and Germany.

As we all know, 2022 was characterized by very high and volatile energy prices. Several governments responded by

introducing various financial aid initiatives for customers, which had to be implemented by the suppliers. In EDBS, we have developed our BIO platform to handle the “Indefrysningsordning” in Denmark and differentiated VAT in Finland, as well as the “Strom- und Gaspreisbremse für Endverbraucher” for our German customers.

Furthermore, 2022 has been a landmark year in terms of both the products we handle and the products we may have to handle in the future. We envision a future market with completely new product compositions, where the customers and the electricity supplier make

agreements with shared risks such as interest rate, profile, volume, and credit costs.

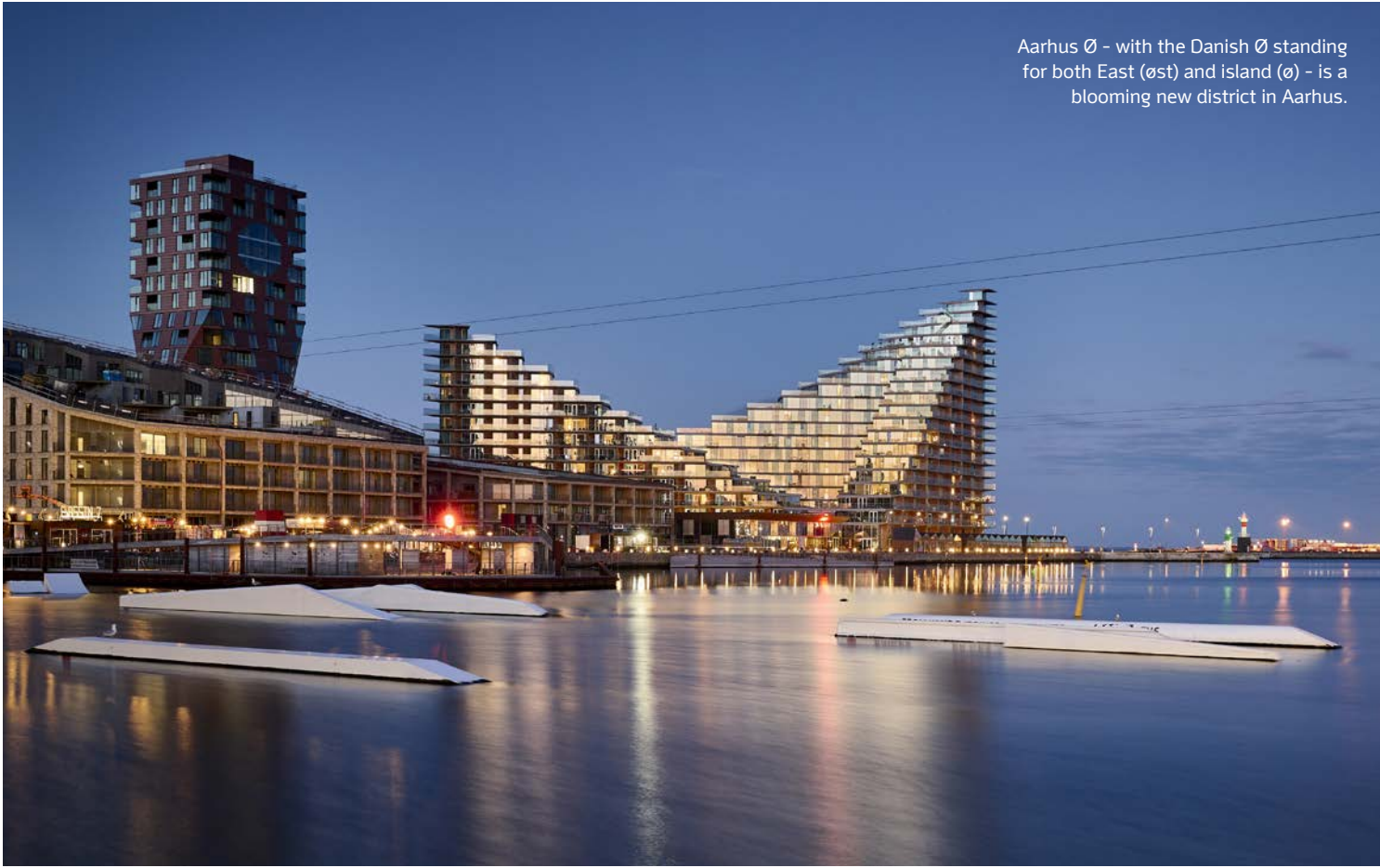
As a result, settlements now include many more partial settlements with more variables than before; Products that are fully integrated into our system platform, where they are scalable in terms of both performance, completeness, quality, and price.

We expect that the green transition will further complicate the need for balance in the European electricity grid, making it necessary to move from a market that

operates on an hourly level alone to a quarterly level as well. Therefore, we at EDBS must expand our solutions and systems to accommodate the new market.

In 2022, we also delivered new services for products we developed in 2021, including the handling of Power Purchase Agreements, Fixed Volume with Fixed Price, and flexible settlement frequencies. The year confirmed that our platform is both scalable and flexible, which is required by customers in connection with both the green transition and the new demands of electricity suppliers in a much more volatile and uncertain market. ■

Amounts in DKK million	2022	2021	2020	2019
Key figures, ED Business Support A/S				
Revenue	63.9	36.7	28.1	12.3
Gross profit	65.4	37.7	28.9	12.3
Operating profit	2.5	2.1	0.6	0.6
Profit from financial items	-0.2	-0.1	0.0	0.0
Profit before tax	2.3	2.0	0.6	0.6
Tax	-0.5	1.3	0.9	-0.1
Profit for the year	1.8	3.3	1.5	0.5
Balance sheet				
Balance sheet total	102.2	104.2	96.2	14.4
Of this, investment in non-current assets	-12.6	-26.3	-94.0	0.0
Equity	95.7	93.8	90.5	10.4
Key ratios, ED Business Support A/S				
Gross margin ratio	102.3%	102.7%	102.8%	100.0%
Profit ratio (EBIT)	3.9%	5.7%	2.1%	4.9%
Solvency ratio	93.6%	90.0%	94.1%	72.2%
Return on equity before tax	2.4%	2.2%	1.2%	5.8%
Return on equity after tax	1.9%	3.6%	3.0%	3.8%
Average number of full-time employees	41	43	45	47



Aarhus Ø - with the Danish Ø standing for both East (øst) and island (ø) - is a blooming new district in Aarhus.

ENERGI FÖRSÄLJNING SVERIGE AB



With a pre-tax profit of SEK 25m, 2022 has been as expected for Energi Försäljning Sverige AB (EFS). This is an improvement from 2021's figures, which is satisfactory and part of our long-term focus on increased profitability.

During the year, EFS continued the effort to increase profitability in sales. Much focus has also been directed towards developing value-creating products and services for the customer that are adapted to the market of the future.

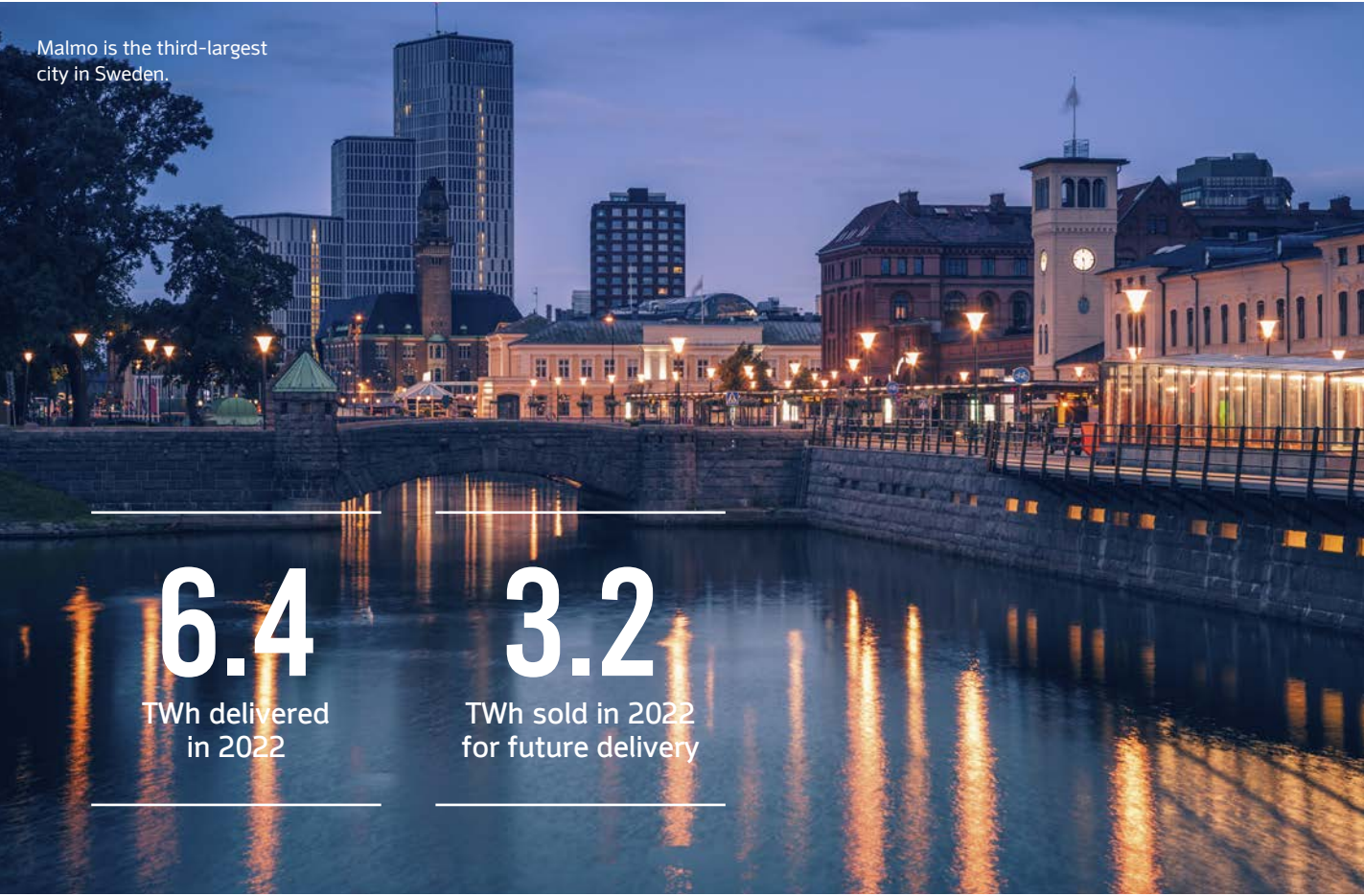
At EFS, we delivered 6.4 TWh to our customers in 2022, which is marginally lower than in 2021. The decrease in deliveries was mainly seen in the fourth quarter due to deliberate energy savings by our customers.

In 2022 the energy market, energy policy and energy prices became some of the biggest topics of discussion in our society, along with the war in Ukraine, inflation, and the impending recession. Energy prices reached record high levels with significant price differences between Sweden's four electricity areas. The

price levels also made it more liquidity-demanding than ever to be an electricity supplier and producer, and this will probably be the case for all market players for a slightly longer period. However, the circumstances have also driven discussions about energy efficiency, faster expansion of wind and solar production, the importance of much-facilitated production and the importance of nuclear power for a long-term functioning energy system.

In EFS we spent 2022 adapting to a completely new market situation. We learned a lot during the year and in the future, we will apply these lessons to an already stable platform for our business, ensuring we are well-prepared for 2023. ■

Amounts in SEK million	2022	2021	2020	2019	2018
Key figures, Energi Försäljning Sverige AB					
Revenue – Sales of power etc.	6,863.4	4,645.3	2,295.2	3,230.0	2,988.4
Gross profit	39.8	52.8	53.8	72.8	77.9
Operating profit	21.9	9.9	16.8	26.7	34.2
Profit from financial items	2.9	0.6	4.4	3.7	3.8
Profit before tax	24.8	10.5	21.2	30.4	38.0
Tax	-5.1	-3.0	-8.8	-6.3	-7.9
Profit for the year	19.7	7.5	12.4	24.1	30.1
Balance sheet total	2,331.8	1,930.0	716.0	826.2	876.2
Of this, investment in non-current assets	0.0	-0.2	-0.8	-0.2	-0.2
Equity	381.6	361.9	354.4	342.0	317.9
Key ratios, Energi Försäljning Sverige AB					
Gross margin ratio	0.6%	1.1%	2.3%	2.3%	2.6%
Profit ratio (EBIT)	0.3%	0.2%	0.7%	0.8%	1.1%
Solvency ratio	16.4%	18.8%	49.5%	41.4%	36.3%
Return on equity before tax	6.7%	2.9%	6.1%	9.2%	12.5%
Return on equity after tax	5.3%	2.1%	3.6%	7.3%	9.9%
Average number of full-time employees	11	14	16	16	19



ENERGIA MYYNTI SUOMI OY



With a pre-tax deficit of EUR -0,03m, 2022 has been as expected for Energia Myynti Suomi Oy (EMS).

Even though 2022 was very challenging and EMS had to adapt sales to meet the energy crisis, we were able to secure sales for the coming years. This is very satisfying, even though we are a little short of our profitability goals.

In 2022, EMS delivered 4.4 TWh of electricity to the customers. Due to the fluctuations in the spot price of electricity and the very volatile market, we consciously

narrowed down our product range in terms of risk management and paid close attention to our sales.

Competition in the market remains intense, with some operators leaving and new ones taking their place. Our staff’s expertise and service attitude are highly valued right now, and we continue our efforts including a continuous dialogue with our customers.

The production capacity of renewable energy in Finland will increase continuously in the next few years and the current project pipeline covers almost 10,000 MW

of wind power capacity. The Energi Danmark Group is comprehensively developing its range of services, which we believe will give EMS an even stronger foothold in the Finnish energy sector. With these solutions, we can offer our customers environmentally friendly and price-stable energy for years to come.

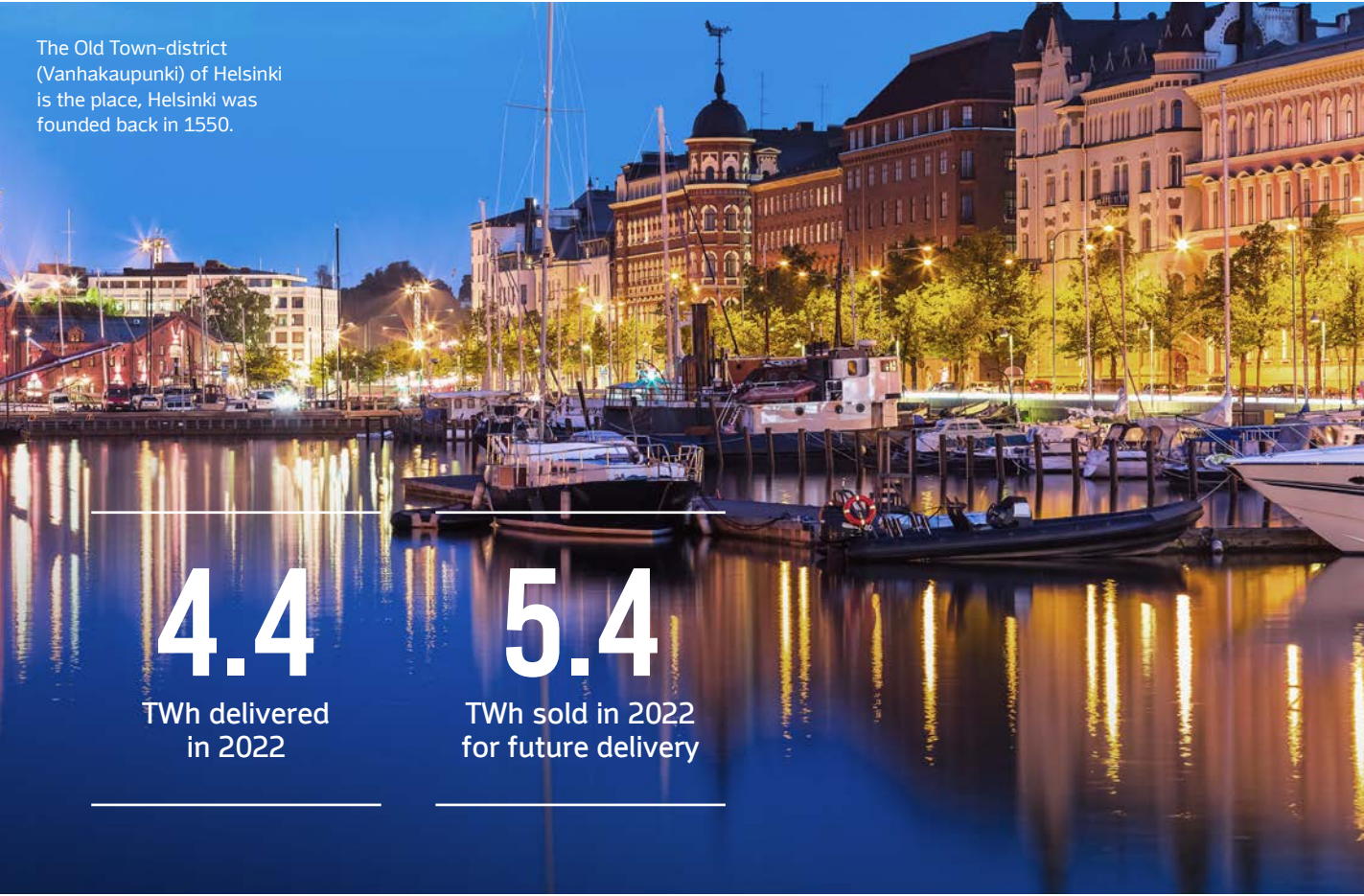
In February 2022, the centralized data exchange solution Datahub was launched, and a new version 2.0 was implemented in December. This means that we are ready for the upcoming changes when our electricity

production structure changes, including the quarter balance that is introduced in the spring of 2023.

Due to a well-prepared portfolio management strategy and its early implementation, many of our customers have enjoyed a reasonably stable electricity price, even though the market has been very volatile.

The know-how of our Finnish energy experts combined with the support of an international group and a positive service attitude give us excellent opportunities to achieve our goals in 2023. ■

Amounts in EUR thousand	2022	2021	2020	2019	2018
Key figures, Energia Myynti Suomi Oy					
Revenue – Sales of power etc.	572,371.0	353,411.0	196,211.0	235,800.0	205,480.0
Gross profit	2,216.0	1,030.0	1,792.0	505.0	2,677.0
Operating profit	-302.0	-1,048.0	-263.0	-1,411.0	866.0
Profit from financial items	275.0	178.0	245.0	159.0	104.0
Profit before tax	-27.0	-870.0	-18.0	-1,252.0	970.0
Tax	5.0	174.0	7.0	250.0	-196.0
Profit for the year	-22.0	-696.0	-11.0	-1,002.0	774.0
Balance sheet total					
Of this, investment in non-current assets	0.0	0.0	65.0	12.0	-33.0
Equity	8,269.0	8,290.0	8,985.0	8,997.0	9,998.0
Key ratios, Energia Myynti Suomi Oy					
Gross margin ratio	0.4%	0.3%	0.9%	0.2%	1.3%
Profit ratio (EBIT)	-0.1%	-0.3%	-0.1%	-0.6%	0.4%
Solvency ratio	3.7%	4.5%	12.8%	13.0%	18.4%
Return on equity before tax	-0.3%	-10.1%	-0.2%	-13.2%	19.4%
Return on equity after tax	-0.3%	-8.1%	-0.1%	-10.6%	15.5%
Average number of full-time employees	9	9	10	8	7



ENERGI SALG NORGE AS

With a pre-tax profit of NOK 20m, 2022 has been as expected for Energi Salg Norge AS (ESN).

For ESN, 2022 was another year with steady growth.

The Energi Danmark Group’s subsidiary in Norway ended up delivering 8.8 TWh to our customers in 2022. The growth comes mainly from retailers of electricity.

As for 2021, extremely high prices dominated last year. At the same time, there were huge price differences between the Norwegian bidding zones. Most of 2022,

Norway was divided in two price areas – high prices in south but lower prices in north. At the end of the year, the government came up with a support scheme for businesses suffering from high electricity cost. Despite the extreme price levels, 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 2022, ESN launched the new tool for monitoring energy usage – My Energy Monitoring (MEM). MEM will help our customers not only to monitor their own

energy usage, but also to benchmark their carbon foot print with other businesses.

We also continued our effort to increase quality in customer handling processes.

During 2022, ESN have recruited two new employees; both of them at client service. In December, ESN moved to new offices in the same building we have been in for five years. More space and more-up to-date meeting room facilities are some of the benefits we are experiencing in our new offices at Skøyen. ■

Amounts in NOK million	2022	2021	2020	2019	2018
Key figures, Energi Salg Norge AS					
Revenue – Sales of power etc.	12,962.5	4,890.4	737.5	1,879.1	1,320.4
Gross profit	63.6	51.6	40.3	26.6	42.4
Operating profit	11.6	15.1	4.7	1.0	19.7
Profit from financial items	8.5	0.2	-1.8	1.1	0.1
Profit before tax	20.1	15.3	2.9	2.1	19.8
Tax	-4.5	-3.4	-0.9	-0.2	-4.5
Profit for the year	15.6	11.9	2.0	1.9	15.3
Balance sheet total	3,392.5	2,397.1	376.1	591.2	481.4
Of this, investment in non-current assets	-0.1	-0.2	-0.4	-0.7	-0.4
Equity	82.6	67.0	55.0	53.0	59.6
Key ratios, Energi Salg Norge AS					
Gross margin ratio	0.5%	1.1%	5.5%	1.4%	3.2%
Profit ratio (EBIT)	0.1%	0.3%	0.6%	0.1%	1.5%
Solvency ratio	2.4%	2.8%	14.6%	9.0%	12.4%
Return on equity before tax	26.9%	25.1%	5.4%	3.7%	37.7%
Return on equity after tax	20.9%	19.5%	3.7%	3.4%	29.0%
Average number of full-time employees	14	12	12	11	9



ENERGIE VERTRIEB DEUTSCHLAND EVD GMBH



With a pre-tax deficit of EUR -0.1m, 2022 was not satisfying in Energie Vertrieb Deutschland EVD GmbH (EVD)

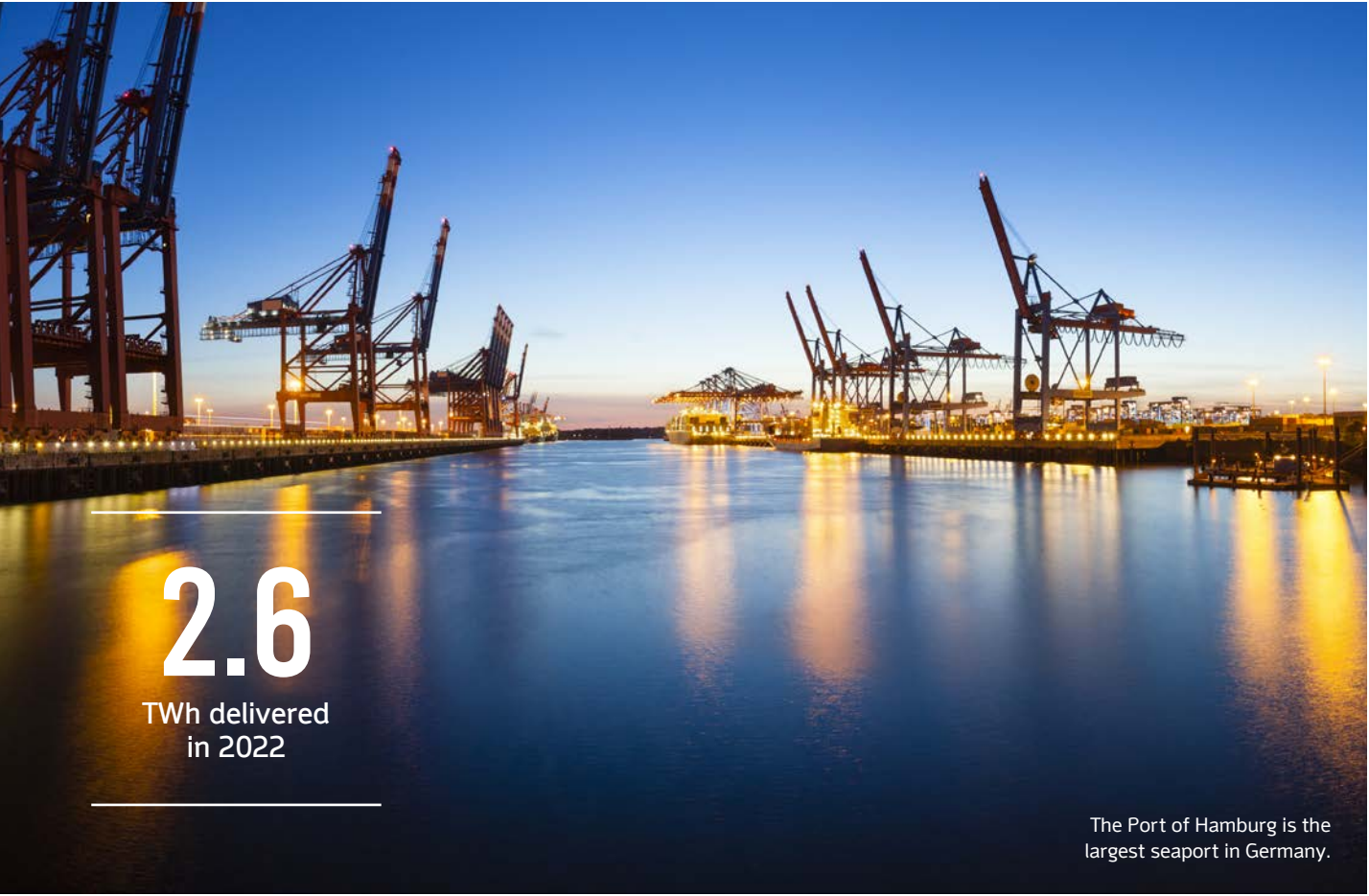
In 2022, EVD was challenged by high costs due to collateral claims from the exchanges and a high degree of manual data processing due to the nature of the German market which makes it difficult to run a profitable customer business.

Consequently, the Energi Danmark Group decided not to enter new customer contracts in the German market

in 2022 and to downsize activities in sales and administration. Naturally, we will fulfill all obligations under existing contracts.


When the German market conditions, including the level of data quality, improve in the future, we are ready to scale up our German business again. ■

Amounts in EUR thousand	2022	2021	2020	2019	2018
Key figures, Energie Vertrieb Deutschland EVD GmbH					
Revenue – Sales of power etc.	305,829.0	171,866.9	165,406.0	154,813.0	144,434.4
Gross profit	2,541.3	1,869.6	1,728.0	1,429.0	1,448.2
Operating profit	-178.1	-690.2	-1,045.4	-809.4	-763.6
Profit from financial items	41.3	-71.8	-796.9	-305.8	25.0
Profit before tax	-136.8	-762.0	-1,842.3	-1,115.2	-738.6
Tax	0.0	0.0	0.0	0.0	0.0
Profit for the year	-136.8	-762.0	-1,842.3	-1,115.2	-738.6
Balance sheet total					
Of this, investment in non-current assets	0.0	0.0	-48.1	-84.9	9.9
Equity	4,868.4	5,205.3	6,182.1	8,024.4	8,139.5
Key ratios, Energie Vertrieb Deutschland EVD GmbH					
Gross margin ratio	0.8%	1.1%	1.0%	0.9%	1.0%
Profit ratio (EBIT)	-0.1%	-0.4%	-0.6%	-0.5%	-0.5%
Solvency ratio	7.6%	3.9%	5.1%	6.9%	9.7%
Return on equity before tax	-2.7%	-13.4%	-25.9%	-13.8%	-8.6%
Return on equity after tax	-2.7%	-13.4%	-25.9%	-13.8%	-8.6%
Average number of full-time employees	2	7	8	6	6



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 2022

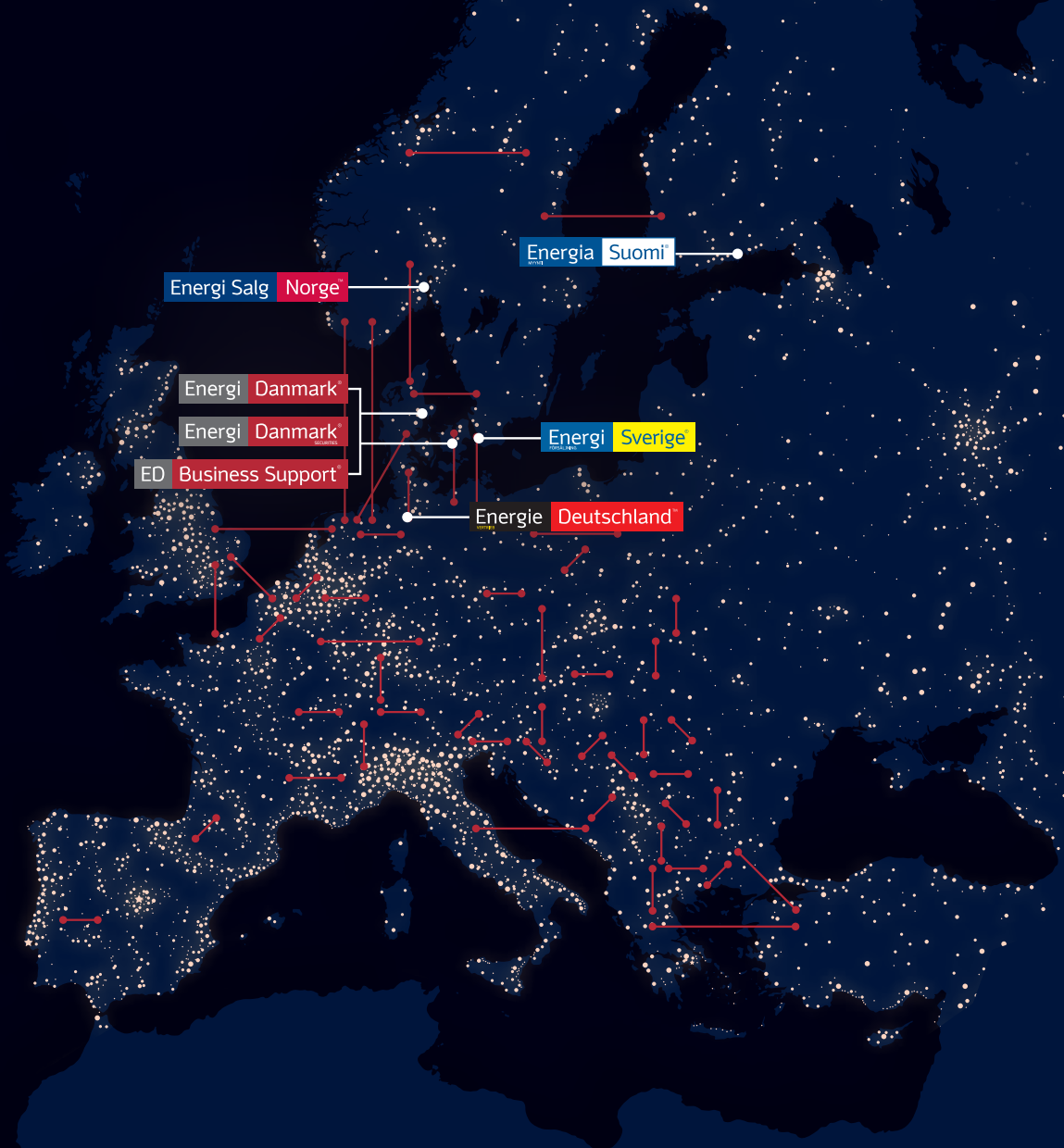
Energi Danmark Consumption 12.9 TWh, Production 6.4 TWh	19.3 TWh
Energi Försäljning Sverige Consumption 6.3 TWh, Production 0.1 TWh	6.4 TWh
Energi Salg Norge Consumption 8.3 TWh, Production 0.5 TWh	8.8 TWh
Energia Myynti Suomi Consumption 4.4 TWh	4.4 TWh
Energie Vertrieb Deutschland Consumption 2.6 TWh	2.6 TWh
Energi Danmark Group in total	41.5 TWh



METERING

points in 2022


72,033
56,023
18,227
28,959
29,551
204,793





29

active electricity markets



15

active gas markets

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

① New in 2022

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 and 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
- > 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 certificates 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

IT IS ALL ABOUT CONNECTIONS

Energy trading is all about making and seeing connections. Connections between those who produce energy and those who consume energy. Connections between those who have a surplus of energy and those who have a deficit. And connections between events and their effect on the market. Learn about a 2022 out of the ordinary.



2022 – A YEAR OF EXTREMES

2022 was a year of unprecedented turbulence and price levels in the electricity market.

Who would have thought a few years back that Europe running out of electricity could be a realistic scenario? In 2022, there were times when everyone feared that this would actually become a reality.

In the end, the markets prevailed. Europe did not run dry. The pricing mechanism turned out more elastic than expected. High prices attracted sufficient energy and changed consumer behaviour.

On pages 24-30, Energi Danmark will guide you through some of the events that shaped the energy market in 2022. A year, with a number of extremes we probably - and hopefully - will not see again in the foreseeable future. ▶

GAS - IT DID NOT START WITH THE WAR

When Russia invaded Ukraine on the 24th of February 2022, it sent shockwaves throughout the entire world, not least in countries like Germany, Italy and Austria which are dependent on gas from Russia.

Gas had, however, been a part of global tensions for a long time already, with Nord Stream 2 - a more than 1,000-kilometer-long pipeline between Russia and Germany planned to open in September 2021 - as a visual and tangible example.

While some countries saw Nord Stream 2 as a source for a cheaper and more efficient energy system, others, the US and several Eastern European countries saw it as a security threat because it increased dependence on Russia. This sparked tensions and negotiations between the different parties, and in the end, Nord Stream 2 was never approved by the German authorities - and by the 22nd of February 2022, the German Chancellor Olaf Scholz suspended the certification.

Half a year later, the Russian gas company Gazprom halted supplies via the Nord Stream 1 pipeline - the main source of gas from Russia since 2011.

Energy trading is basically about building a portfolio, that is ready for tail events - events out of the ordinary, like the ones, we have seen in Europe this year.

Instead of Russian gas, the European markets have become increasingly dependent on LNG gas from e.g. the US and the Middle East. As a result, the dependence of the global gas prices increased as well.

There is a new situation in the gas market, and the European infrastructure simply was not ready. Gas is a global product, and the dynamics of the European market have changed from a dependence on Russia to a dependence on global gas flows. This meant that flows inside Europe changed direction, that large price spreads developed, and that countries with a good infrastructure to offtake LNG traded significantly below the rest of Europe. Spain has e.g. gone from being a high-price country to a low-price country because the country already relied heavily on LNG and had the infrastructure in place. ▶





The nuclear power plant at Belleville in the Loire Valley of France began operation in 1987. It is one of 18 different nuclear sites in France.

NUCLEAR - CORROSION IN FRENCH NUCLEAR POWER PLANTS

70 % of the electricity in France comes from 18 nuclear plants with a total of 56 nuclear reactors.

In December 2021, a maintenance check revealed corrosion in the safety injection system of one of the reactors. In January 2022, similar corrosion was found in two other units. And then came another, which was followed by several other corrosions.

In the middle of 2022, 12 reactors were shut down for investigation and repair and another 18 were closed as a part of the normal maintenance routines.

The energy market was already nervous and sensitive, and the problems in France just increased the level of uncertainty and nervousness. The battle for resources intensified, and alternative sources had to be considered such as e.g. old, decommissioned German coal plants and the prolongation of nuclear energy in Germany.



HEATWAVE - THE RIVERS GO LOW, WHILE AIR-CONDITIONING IS TURNED UP

Normally, summer is a time of low energy consumption in Europe with the sun heating people’s homes and with factories turning the activity level down during vacation periods.

But the summer of 2022 was another thing that did not behave, as we were used to, as it was warm, very warm. A small handful of heatwaves hit Europe, breaking several meteorological records - the United Kingdom, for instance, broke the 40°C-mark for the first time ever - creating widespread droughts across the continent.

This resulted in high electricity demand from cooling and air-conditioning. Consequently, the level of energy consumption across Europe was far higher than expected.

But the challenges did not stop there. The droughts meant that the water level in the European rivers was at extremely low levels. As the rivers are used as both cooling for power plants and transport ways for coal, the energy producers were under even more pressure.

When the production is lower than expected and demand is higher than expected, the prices have only one way to go. When the supply effects are extreme, the price effects will be extreme as well.



The Vistula River in Poland was one of the many rivers affected by the droughts of the summer of 2022. In the distance, you see the capital of Poland, Warsaw.



LIQUIDITY

The surge in the prices of gas, coal and oil did not just affect the end users. It affected the supply side as well, as it became significantly more expensive for the European electricity companies to acquire the natural resources, they needed.

In the second quarter of 2022, prices of coal and gas were about three times as high as in the second quarter of 2021. As many electricity companies sell most of their electricity years in advance, their economy simply is not prepared for gas, coal and oil prices skyrocketing. This situation is further complicated by the fact that energy companies are obliged to deposit a margin for the financial contracts for hedging. When energy prices increase - this margin increases as well. Again, the energy sector is under pressure from more than one side.

Consequently, the energy crisis became a liquidity crisis. Many energy companies struggled and some went into

bankruptcy. And people started comparing the situation to when the collapse of the American investment bank Lehmann Brothers in 2008 ignited the financial crisis.

In the end, as summer turned into fall, many European countries decided to intervene and “bail out” the energy companies. In e.g. Denmark, the guarantee amounted to EUR 13.5bn, while the amount in Sweden was EUR 23.4bn.

Energi Danmark Group spent time and resources explaining the crisis to different stakeholders and policy makers at different levels. If you were not a part of the energy sector it was easy to miss the mechanisms that turned this energy crisis into a liquidity crisis. Many people have probably not yet realized that we even had a liquidity crisis. It was sort of overshadowed by all the other things happening in the world. ▶

REGULATION - GOVERNMENTS TURNING UP THE HEAT IN E.G. ROMANIA

It was not just the liquidity crisis that governments all around Europe tried to solve through regulation and other initiatives. It was the energy crisis as a whole and - especially when 2022 was closing to an end - the matter of revenues from energy trading.

As is often the case in such situations the rumors, thoughts and negotiations are just as troublesome and difficult to navigate as actual legislation, and especially the European Union was a source of uncertainty for several months.

In the end, the initiatives from the European Union did not affect the energy market as much as expected and became more or less redundant before they were implemented . However, some countries affected their local markets way more than one would have expected.

Romania for instance implemented a 98 % tax on trading companies’ net revenues from the country - with

no distinction between existing contracts and new contracts.

At the Energi Danmark Group, our exposure to this new legislation was minimal. But the potential effects of this extreme intervention could have been severe. Energi Danmark Group is not against new legislation and new ideas, following a year of extremes.

Energi Danmark Group just hope that lawmakers at all levels will take the time to think about the complex systems, they are regulating. Romania is one example, putting enormous pressure on its own energy market, and Spain is another example. They put a price cap on gas back in June, and since then the level of gas used for electricity has been significantly above normal. As the power prices were artificially low because of the price cap, the incentives to invest in clean energy sources in Spain were reduced. ▶





The wind turbines on “Middelgrunden”
a few kilometers outside Copenhagen
have been running since 2001.

SUN, WIND AND WATER - WE ARE NOT THERE YET

Since the peaks in August and September 2022, the prices of fossil fuels seem to have stabilized at a level above the pre-2021 level but still far from the extremes of the peaks.

The situation in 2022 has, however, underlined the need for sustainable energy resources like wind, solar and hydro.

According to a forecast from the International Energy Agency (IEA), the expansion of renewable electricity in the five-year period from 2022 to 2027 will match the expansion in the 20 years from 2002 to 2022 - and account for more than 90 % of the total expansion in the global electricity capacity.

By 2027, the IEA expects that 38 % of the world’s energy consumption is covered by renewables.

There are a lot of uncertainties though. The situation in 2022 has forced many to invest less in sustainable energy sources. With the changing climate and political uncertainty, it would be fair to expect extreme events in the years to come.

In the short run, sustainable energy is not going to hugely change the markets or people’s energy bills, but over time it will have a significant impact. A small example is the rule of thumb that it is cheaper to use the washing machine or charge an electric car at night. With the vast increase in installed solar panels, this will probably be different during summertime going forward. ■



HIGHLIGHTS

We have gathered some of the highlights from 2022 in the Energi Danmark Group together with our expectations for the European economy in 2023.

HIGHLIGHTS

NEW DIRECTOR FOR INTERNATIONAL SALES AND ORIGATION

In May 2022, Energi Danmark welcomed Mia Hansson as the new Director for International Sales and Origination. Mia had previously served as the CEO of the Swedish subsidiary, Energi Försäljning Sverige AB. In her new role, Mia oversees the merger of the Sales and Origination divisions as well as the integration of both new colleagues and the large portfolio of business customers from Andel Energi.



NEW CEO FOR THE SWEDISH SUBSIDIARY

In June 2022, Roger Josefsson was appointed as new CEO for our Swedish subsidiary, Energi Försäljning Sverige AB (EFS). Roger previously served as the company’s Head of Sales and has been working at EFS for over 12 years in total. EFS has a total of 12 employees based in offices in Malmö and Stockholm.



ENERGI DANMARK ACQUIRES ANDEL ENERGI’S LARGE CUSTOMER ACTIVITIES

As of the 1st of January, The Andel Group, the majority shareholder in the Energi Danmark Group, decided to gather its trading and large customer activities under Energi Danmark. The acquisition process took place throughout most of 2022 to secure a smooth and efficient transfer for the many customers moving from Andel Energi to Energi Danmark.

The transfer of activities will further enhance Energi Danmark’s position as the leading energy trading company for business customers and we welcome all the new customers and colleagues.

- It makes good sense to bring together the large business customers and trading activities because these areas already constitute our core competencies. This transfer will also expand our new customers’ options within the green transition as Energi Danmark’s product portfolio opens up new opportunities. At the same time, Energi Danmark receives knowledge and know-how within natural gas and biogas from our new colleagues, which adds extra value to our product range, says Mia Hansson, Director of International Sales and Origination at Energi Danmark.

OUR ISO CERTIFICATION WAS RENEWED

In December 2022, our ISO certifications was renewed for a three-year period. The certifications cover ISO 9001 for quality management and ISO 14001 for environmental management. Our ISO certifications still apply to Energi Danmark and all subsidiaries in Denmark, Sweden, Finland, Norway and Germany that deal with consulting and trade in energy and related products. The certifications mean that the Energi Danmark Group continues to comply with an international standard for quality management and environmental management and has continuous procedures that ensure the group’s high standards - and thereby ensure that the customers always receive the expected high level of service. The ISO certification process was carried out by Force Certification.

OUR CONTINGENCY PLANS ARE EXPANDED WITH INTERNET VIA SATELLITE

As societies - and in particular the Energi Danmark Group’s many business processes - become more and more digitised, our daily operations are becoming more dependent on data connections with other entities. Thus, we are dependent (24/7/365) on critical infrastructure, particularly electricity and the internet.

EXPECTATIONS FOR THE EUROPEAN ECONOMY IN 2023

The European economy had barely managed to recover from the negative effects of the coronavirus pandemic before it faced another huge challenge with the war in Ukraine. This was of course, by far, the most important topic in 2022, and it will affect 2023 as well. The European Commission estimates, that the European economy grew by 3.3 % in 2022, but predicts a major slowdown in 2023. Due to the negative effects of the war, the Commission expects only a 0.3 % growth in the economy this year.

[Read more here](#) →



SUSTAINABILITY

Using UN goal 7 as a guideline and 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. It is 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 across all European energy markets. With our broad and specialised 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. Our specialised employees and high-tech tools predict energy prices minute by minute. We monitor all relevant changes and analyse massive data volumes that have a major impact on the energy bill. We are awake and alert. Always.

SUSTAINABILITY REPORT

This 2022 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 and

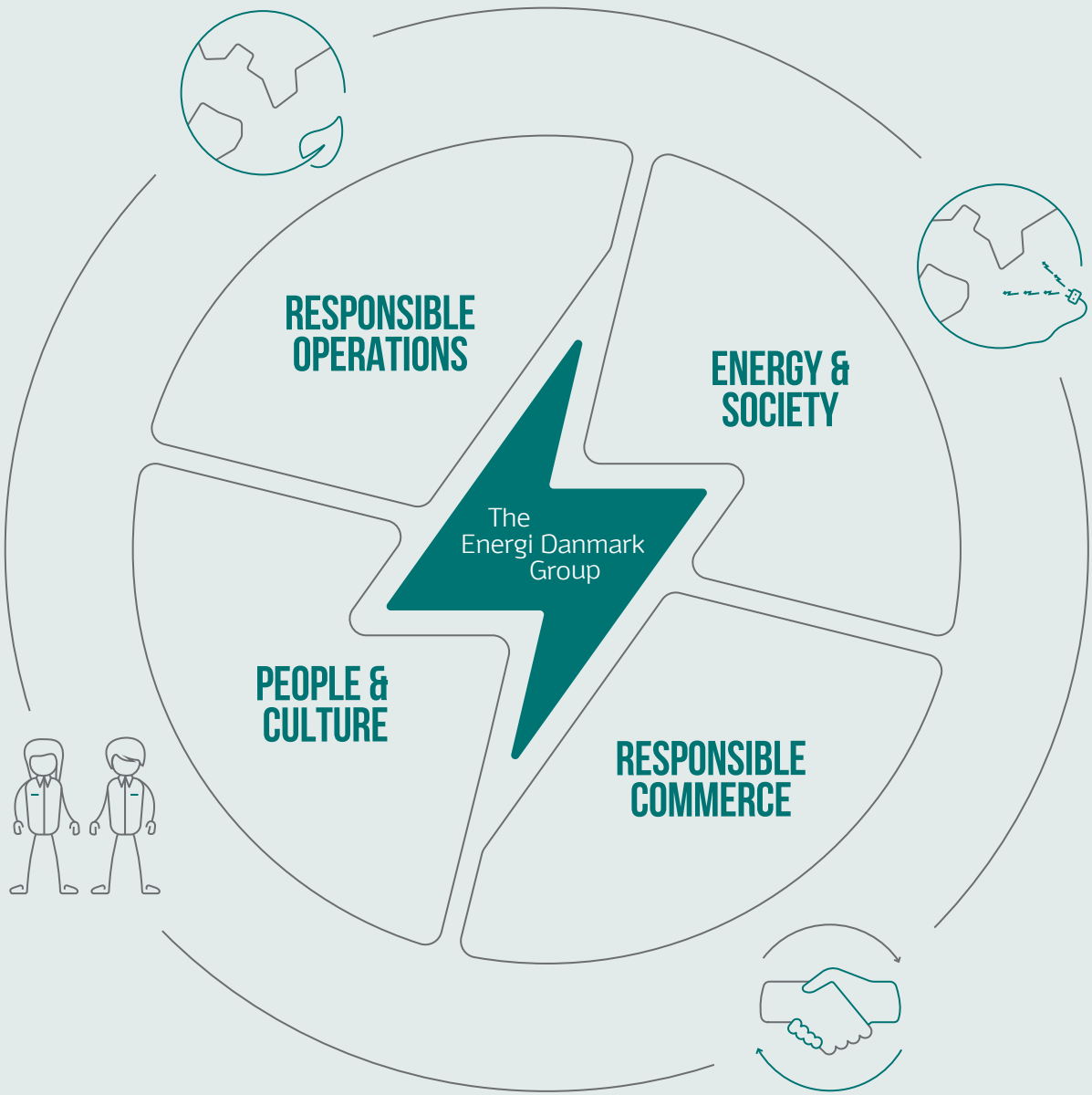
all the Group’s subsidiaries, thus providing insight into our international activities, our sustainability targets, and how we aim to reach them. The sustainability reports from previous years can also be found on www.energidanmark.com. ■

OUR SUSTAINABILITY AGENDA

The Energi Danmark Group welcomes the 17 Sustainable Development Goals from the UN as an essential and relevant framework to protect and contribute positively to the Earth’s resources. The SDG where we have a transformative impact is goal 7: Affordable & Clean Energy. Here, 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. Secondly, the Energi Danmark Group supports 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 understand and support.

Using UN goal 7 as the guideline as well as supporting goals 9, 11, 12 and 13, our sustainability priorities are: 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

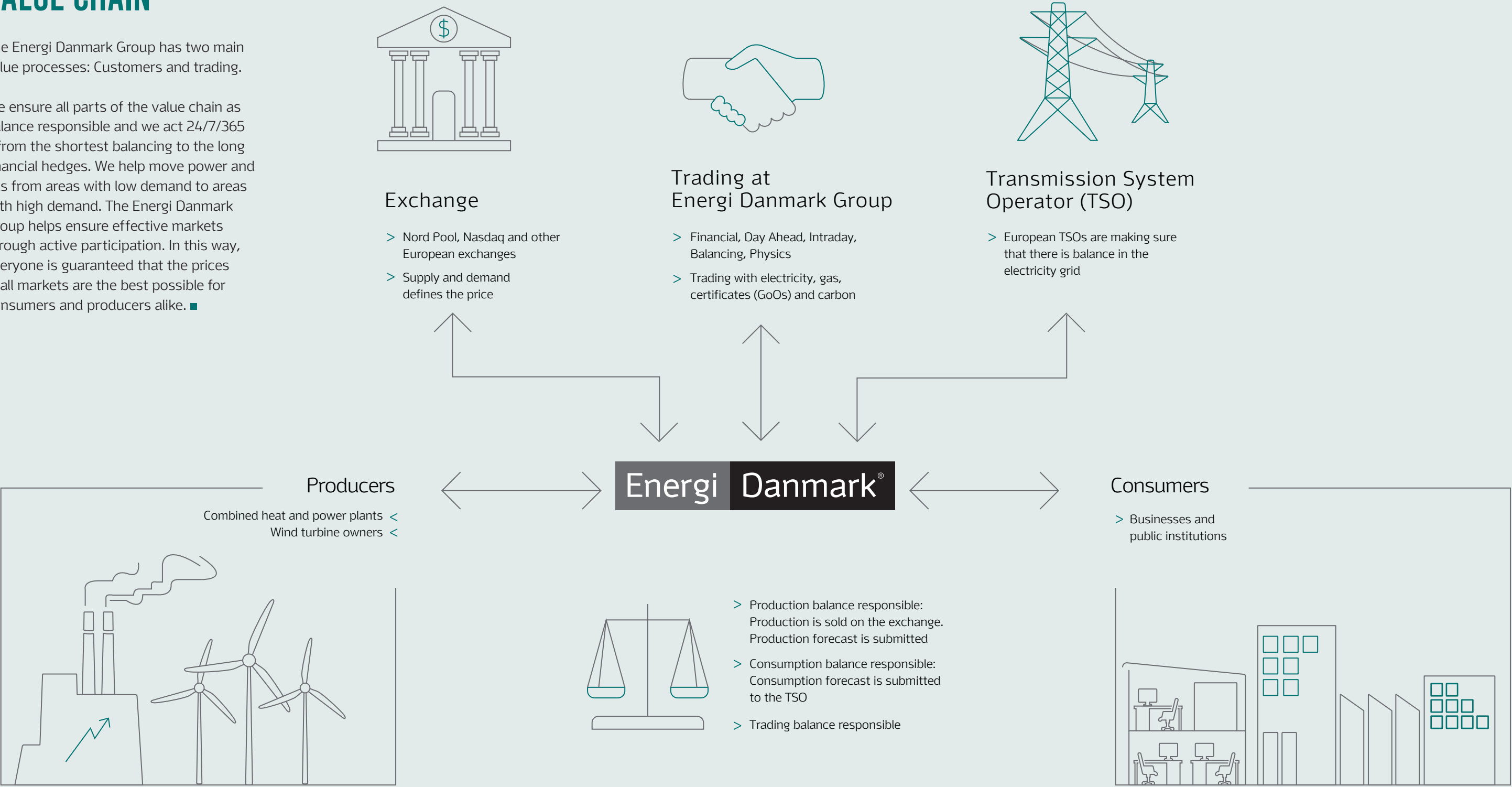
SUSTAINABLE DEVELOPMENT GOALS

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

In 2022, we conducted 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. Our analyses are fundamental for the development of our sustainability strategy 2022. 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. A 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 Data security	Indigenous people Traffic safety Local communities Data security	Local communities Data security	Fair marketing Data security	Data security
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

The stakeholders that we affect positively or negatively via our activities are:

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

Our sustainability analysis is guided by the principle of taking a double view on materiality. This means that we consider both the impact that we as a business have on the environment and society, and the impact that identified factors may have on us as a business. 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 prioritised and have included 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. Thus, in 2021 and 2022 we were exploring these possibilities 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 regards 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. Therefore, we constantly keep our knowledge and processes updated. All IT and system data security across the Energi Danmark Group is managed centrally from Denmark at Energi Danmark.

During 2022, Energi Danmark underwent supervision by the Danish Energy Agency (Energistyrelsen) on the

29th of November, and once again received full compliance with the legal requirements laid out in the BEK 2647 Act of 28/12/2021 "IT Readiness in the electricity and natural gas sector." Thus, Energi Danmark is still compliant. In relation to our role in the electricity and natural gas sector, Energi Danmark is a company at 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. The Compliance department works systematically and follows 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. 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.

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. In 2022, we have established a data ethics policy. The purpose of this policy is to formalise Energi Danmark's data ethics principles and describe how we wish to use and process data, making it clear to our customers, employees, and other stakeholders that we are dedicated to act in an ethically acceptable way in all aspects of our business. The Data Ethic Policy was approved and adopted by the CEO and CFO on the 8th of December. The content of the Data Ethic Policy is updated continuously.



LOCAL COMMUNITIES

The 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.

Our subsidiary, Energi Salg Norge, is part of 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. 2022 was the fourth 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 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 encourage 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 2022, we had great success with our climate friendly product: Power Purchase Agreement (PPA) in which Energi Danmark facilitates an agreement ▶

A SELECTION OF ENERGI DANMARK’S DEVELOPMENT PROJECTS IN 2022

We continue to partner with key stakeholders, including local communities who share our agenda, to investigate potential areas of development, solve critical challenges, and to deliver flexibility and a lasting positive impact on the production market. Energi Danmark participates in several projects with stakeholders.

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.

The Russian invasion of Ukraine did not only lead to human suffering. It affected the world’s energy markets and created high uncertainty about the possibility of conducting large scale demonstration projects which relied heavily on delivery and development of large steel elements. The demonstration site suggested for the Gridscale system is still in our pipeline, but the project has been put on hold

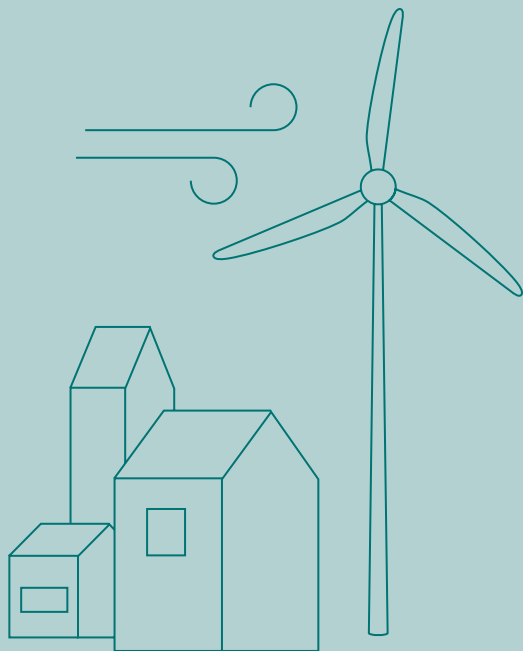
until congestions on supply lines and the general uncertainty in the energy market clears.

FLEXIBLE CITIZEN ENERGY COMMUNITIES

In 2022, Energi Danmark continued the EUDP funded development project that aims to create and run flexible energy communities. Energi Danmark is participating directly in the development of two energy communities in the larger Copenhagen area. One centered around the newly developed Nordhavn Area and another in the North West area of Copenhagen. In general, energy communities are beginning to form. Communities are joining forces in order to invest in shared energy infrastructure projects. Most notably in rural areas where a large number of projects regarding larger, decentralized heat pumps for district heating are being established as a joint project. Energi Danmark is looking into how to best support these solutions from daily system operations to how the financial benefits from such communities are best re-invested into green and efficient solutions.

- 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 until the end of 2023.



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.

Energi Danmark’s product “PPA Pool” was launched in 2021. On behalf of customers, Energi Danmark signed an agreement to build a new solar park to cover the electricity consumption of the pool. This new solution 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. The PPA Pool and the partnership between companies and Energi Danmark is a milestone for the green transition, as it offers companies the opportunity to help increase the amount of new renewable energy in society. In 2022, several PPA agreements with companies were signed.

Energi Danmark has investigated how to involve consumers closely in the important task of balancing the electricity grid while simultaneously providing these customers with access to a secondary revenue stream and greener energy. We call it Demand Response. 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.

In 2022, the demand from industry partners to efficiently use energy at the cheapest hours of the day increased massively. Energi Danmark joined the existing partnership between the Andel Group and IBM in developing a cloud solution for smart control of demand response assets called the Flexplatform. The first assets came online in November 2022 where the municipality of Copenhagen and Salling group decided to do a massive rollout of the platform across their locations. When industrial customers help stabilise the electricity grid it is not only good for the environment and grid stability in general, but it could also show to be a smart business case for everyone involved.

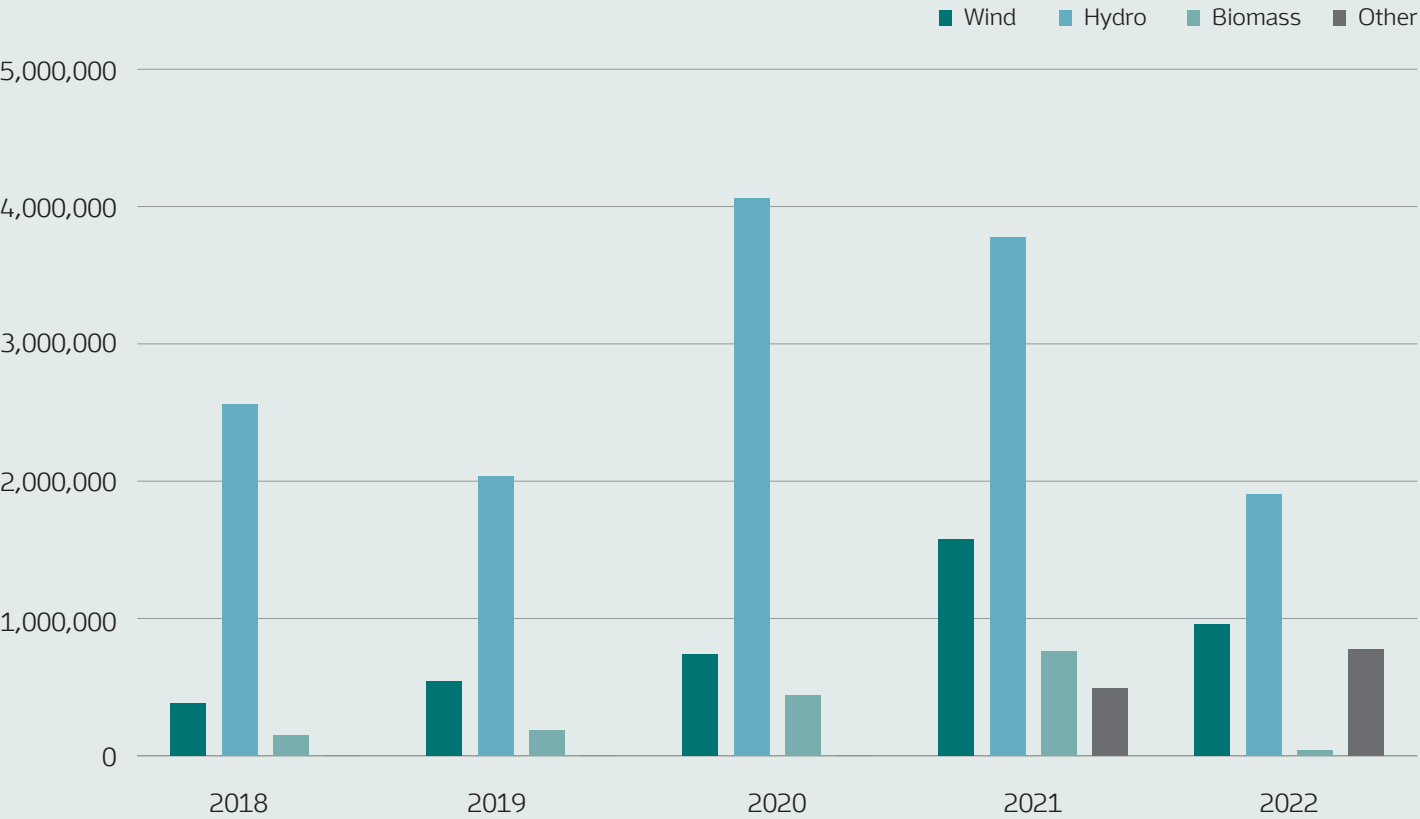
[Read more about PPA and PPA Pool here](#) →

[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 highlight 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 ►

CLIMATE FRIENDLY ENERGY
SOLD ACROSS THE GROUP



Group	Wind power	Hydropower	Biomass*	Other**
2018	384,299 MWh	2,561,017 MWh	14,7924 MWh	
2019	544,166 MWh	2,034,435 MWh	183,058 MWh	
2020	738,510 MWh	4.061.256 MWh	438,142 MWh	
2021	1,578,944 MWh	3.779,114 MWh	759,016 MWh	489,737 MWh
2022	960,586 MWh	1.901.052 MWh	37,924 MWh	776,919 MWh

* 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.

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 increased over the years. The sales of Guarantees of Origin decreased by 44% from 6.606,811 MWh in 2021 to 3.676.481 MWh in 2022. The reason for the lower volume sold is that customers have used our climate friendly product, Power Purchase Agreement (PPA), which is not included in the volume shown. Another reasons is that some customers have bought directly from solar parks.

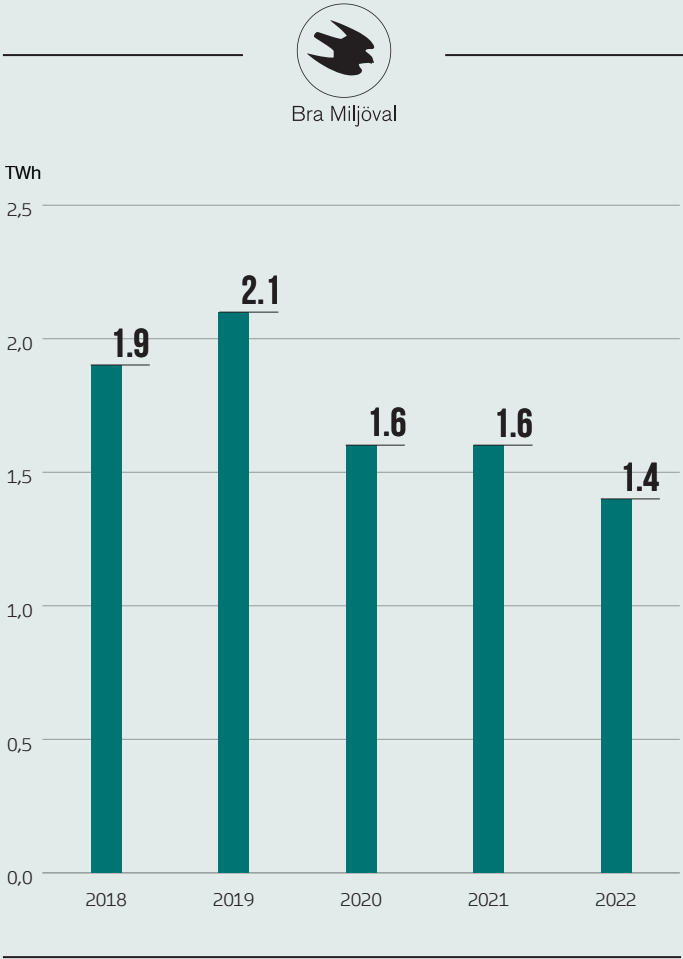
On page 41 you will find an overview of MWh sold across the Energi Danmark Group from 2018 to 2022 within the various sources of renewable energy.

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. From 2018 to 2021 Energi Försäljning Sverige AB was the energy supplier that sold most Bra Miljöval El in Sweden. The decrease in 2022 compared to 2021 is due to a change in customer composition and due to a reduction in energy consumption among customers in general because of the energy crisis.

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 2022.



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. ■

RESULTS FOR THE YEAR 2022

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 BEK 2647</div> <div>➤ Energi Danmark is compliant with GDPR</div> <div>➤ Established 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>➤ 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 charitable organisations</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 volume of RE sold</div>	<div>➤ Development of new climate friendly products</div> <div>➤ Further development of PPA</div> <div>➤ Nudged customers to buy more RE</div>	<div>➤ Increased volume 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 customers</div>

GOALS 2023

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 2647 in regards to IT Preparedness in the Electricity- and Natural Gas sector</div> <div>➤ Govern our information in accordance with GDPR requirements</div> <div>➤ Implementation of a new version of compliance system</div>	<div>➤ Do risk assessments and incorporate findings into our contingency planning</div> <div>➤ Final migration of data in compliance system</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 concept extended with new customers</div> <div>➤ Ambition to increase the volume of RE sold</div> <div>➤ Enter new PPA agreements in the Nordic countries</div>	<div>➤ Continued cooperation with IBM/Andel on Demand Response concept</div> <div>➤ Introduce new PPA product with consumption</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 is 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 also puts 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 employed an anti-corruption policy and committed to incorporating the anti-corruption policy into all relevant business areas.

We have a whistleblower scheme so that employees who experience any unacceptable or illegal conduct in the Energi Danmark Group can anonymously report this directly to the Energi Danmark 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 2022.

The Energi Danmark Group has a policy 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. A Compliance Officer has been appointed.

POLLUTION WITH WASTE WATER AND CHEMICALS

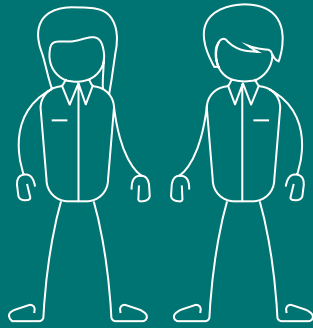
The Energi Danmark Group wishes to reduce pollution in order to protect biodiversity and prevent the destruction of natural ecosystems. In connection with our own operating activities, neither waste water nor chemicals are discharged into the environment, so it is mainly in our cooperation with suppliers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

RESULTS FOR THE YEAR 2022

RISKS	FOCUS AREAS	GOALS	ACTION	RESULTS
➤ All risks	SUPPLIER MANAGEMENT Policy ➤ Human rights policy ➤ Environmental policy ➤ Climate policy ➤ Employee rights policy ➤ Diversity policy ➤ Anti-corruption policy	➤ Supplier Code of Conduct approved by EMC ➤ Maintaining and developing our current policies and rules ➤ Further enhancement of our compliance setup	➤ Strengthening of our compliance setup ➤ Further implementation of Supplier Code of Conduct	➤ REMIT trade monitoring system is minimising compliance risks ➤ A Compliance Officer is hired
➤ Anti-corruption ➤ Fair competition	ANTI-CORRUPTION & FAIR COMPETITION Policy ➤ Anti-corruption policy ➤ Policy on the prevention of market abuse	➤ Enhancing our Fair Competition compliance setup ➤ Implement education programme within anti-corruption and ethics policy	➤ Further strengthening of our compliance setup by implementing a Fair Competition Policy	➤ Anti-corruption covers Fair Competition and Ethics policy is implemented
➤ Pollution from wastewater ➤ Pollution with chemicals	POLLUTION FROM WASTEWATER AND CHEMICALS Policy ➤ Environmental policy	➤ See “Supplier management”	➤ See “Supplier management”	➤ See “Supplier management”

GOALS 2023

RISKS	FOCUS AREAS	GOALS	PLANNED ACTIONS
➤ All risks	SUPPLIER MANAGEMENT Policy ➤ Human rights policy ➤ Environmental policy ➤ Climate policy ➤ Employee rights policy ➤ Diversity policy ➤ Anti-corruption policy	➤ Maintaining and developing our current policies and rules ➤ Further enhancement of our compliance setup ➤ Further implementation of Supplier Code of Conduct	➤ Strengthening of our compliance setup ➤ Further implementation of Supplier Code of Conduct
➤ Fair competition	ANTI-CORRUPTION & FAIR COMPETITION Policy ➤ Anti-corruption policy ➤ Policy on the prevention of market abuse	➤ Maintaining our Fair Competition compliance setup ➤ Maintaining training in relation to Fair Competition	➤ Further strengthening of our compliance setup by implementing a Fair Competition Policy
➤ Pollution with waste water ➤ Pollution with chemicals	POLLUTION FROM WASTEWATER AND CHEMICALS Policy ➤ Environmental policy	➤ See “Supplier management”	➤ See “Supplier management”



PEOPLE & CULTURE

At the Energi Danmark Group, our employees are our most valued resource and instrumental in implementation of our business strategies. Therefore, we focus on strategic competencies 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 stay attentive constantly 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 offer 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 second year, we conduct an Engagement Survey for the entire Energi Danmark Group. In 2021, an impressive 94% of all employees completed the survey. The survey showed that 81% of the employees in the Energi Danmark 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, the 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 2022. We continue to enable our colleagues to live in a positive work-life balance by offering flexible working conditions such as working from home in agreement with managers. Many colleagues respond positively to this opportunity and it is used.

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 kilometers together with their colleagues. Energi Danmark also participated in this year's "Bike to work" campaign. 38 employees participated, and they covered a total distance of 9,469 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 feedback and questions from both employees and management.

All employees in the Energi Danmark 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 Energi Danmark 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. Danmark and Sweden use the same HR system whereas Norway, Finland, and Germany use a different HR system. Finding the right setup is a big and time-consuming task and it will proceed in 2023.

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

The 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. In 2021, we launched our Senior Policy. In 2022, we were happy to see that the first employee took advantage of this 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 constitute a majority within the whole energy industry, and in the Energi Danmark Group most of the employees are also men.

As of the 31st of December 2022, 66% of the employees were men. The Energi Danmark Group would very much like the gender distribution among employees of the Energi Danmark 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 Energi Danmark 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 2022 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 2022.

- > 28% of Energi Danmark's management to be comprised of women in 2022. We strive to reach the goal of a 72/28 gender distribution at the management level by close of 2022.

Status on Board level: We did not reach our goal of an 85/15 gender distribution, there have not been an occasion to change the current composition of the board. As of the 31st of December 2022, Energi Danmark's Board of Directors was made up of four people, of whom all were men.

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 are close to reaching our goal of a 72/28 gender distribution. As of the 31st of December, Energi Danmark's management level was made up of 15 people, of whom 4 were women (27%). The reason for the increase of 4 percentage points compared with 2021 is due to a decrease in the number of men in the management level.

We had three replacements at this level in 2022. The CEO of the German subsidiary Energie Vertrieb Deutschland EVD GmbH left his position in June 2022, and his successor was recruited internally for the position. In connection with the resignation of two Directors at Energi Danmark A/S in spring 2022, the CEO of Energi Försäljning Sverige AB was appointed to a position as Director at Energi Danmark A/S, and her successor was recruited internally in the Swedish Company.

Normally there are few 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

Our goal and vision for 2024 continue to be:

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

RESULTS FOR THE YEAR 2022

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>➤ Optimising and developing the onboarding process</div> <div>➤ Attract more international candidates</div> <div>➤ Make internal career opportunities visible across the organization</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>➤ 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>➤ 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>➤ Streamlining of the Energi Danmark Group's employee information through our various systems</div>	<div>➤ Continued the process towards defining overall needs, challenges, risks etc. in a future HR systems</div>	<div>➤ More thorough knowledge of our data</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 2022 in process</div>	<div>➤ Discussions at board level and decision on new targets</div>	<div>➤ New target established at board level: Gender distribution of 85/15 on Board of Directors by close of 2024</div>

* MTU and APV are carried out every second year, most recently ind 2021. These numbers are thus from 2021.

GOALS 2023

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>➤ Optimising 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 keeping holidays free of tasks</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>➤ Further streamlining of the Energi Danmark Group's employee information through our various HR systems</div>	<div>➤ Investigate how our data is optimally stored in the various systems.</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</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.

ELECTRICITY CONSUMPTION

Our headquarters in Aarhus are located in a newly built building, which is awarded a gold rating in the EU certification system for sustainable buildings, DGNB. The Malmö office of our Swedish subsidiary, Energi Försäljning Sverige AB, is located in the Point, an office building, which has received a silver rating from the Swedish system for sustainable certification of buildings.

As all of our offices are subleases of larger offices, we do not have many opportunities to collect data on our energy consumption. We have, of course, chosen new and energy-efficient buildings that use less energy than older ones. Instead, we focus on all our energy coming from renewable sources. In 2022, we have relocated offices for a number of our entities. Therefore, we have not been able to reach the planned level of 100% renewable electricity consumption. We have climate compensated the difference.

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 2022, 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 September 2022. ▶

ECOVADIS



In 2022, we prepared to implement the certification in EcoVadis’ certification tool. In January 2023, we were certified with Bronze.

EcoVadis provides holistic sustainability rating which is based on actions within four categories: Environment, Labor & Human Rights, Ethics and Sustainable Procurement.

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 2022, 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 any negative effects on the environment when purchasing. Our kitchen staff focus – to the extent that it makes sense – on buying food that is close to the expiry date. Through this, we help fight waste of good food. ■



One of the major challenges facing the global society is the climate change.

During 2022, 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 2022.

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 2022, our fleet of owned or leased vehicles included 32 cars that operated with electricity or with hybrid, diesel, and gasoline engines. 10 of those cars (31%) were electric vehicles that do not directly contribute any CO₂ emissions to the atmosphere. A total of 19% (6 cars) of the fleet consisted of hybrid vehicles. The total direct CO₂ emissions from the company’s vehicles were equal to 95.4 tons CO₂e.

It is worth mentioning that out of the approximately 250 million passenger cars in Europe, only 5.7 million are plug-in-hybrids or electric. Energi Danmark, however, has taken steps towards a carbon neutral future, with 50% of our fleet already being plug-in-hybrids or electric cars.

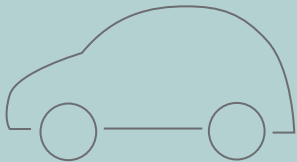
CALCULATION OF OUR INDIRECT INTERNAL EMISSIONS (SCOPE 2)

Electricity consumption: In 2022, we have relocated offices for a number of our entities. Therefore, we have not been able to reach the planned level of 100% renewable electricity consumption. We have climate compensated the difference.

District heating: Like for water consumption, currently we do not have data available specifically for our heating consumption. Many of our subsidiaries are part of bigger buildings and the cost is part of the total rent. Thus, data on our district heating is based on an estimation. The estimates are calculated as our m² ratio on the energy consumption of the entire office building.

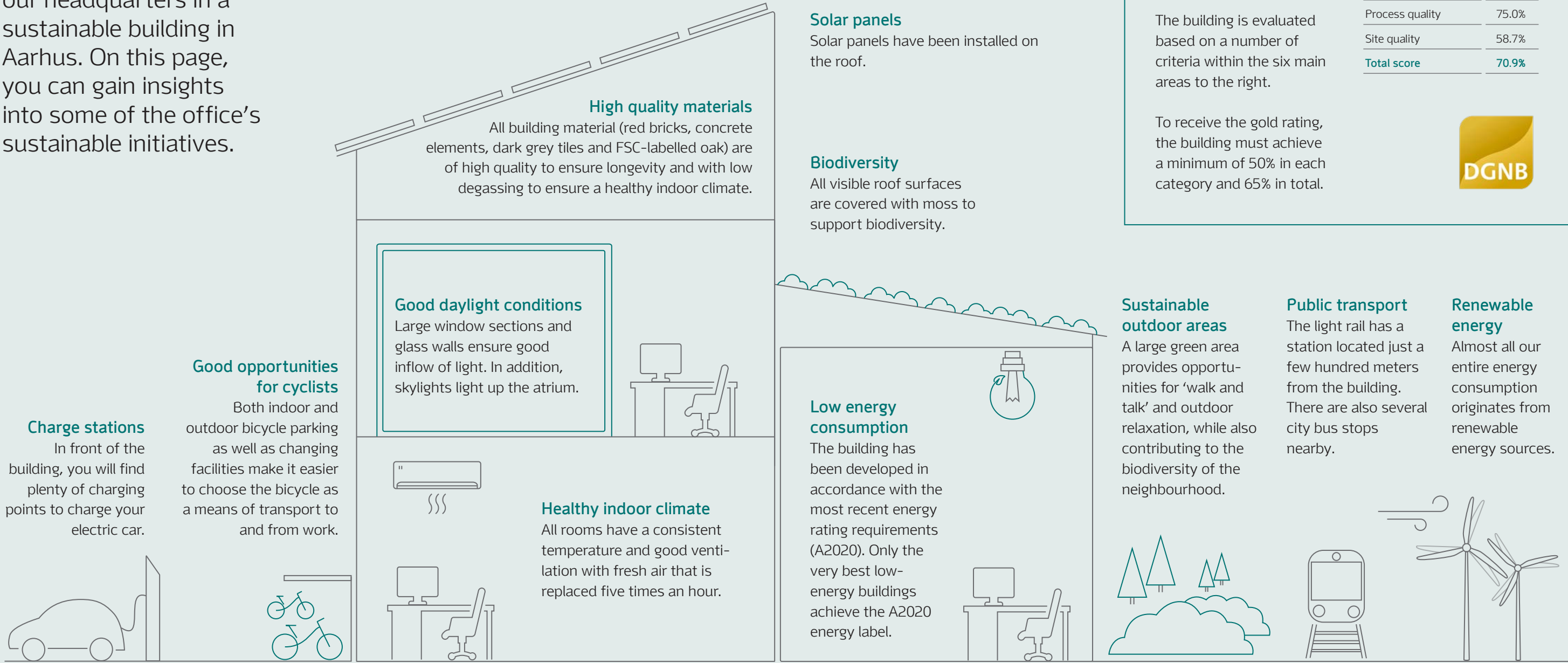
COMPENSATION OF OUR NEGATIVE IMPACT ON THE CLIMATE

We want to compensate for our residual carbon emissions. In 2022, we have registered 95,4 tons CO₂e tons of direct internal emissions (scope 1). Our indirect internal emissions from district heating in Denmark, electricity consumption in Denmark and Sweden, and the total fleet of electric vehicles (scope 2) we had a negative impact of 53.5 tonnes CO₂e. We have thus compensated the above CO₂e emissions from scope 1 and 2 through the EcoTree organization, where a range of trees have been planted, corresponding to 150 tons of CO₂.



OUR SUSTAINABLE HEADQUARTERS

We are proud to have our headquarters in a sustainable building in Aarhus. On this page, you can gain insights into some of the office’s sustainable initiatives.



DGNB SUSTAINABILITY CERTIFICATION

The domicile has received a gold rating in the EU certification system 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 rating, the building must achieve a minimum of 50% in each category and 65% in total.



RESULTS FOR THE YEAR 2022

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 or CO ₂ compensated	› 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 or CO ₂ compensated
› 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 2023

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 › 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 › 6 of 6 sites ISO 14001 certified	› Conduct internal audits of ISO 14001
› Waste	WASTE Policy › Environmental policy	› Internal audits of ISO 14001 conducted › 6 of 6 sites ISO 14001 certified	› Conduct internal 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 2022.

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.

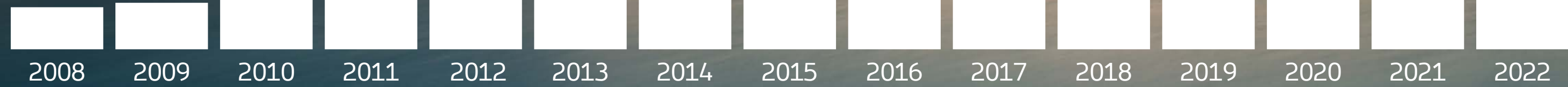
ISO 14001 - External audits
Number of audits performed on own sites via persons who do not work for Energi Danmark, i.e. third party audits. We use auditors from DNV GL.

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. ■

2022

annual report >>



Equity trend | 2008-2014: Danish GAAP | 2015-2022: IFRS.

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INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

Notes	DKK '000	2022	2021
4	Revenue - Sales of power etc	344,556,246	119,005,499
	Purchase of power	-345,420,823	-118,961,532
	Net income/(loss) from financial instruments	12,896,046	88,112
	Gross profit	12,031,469	132,079
5	Staff costs	-279,040	-189,382
6, 8	Other external costs	-302,776	-176,616
7	Depreciation	-70,677	-37,027
	Operating profit	11,378,976	-270,946
9	Finance income	72,649	5,463
10	Finance costs	-110,220	-96,179
	Profit before tax	11,341,405	-361,662
11	Tax	-2,497,284	75,196
	Profit for the year	8,844,121	-286,466
Attributable to:			
	Shareholders of Energi Danmark A/S	8,844,121	-286,466
		8,844,121	-286,466
Statement of other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods			
	Exchange differences on translation of foreign operations	-21,716	-1,764
	Cash flow hedge	-42,215	-18,554
	Tax on cash flow hedge	9,287	4,082
	Net other comprehensive income to be reclassified to profit or loss in subsequent periods	-54,644	-16,236
	Total comprehensive income for the year, net of tax	8,789,477	-302,702
Attributable to:			
	Shareholders of Energi Danmark A/S	8,789,477	-302,702

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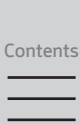
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BALANCE SHEET – ASSETS

Notes	DKK '000	2022	2021
Assets			
Non-current assets			
12	Intangible assets	119,691	147,768
13	Tangible assets	87,456	94,529
11	Deferred tax	345,830	91,833
Total non-current assets		552,977	334,130
Current assets			
Inventory		817,713	427,008
18	Trade receivables	14,439,676	12,079,951
11	Tax receivable	2,988	13,186
18,19	Derivative assets	8,185,704	6,352,940
Deposits		5,234,782	6,842,955
Other receivables		304,197	1,051,910
Cash		5,602,788	497,950
Total current assets		34,587,848	27,265,900
Total assets		35,140,825	27,600,030



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BALANCE SHEET – LIABILITIES

Notes	DKK '000	2022	2021
Equity			
15	Share capital	500,000	350,000
	Exchange rate reserve	-38,976	-17,260
	Retained earnings	8,321,087	1,626,966
	Cash flow hedge	-43,778	-10,850
	Proposed dividend	3,000,000	0
	Total equity	11,738,333	1,948,856
Non-current liabilities			
18	Lease liabilities	63,958	70,090
11	Deferred tax	9,157	7,766
	Total non-current liabilities	73,115	77,856
Current liabilities			
16,18,19	Credit institutions	0	1,064,297
16,18,19	Loans	0	2,386,500
16,18,19	Loans from related parties	0	3,109,813
18	Lease liabilities	7,106	7,788
	Trade payables	8,367,388	7,028,402
11	Income tax payable	2,136,547	7,242
18,19	Derivative liabilities	10,881,602	11,134,586
	Deposits	1,260,524	262,025
	Other payables	676,210	572,665
	Total current liabilities	23,329,377	25,573,318
	Total liabilities	23,402,492	25,651,174
	Total equity and liabilities	35,140,825	27,600,030
14	Interest in subsidiaries		
17	Pledges, collateral and contingent liabilities		
20	Related party disclosures		
21	Subsequent events		
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STATEMENT OF CHANGES IN EQUITY

Notes	DKK '000					
	Share capital	Exchange rate reserve	Retained earnings	Proposed Dividend	Cash flow hedge	Total
Equity 1 January 2022	350,000	-17,260	1,626,966	0	-10,850	1,948,856
Capital increase	150,000	0	850,000		0	1,000,000
Transactions with owners	500,000	-17,260	2,476,966	0	-10,850	2,948,856
Profit for the year	0	0	5,844,121	3,000,000	0	8,844,121
Other comprehensive income in 2022						
Cash flow hedge after tax	0	0	0	0	-32,928	-32,928
Foreign currency translation adjustment	0	-21,716	0	0	0	-21,716
Comprehensive income for the period	0	-21,716	5,844,121	3,000,000	-32,928	8,789,477
Equity 31 December 2022	500,000	-38,976	8,321,087	3,000,000	-43,778	11,738,333
Equity 1 January 2021	221,833	-15,496	954,574	0	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	0	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	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	0	-14,472	-14,472
Foreign currency translation adjustment	0	-1,764	0	0	0	-1,764
Comprehensive income for the period	0	-1,764	-286,466	0	-14,472	-302,702
Equity 31 December 2021	350,000	-17,260	1,626,966	0	-10,850	1,948,856

During the year dividend of DKK 0.00 per share was paid (2021: DKK 0.00).



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STATEMENT OF CASH FLOWS

Notes	DKK '000	2022	2021
Operating profit		11,378,976	-270,946
Cash flow hedge		-42,215	-18,554
Depreciation and amortisation etc.		70,677	37,027
Net foreign exchange differences		-21,716	-1,764
Finance income, received		72,649	5,463
Finance costs, paid		-110,220	-96,179
Changes in inventory		-390,705	-295,787
Changes in trade and other receivables		-1,836,603	-18,946,182
Changes in trade and other payables		2,188,511	14,395,458
Income taxes paid		-601,564	-7,540
Cash flow from operating activities		10,707,790	-5,199,004
Purchase of intangible assets		-30,115	-44,299
Disposal of intangible assets		0	0
Purchase of tangible assets		-4,174	-6,740
Disposal of tangible assets		1,199	282
Investment in subsidiaries		0	0
Cash flow from investing activities		-33,090	-50,757
Loans		-2,386,500	1,736,500
Loans from related parties		-3,109,813	3,109,813
Capital increase		1,000,000	1,000,000
Instalments on leases		-9,252	-9,960
Expired bonds		0	-756,744
Cash flow from financing activities		-4,505,565	5,079,609
Cash flows from continuing operations		6,169,135	-170,152
Cash and cash equivalents at 1 January		-566,347	-396,195
Cash and cash equivalents at 31 December		5,602,788	-566,347



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Notes	
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 consolidated financial statements at 31 December 2022 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 of Energi Danmark A/S and its subsidiaries (collectively, Energi Danmark or the Group) for the year ended 31 December 2022 were authorised for issue in accordance with the directors on 31 March 2023.	
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.	
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 14.	
The consolidated financial statements have been prepared on a historical cost basis, except where otherwise indicated in the below stated accounting policy.	
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 2022.	
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.	
Only potential voting rights that are considered to be substantive at the balance sheet date are included in the control assessment.	
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 and losses on transactions between the consolidated entities are eliminated.	
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.	
Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.	
For more information regarding the Group structure, please refer to Note 14.	
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.

The Groups electricity sales contracts comprises a series of identical goods which are transferred to the customer over time and revenue is recognised at the amount to which the Group is entitled. Therefore, no disclosure about future unfulfilled performance obligations is provided.

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 18.

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 19.

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

2 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 2022. 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 15. financial instrument risk management, liquidity risk and sensitivity analysis disclosures, note 18 and 19.

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 19.

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 2022, the carrying amount of derivative assets and liabilities amounts to DKK 8,186 m (2021: DKK 6,353 m) and DKK 10,882 m (2021: DKK 11,135 m), respectively.



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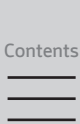


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4	Operating segments
	<div>Management has defined the Groups business segments (report-able segments) based on the reporting presented regularly to the Executive Board and which forms the basis for Managements strategic decisions. The segmentation reflects the legal structure of the Group.</div> <div><div><div>> Energi Danmark: Physical and financial energy trading, carbon trading and trading with gas and wind energy. Sells energy to the subsidiaries.</div><div>> Energi Danmark Securities: Delivers portfolio management services, and trade with derivative financial instruments in this relation.</div><div>> Energi Forsäljning Sverige: Sells energy on the Swedish market</div><div>> Energia Myynti Suomi: Sells energy on the Finnish market</div></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 (no activity in 2022)</div></div><div>The reportable segments have been determined without aggregating operating segments.</div></div>

	2022	2021	2022	2021
	External revenue		Non-current assets (excluding deferred tax asset)	
Denmark*	324,418,078	108,066,060	205,981	235,863
Sweden	4,485,966	3,371,915	337	4,623
Finland	4,256,433	2,628,141	195	511
Germany	2,274,297	1,287,362	143	547
Norway	9,121,472	3,647,768	491	753
Turkey	0	4,253	0	0
Total	344,556,246	119,005,499	207,147	242,297

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 258,364.3 m (2021: DKK 67,489.0 m)
Governments grants: DKK 0 m (2021: DKK 0 m)



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5	Staff costs		
	Wages and salaries and remuneration	257,330	165,911
	Pensions, defined contribution plans	15,071	16,804
	Other expenses for social security	6,639	6,667
		279,040	189,382
	Of this amount:		
	Board of Directors, wages and salaries	43	125
	Executive Management, wages and salaries	20,685	9,241
		20,728	9,366
	Average number of full time employees	220	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:		
	Incurred IT-development costs		
	IT-development costs accounted for under intangible assets	30,115	44,299
	IT-development costs for the year in the income statement	0	0



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7	Depreciation		
	Amortisation of intangible assets	58,191	22,090
	Depreciation of tangible assets	3,788	4,756
	Depreciations of leased assets	8,698	10,181
		70,677	37,027
8	Fees paid to auditors appointed at the annual general meeting		
	Fee regarding statutory audit	1,091	1,608
	Tax assistance	1,128	112
	Assurance engagements	20	35
	Other assistance	2,708	1,558
		4,947	3,313
9	Finance income		
	Interest income, credit institutions	34,833	457
	Interest on late payments	11,545	3,940
	Interest rate swaps	24,513	0
	Other interest income	1,758	1,066
		72,649	5,463
10	Finance costs		
	Interest expenses, credit institutions	94,328	66,923
	Leasing	1,093	502
	Interest expenses, corporate bonds	0	8,605
	Interest expenses, loans from related parties	12,099	15,024
	Interest rate swaps	2,435	4,554
	Other interest expenses	265	571
		110,220	96,179

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11	Tax		
Tax for the year is composed as follows:			
	Tax on profit for the year in the income statement	2,497,284	-75,196
Tax on profit for the year has been calculated as follows:			
	Current tax for the year	2,771,313	11,530
	Change of deferred tax	-275,100	-88,622
	Adjustment of prior-year current tax	1,071	1,896
		2,497,284	-75,196
Specification of the tax on the profit for the year:			
	Calculated 22% tax of the profit for the year	2,498,152	-78,106
	Adjustment of calculated tax in foreign subsidiaries	-2,041	2,464
	Non-deductible costs and non-taxable income	102	-1,450
	Adjustment of tax, previous years	1,071	1,896
	Effective tax	2,497,284	-75,196
Income tax receivable/payable			
	Income tax receivable/payable at 1 January	5,944	9,905
	Foreign currency translation adjustments, income tax	-461	-70
	Adjustment of tax, previous years	-8	99
	Transferred from deferred tax	30,715	0
	Current tax for the year	-2,771,313	-11,530
	Income tax received	-51,158	-11,582
	Income tax paid	652,722	19,122
	Income tax receivable/payable at 31 December	-2,133,559	5,944
Income tax is recognised in the balance sheet:			
	Income tax receivable	2,988	13,186
	Income tax payable	-2,136,547	-7,242
		-2,133,559	5,944



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Notes	DKK '000	2022	2021
Deferred tax			
	Deferred tax, 1 January	-84,067	6,639
	Foreign currency translation, adjustments, deferred tax	3	5
	Transferred to income tax	30,715	0
	Adjustment of deferred tax, previous year	1,063	1,994
	Change of deferred tax	-284,387	-92,705
	Deferred tax 31 December	-336,673	-84,067
Deferred tax relates to:			
	Intangible assets	10,860	9,425
	Tangible assets	-2,399	-1,667
	Loss allowance on trade receivables	-25,102	-973
	Foreign accounting policies	5,725	7,766
	Tax losses carryforward	-3,279	-95,072
	Leasing	-103	0
	Provision and hedge	-322,375	-3,546
	Carrying amount 31 December	-336,673	-84,067
Deferred tax is recognised as follows in the balance sheet:			
	Deferred tax asset	-345,830	-91,833
	Deferred tax liability	9,157	7,766
		-336,673	-84,067

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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12	Intangible assets			
		2022		
		Completed development projects	Development projects in progress	Total
	Cost 1 January	405,031	0	405,031
	Foreign currency translation adjustment	-71	0	-71
	Additions	0	30,115	30,115
	Transfers	30,115	-30,115	0
	Disposals	0	0	0
	Cost 31 December	435,075	0	435,075
	Accumulated amortisations 1 January	257,263	0	257,263
	Foreign currency translation adjustment	-70	0	-70
	Amortisations for the year	58,191	0	58,191
	Amortisations, disposals for the year	0	0	0
	Accumulated amortisations 31 December	315,384	0	315,384
	Carrying amount 31 December	119,691	0	119,691
		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

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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13	Tangible assets					
		2022				
		Leasehold improvements	Vehicles	Tools and equipment	Buildings	Total
Cost 1 January		10,905	9,045	20,496	86,435	126,881
Foreign currency translation adjustment		-30	-35	-225	134	-156
Additions		478	2,688	1,008	2,304	6,478
Disposals		-6,510	-4,259	0	0	-10,769
Cost 31 December		4,843	7,439	21,279	88,873	122,434
Accumulated depreciation 1 January		6,993	5,349	10,085	9,925	32,352
Foreign currency translation adjustment		-20	-14	-172	0	-206
Depreciations for the year		455	1,247	2,086	8,698	12,486
Depreciations, disposals for the year		-6,510	-3,144	0	0	-9,654
Accumulated depreciations 31 December		918	3,438	11,999	18,623	34,978
Carrying amount 31 December		3,925	4,001	9,280	70,250	87,456
Depreciation period		10 years	5 years	3-5 years	3-4 years	
In the carrying amount of Buildings, DKK 70.3 m is relating to leases. Depreciation expenses relating to leases recognised in profit (loss) were DKK 8.7 m.		For assets pledged as security, please refer to Note 17. 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 1.1 m (2021: DKK 0.5 m) in 2022. There are no expenses related to leases of low-value assets.				
		Total cash outflows for leases were DKK 10.3 m in 2022.				

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	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 76.5m 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 17. The Group has no significant contractual commitment to invest in tangible assets in future years.

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14	Interest in subsidiaries			
	Name	Address	Country of incorporation	Voting right and ownership share
	Energi Danmark Securities A/S	Knud Højgaards Vej 2, 2. 2860 Søborg	Denmark	100%
	Energi Försäljning Sverige AB	Hyllie Stationstorg 31, 21532 Malmö	Sweden	100%
	Energia Myynti Suomi Oy	Teknoboulevardi 7, 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%

15	Share capital		
	Capital management 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. The Group uses own funding, bank facilities and support from owners to finance working capital requirements. The overall objective when managing capital is to ensure a continued development and strengthening of the Group's capital structure to support profitable growth.	The solvency ratio at 31 December 2022 amounts to 33.4 % (31 December 2021: 7.1%) Share capital The share capital as of 31 December 2022 consists of 500,000,000 shares of a nominal value of 1 DKK. (2021: 350,000,000 shares of a nominal value of 1 DKK). All shares have the same voting rights.	

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16	Borrowings		
Credit institutions and borrowings			
Current borrowings			
Debt to credit institutions		0	1,064,297
Loans		0	2,386,500
Loans from related parties		0	3,109,813
		0	6,560,610
Total borrowings			
Nominal value			
Maturity of non-current and current borrowings			
Less than one year		0	6,560,610
Between one and five years		0	0
More than five years		0	0
		0	6,560,610
Loans from related parties are made on arm’s length terms.			
17	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		3,975,179	5,935,700
Guarantees			
Guarantees provided by a financial institute		3,052,310	2,408,709

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18Risks, 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 Whole-sale 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.

	2022		2021	
Trade receivable and provisions for impairment:				
	Carrying amount before impairment	Provision for impairment	Carrying amount before impairment	Provision for impairment
Customers not due	14,534,949	100,000	12,077,646	537
Customers in dunning process	15,301	12,241	3,466	2,393
Insolvent customers	8,334	6,667	7,637	5,868
Total	14,558,584	118,908	12,088,749	8,798

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 23.0 m. 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 10.2 m.

The liquidity risk is managed and monitored on a daily basis and a cash flow prognosis showing expected future cash movements is maintained. During 2022 the Group cash reserve have been improved due to consolidation and working capital improvements.

The majority of guarantees provided by the owners have been returned and the remaining guarantees for 350 mdkk expire on 1 June 2023. All loans from the owners and banks have been repaid on 31.12.2022.

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 17. 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 2022					
Non-derivative financial instruments					
Lease liabilities	71,064	71,064	7,106	63,958	0
Trade payables	8,367,388	8,367,388	8,367,388	0	0
Deposits	1,260,524	1,260,524	1,260,524	0	0
Other liabilities	676,210	676,210	676,210	0	0
Derivative financial instruments					
Derivatives	10,881,602	10,881,602	7,617,121	3,046,849	217,632
Total financial instruments	21,256,788	21,256,788	17,928,349	3,110,807	217,632

	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

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 11.1 m (2021: DKK 25.1m) in the profit and loss before tax and DKK 8.7 m (2021: DKK 19.6m) on the equity. A corresponding increase in the interest rate would lead to a negative effect of DKK 11.1 m (2021: DKK 25.9m) in the profit and loss before tax and DKK 8.7 m (2021: DKK 20.2m) 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.

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).

	2022			2021		
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	-111,923	87,300	40%	-219,818	-171,458	40%
Currency exchange rate	22,416	17,484	1%	11,958	9,327	1%

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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19	Information about financial instruments				
	Categories of financial instruments				
		2022		2021	
		Carrying amount	Fair value	Carrying amount	Fair value
	Trade receivables	14,439,676	14,439,676	12,079,951	12,079,951
	Other receivables and deposits	5,538,979	5,538,979	7,894,865	7,894,865
	Cash	5,602,788	5,602,788	497,950	497,950
	Financial assets measured at amortised cost	25,581,443	25,581,443	20,472,766	20,472,766
	Derivative assets	8,185,704	8,185,704	6,352,940	6,352,940
	Financial assets measured at fair value through profit or loss	8,185,704	8,185,704	6,352,940	6,352,940
	Credit institutions	0	0	1,064,297	1,064,297
	Loans	0	0	2,386,500	2,386,500
	Loans from related parties	0	0	3,109,813	3,109,813
	Trade payables	8,367,388	8,367,388	7,028,402	7,028,402
	Lease liabilities	71,064	71,064	77,878	77,878
	Other payables and deposits	1,936,734	1,936,734	834,690	834,690
	Financial liabilities measured at amortised costs	10,375,186	10,375,186	14,501,580	14,501,580
	Derivative liabilities	10,881,602	10,881,602	11,134,586	11,134,586
	Financial liabilities measured at fair value through profit or loss	10,881,602	10,881,602	11,134,586	11,134,586
				2022	2021
	Derivative assets				
	Financial			967,383	150,312
	Physical			7,218,321	6,202,628
				8,185,704	6,352,940
	Derivative liabilities				
	Financial			4,252,788	2,267,047
	Physical			6,628,814	8,867,539
				10,881,602	11,134,586



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Fair value measurement of financial instruments

	2022			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative financial assets:				
Interest rate swaps	0	62,209	0	62,209
Foreign exchange forward	0	47,442	0	47,442
Commodity derivative	16,289	7,368,338	691,426	8,076,053
Total	16,289	7,477,989	691,426	8,185,704

Financial assets measured at fair value

Derivative financial liabilities:

Foreign exchange forward	0	40,634	0	40,634
Commodity derivative	306,416	10,247,630	286,922	10,840,968
Total	306,416	10,288,264	286,922	10,881,602

	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

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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 0 % at 31 December 2022 (2% at 31 December 2021).</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 21.5 m. (2021: DKK 19.7m.)</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 76.6m 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>		
	2022	2021
Level 3		
Opening balance 1 January	314,146	282,035
Gains/loss recognised	13,775	60,489
Transfers	76,584	-28,378
Total	404,505	314,146

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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 33.42.

As of 31 December 2022, 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 2022	Settlement 2023	Settlement 2024	Settlement 2025
	MWh	MWh	MWh
-43,778	37,700	37,700	37,700

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

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

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						
		2022			2021		
Offsetting of current derivatives							
		Derivative assets	Derivative liabilities	Total	Derivative assets	Derivative liabilities	Total
Gross		48,649,534	-51,738,960	-3,089,426	54,965,967	-58,734,336	-3,768,369
Netting		-40,463,830	40,857,358	393,528	-48,613,027	47,599,750	-1,013,277
Financial assets/liabilities in the balance sheet		8,185,704	-10,881,602	-2,695,898	6,352,940	-11,134,586	-4,781,646
Collateral		1,249,406	-258,939	990,467	1,824,410	-239,824	1,584,586
Net		9,435,110	-11,140,541	-1,705,431	8,177,350	-11,374,410	-3,197,060
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.					
20	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 Andel Energi 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										
	<p>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.</p>	<p>The Group has had the following transactions and balances with related parties:</p> <table> <tr> <th></th><th>2022</th><th>2021</th></tr> <tr> <td>Sale of power to owners</td><td>10,568,595</td><td>6,188,421</td></tr> <tr> <td>Purchase of power from key personnel</td><td>6,865</td><td>9,886</td></tr> </table> <p>Related-party transactions are made on arm's length terms. Intra-group transactions have been eliminated in the consolidated financial statements.</p>		2022	2021	Sale of power to owners	10,568,595	6,188,421	Purchase of power from key personnel	6,865	9,886
	2022	2021									
Sale of power to owners	10,568,595	6,188,421									
Purchase of power from key personnel	6,865	9,886									
21	Subsequent events										
	<p>No events have occurred after the reporting date of importance to the consolidated financial statements.</p>										
22	Effects of new or amended IFRS standards										
	<p>The group has implemented all new standards and interpretations effective in the EU from 2022.</p> <p>The IASB has issued a number of new or amended and revised accounting standards and interpretations which are not yet effective. The group will adopt these new standards when</p>	<p>they become mandatory. The new amended standards or interpretations are not expected to have a significant impact on our consolidated financial statements.</p>									

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INCOME STATEMENT

Notes	DKK '000	2022	2021
3	Revenue - Sales of power etc.	343,825,684	121,491,448
	Purchase of power	-344,924,611	-121,605,185
	Net income/loss from financial instruments	12,882,800	106,196
	Gross profit	11,783,873	-7,541
4	Staff costs	-212,966	-124,653
	Other external costs	-305,733	-170,018
5	Depreciation and amortisation	-28,504	-19,899
	Operating profit	11,236,670	-322,111
	Profit on investments in subsidiaries, net of tax	113,513	35,866
6	Finance income	68,659	9,215
7	Finance costs	-112,684	-100,761
	Profit before tax	11,306,158	-377,791
8	Tax	-2,462,037	91,325
	Profit for the year	8,844,121	-286,466

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BALANCE SHEET – ASSETS

Notes	DKK '000	2022	2021
Assets			
Non-current assets			
9	Intangible assets	43,583	46,340
10	Tangible assets	76,524	81,699
	Total intangible and tangible assets	120,107	128,039
11	Investments in subsidiaries	812,167	720,369
14	Deferred tax	340,408	84,793
	Total financial assets	1,152,575	805,162
	Total non-current assets	1,272,682	933,201
Current assets			
	Inventory	817,714	427,008
17	Trade receivables	9,083,806	7,167,389
12	Tax receivable	0	3,569
	Receivables from subsidiaries	4,125,372	3,957,211
	Derivative assets	7,147,802	5,992,559
	Deposits	4,841,021	6,379,361
	Other receivables	253,940	986,105
17,18	Total receivables	26,269,655	24,913,202
	Cash	5,560,300	521,258
	Total current assets	31,829,955	25,434,460
	Total assets	33,102,637	26,367,661

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BALANCE SHEET – LIABILITIES

Notes	DKK '000	2022	2021
Equity			
13	Share capital	500,000	350,000
	Reserve for development costs	33,995	36,145
	Reserve for net revaluation according to the equity method	1,341,374	393,062
	Retained earnings	6,906,742	1,180,499
	Cash flow hedge	-43,778	-10,850
	Proposed dividend	3,000,000	0
	Total equity	11,738,333	1,948,856
Non-current liabilities			
	Lease liabilities	55,254	61,050
	Total non-current liabilities	55,254	61,050
Current liabilities			
	Lease liabilities	6,139	6,783
	Trade payables	7,445,895	5,971,179
12	Income tax payable	2,108,020	0
15,17,18	Credit institutions	0	1,136,494
15,17,18	Loans	0	2,386,500
15,17,18	Loans from related parties	0	3,109,813
	Debt to subsidiaries	42,523	372,807
	Derivative liabilities	10,097,837	10,849,608
	Deposits	1,260,524	262,025
	Other payables	348,112	262,546
	Total current liabilities	21,309,050	24,357,755
17, 18	Total liabilities	21,364,304	24,418,805
	Total equity and liabilities	33,102,637	26,367,661
16	Pledges, collateral and contingent liabilities		
19	Subsequent events		
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STATEMENT OF CHANGES IN EQUITY

Notes	DKK '000						
	Share capital	Development Reserve	Reserve for net revaluation according to the equity method	Retained earnings	Proposed Dividend	Cash flow hedge	Total
Equity 1 January 2022	350,000	36,145	399,577	1,173,984	0	-10,850	1,948,856
Capital increase	150,000	0	850,000	0	0	0	1,000,000
Transactions with owners	500,000	36,145	1,249,577	1,173,984	0	-10,850	2,948,856
Foreign currency translation adjustment	0	0	-21,716	0	0	0	-21,716
Cash flow hedge after tax	0	0	0	0	0	-32,928	-32,928
Transferred through distribution of net profit	0	-2,150	113,513	5,732,758	3,000,000	0	8,844,121
Equity 31 December 2022	500,000	33,995	1,341,374	6,906,742	3,000,000	-43,778	11,738,333
Equity 1 January 2021	221,833	29,000	365,475	544,603	0	3,622	1,164,533
Correction of equity 1 January 2021 (after tax)	0	0	0	87,025	0	0	87,025
Adjusted equity 1 January 2021	221,833	29,000	365,475	631,628	0	3,622	1,251,558
Capital increase	128,167	0	0	871,833	0	0	1,000,000
Transactions with owners	128,167	0	0	871,833	0	0	1,000,000
Foreign currency translation adjustment	0	0	-1,764	0	0	0	-1,764
Cash flow hedge after tax	0	0	0	0	0	-14,472	-14,472
Transferred through distribution of net profit	0	7,145	35,866	-329,477	0	0	-286,466
Equity 31 December 2021	350,000	36,145	399,577	1,173,984	0	-10,850	1,948,856

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Notes	
1	<div><div>Accounting policies</div><div><p>The parent financial statements at 31 December 2022 for Energi Danmark A/S is presented in accordance with the provisions of the Danish Financial Statements Act regarding Class C (large) companies.</p><p>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.</p><p>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.</p><p>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.</p></div></div>
	<div><div>Additional accounting principles for the parent company</div><div><p>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.</p><p>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.</p><p>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.</p><p>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.</p><p>IFRS for revenue and leases Revenue and lease assets and lease 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.</p></div></div>

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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.

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 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 2022, the carrying amount of derivative assets
and liabilities amounts to DKK 7,148 m (2021: DKK 5,993m) and
DKK 10,098 m (2021: DKK 10,850m), respectively.

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Notes	DKK '000	2022	2021
3	Revenue		
	Sale of power	85,461,412	54,002,442
	Gas trading	258,364,272	67,489,006
		343,825,684	121,491,448
	Denmark	323,153,033	110,849,887
	Sweden	4,455,976	3,246,556
	Finland	4,209,280	2,736,714
	Germany	2,147,400	1,300,770
	Norway	8,580,259	3,182,009
	Macedonia	1,279,736	175,512
		343,825,684	121,491,448
4	Staff costs		
	Wages and salaries and remuneration	202,943	115,300
	Pensions, defined contribution plans	8,600	8,298
	Other expenses for social security	1,423	1,055
		212,966	124,653
	Of this amount:		
	Board members' fees	43	125
	Executive Management, wages and salaries	20,685	9,241
	Executive Management wages and salaries	20,728	9,366
	Average number of full time employees	134	129
	The Executive Management has a bonus scheme that is based on achieved Group earnings.		
	Depreciation and amortisation		
	Amortisation of intangible assets	20,252	8,797
	Depreciation of tangible assets	3,014	3,645
	Depreciation of leased assets	5,238	7,457
		28,504	19,899

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Notes	DKK '000	2022	2021
6	Finance income		
	Interest income, credit institutions	34,325	48
	Interest income, subsidiaries	5,027	7,020
	Interest income, on late payments	3,590	1,435
	Interest income, rate swaps	24,513	467
	Other interest income	1,204	245
		68,659	9,215
7	Finance costs		
	Interest expenses, credit institutions	94,137	66,088
	Interest expenses, subsidiaries	2,881	5,568
	Interest expenses, corporate bonds	0	8,605
	Interest expenses, related parties	12,099	15,024
	Interest expenses, rate swaps	2,435	4,554
	Other interest expenses	222	532
	Interest expense, lease liability	910	390
		112,684	100,761
8	Tax		
	Current tax	-2,734,020	0
	Adjustment of prior year deferred tax	424	0
	Deferred tax	271,559	91,325
		-2,462,037	91,325
Specified as follows:			
	Tax on profit from ordinary activities	2,462,037	91,325
	Effective tax	22.0%	24.2%
	Income tax, received/paid	596,776	3,569

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Intangible assets

	2022		
	Completed development projects	Development projects in progress	Total
Cost 1 January	278,214	0	278,214
Additions	0	17,495	17,495
Transfers	17,495	-17,495	0
Disposals	0	0	0
Cost 31 December	295,709	0	295,709
Accumulated amortisation 1 January	231,874	0	231,874
Amortisations for the year	20,252	0	20,252
Amortisations, disposals for the year	0	0	0
Accumulated amortisation 31 December	252,126	0	252,126
Carrying amount 31 December	43,583	0	43,583
	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

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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10	Tangible assets					
		2022				
		Leasehold improvements	Vehicles	Tools and equipment	Buildings	Total
	Cost 1 January	10,435	6,320	16,653	74,996	108,404
	Additions	478	2,231	944	256	3,909
	Disposals	-6,510	-3,074	0	0	-9,584
	Cost 31 December	4,403	5,477	17,597	75,252	102,729
	Accumulated depreciation 1 January	6,670	3,898	7,047	9,090	26,705
	Depreciations for the year	407	875	1,732	5,238	8,252
	Depreciations, disposals for the year	-6,510	-2,242	0	0	-8,752
	Accumulated depreciations 31 December	567	2,531	8,779	14,328	26,205
	Carrying amount 31 December	3,836	2,946	8,818	60,924	76,524
	Depreciation period	10 years	5 years	3-5 years	3-4 years	

In the carrying amount of Buildings, DKK 60.9 m (2021: DKK 65.9 m) is relating to leases. Depreciation expenses relating to leases recognised in profit (loss) were DKK 5.2 m (2021: DKK 7.5 m).

	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	

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11	Investments in subsidiaries		
	Cost 1 January	446,022	444,535
	Additions	1	1,487
	Disposals	0	0
	Cost 31 December	446,023	446,022
	Value adjustments 1 January	274,347	240,245
	Regulation on equity in subsidiaries	-21,716	-1,764
	Dividends paid	0	0
	Profit for the year	113,513	35,866
	Adjustment, disposals for the year	0	0
	Value adjustments 31 December	366,144	274,347
	Carrying amount 31 December	812,167	720,369

Name and address	Country of incorporation	Voting right and ownership
Energi Danmark Securities A/S, Knud Højgaards Vej 2, 2., 2860 Søborg	Denmark	100%
Energi Försäljning Sverige AB, Hyllie Stationstorg 31, 21532 Malmö	Sweden	100%
Energia Myynti Suomi Oy, Teknoboulevardi 7, 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	2022	2021
12	Income tax receivable/payable		
	Income tax receivable/payable 1 January	3,569	0
	Income tax for the year	-2,734,020	0
	Income tax received	-35,639	-861
	Income tax paid	632,415	4,430
	Transferred from deferred tax	25,655	0
	Income tax receivable/payable 31 December	-2,108,020	3,569
13	Share capital		
	For information in regards to the share capital, please refer to Note 15 in the Consolidated Financial Statements.		
	Proposal for the distribution of net profit		
	Reserve for net revaluation according to the equity method	113,513	35,866
	Reserve for development costs	-2,150	7,145
	Retained earnings	8,732,758	-329,477
	Total	8,844,121	-286,466
14	Deferred tax		
	Deferred tax, 1 January	84,793	-10,616
	Adjustments of deferred tax, previous years	424	0
	Transferred to income tax	-25,655	0
	Adjustment of deferred tax	280,846	95,409
	Deferred tax 31 December	340,408	84,793
	Deferred tax relates to:		
	Intangible assets	-7,442	-6,271
	Tangible assets	2,380	1,624
	Bad debt provision	22,991	838
	Tax losses carryforward	0	85,056
	Leasing	103	0
	Provision and hedge	322,376	3,546
	Carrying amount 31 December	340,408	84,793

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	2022	2021
15	Borrowings		
Credit institutions and borrowings			
Current borrowings			
Debt to credit institutions		0	1,136,494
Loans		0	2,386,500
Loans from related parties		0	3,109,813
		0	6,632,807
Total borrowings			
Nominal value			
Maturity of non-current and current borrowings			
Less than one year		0	6,632,807
Between one and five years		0	0
More than five years		0	0
		0	6,632,807

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	2022	2021
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	3,595,072	5,534,412
	Guarantees		
	Guarantees provided by a financial institute	3,052,310	2,408,709

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 2,734 m as at 31 December 2022 (2021: DKK 0 m). 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:

	2022		2021	
	Carrying amount before impairment	Provision for impairment	Carrying amount before impairment	Provision for impairment
Customers not due	9,182,679	100,000	7,167,108	537
Customers in dunning process	1,399	1,119	1,369	1,095
Insolvent customers	4,235	3,388	2,721	2,177
Total	9,188,313	104,507	7,171,198	3,809

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 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 23.0 m. 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 10.2 m.

The liquidity risk is managed and monitored on a daily basis and a cash flow prognosis showing expected future cash movements is maintained. During 2022 the Group cash reserve have been improved due to consolidation and working capital improvements.

The majority of guarantees provided by the owners have been returned and the remaining guarantees for 350 mdkk expire on 1 June 2023. All loans from the owners and banks have been repaid on 31.12.2022.

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 16. 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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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	0	0
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

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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.
Market risk		
The market price for electricity has proven 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 hedging position.
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.		
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.		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).

	2022			2021		
	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	-115,900	-90,402	40%	-219,142	-170,931	40%
Currency exchange rate	20,659	16,114	1%	11,059	8,626	1%

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

	2022	2021
Derivative assets		
Financial	630,785	48,086
Physical	6,517,017	5,944,473
	7,147,802	5,992,559
Derivative liabilities		
Financial	4,144,668	2,214,224
Physical	5,953,169	8,635,384
	10,097,837	10,849,608

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Fair value measurement of financial instruments

	2022			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative financial assets:				
Interest rate swaps	0	62,209	0	62,209
Foreign exchange forward	0	47,636	0	47,636
Commodity derivative	16,289	6,398,501	623,167	7,037,957
Total	16,289	6,508,346	623,167	7,147,802

Financial liabilities measured at fair value

Derivative financial liabilities:				
Foreign exchange forward	0	46,053	0	46,053
Commodity derivative	306,416	9,478,508	266,860	10,051,784
Total	306,416	9,524,561	266,860	10,097,837

If electricity prices changes with 5% the net level 3 value will change with DKK 20.5 m (2021: DKK 19.7 m).

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 determined 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 0 % on 31 December 2022 (2% at 31 December 2021).

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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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

Level 3	
Opening balance 1 January 2022	311,497
Gains recognised	-4,362
Transfers	49,172
Total	356,307

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 2022.

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 2022 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 2022.

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, 31st of March 2023

Executive Board

Jesper Nybo Stenager

CEO

Board of Directors

Jesper Hjulmand

Chairman

Jacob Vittrup

Deputy Chairman

Ole Hillebrandt Jensen

Board Member

Morten Bryder Pedersen

Board Member

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 2022 and of the results of the Energi Danmark Group's operations and cash flows for the financial year 1 January to 31 December 2022 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 2022 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2022 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 2022, 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 Energi Danmark 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 Energi Danmark 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 Energi Danmark 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 Energi Danmark 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 Energi Danmark 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 Energi Danmark Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Energi Danmark 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, 31st of March 2023

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

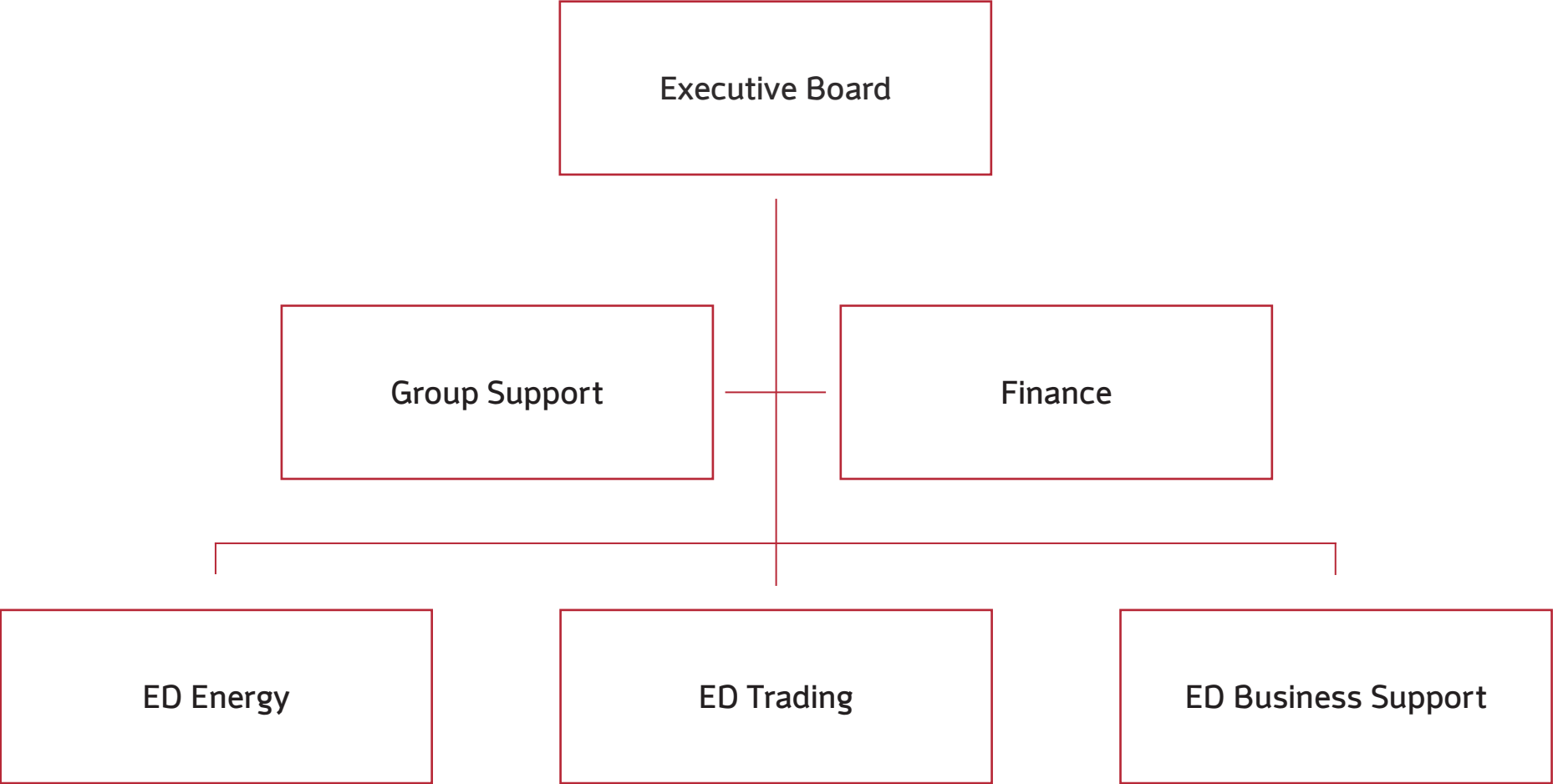


ORGANISATION

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

ORGANISATIONAL CHART

As of the 31st of December 2022



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: The 1st of July 1993
Domicile: Aarhus Municipality
Financial year: 1st of January – 31st of 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

THE EXECUTIVE MANAGEMENT COMMITTEE

Executive Board
Jesper Nybo Stenager,
CEO

ED Energy
Mia Hansson,
Director, ED Energy

ED Business Support
Thomas Bech Pedersen,
CEO, EDBS

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



Jesper Hjulmand



Jacob Vittrup



Ole Hillebrandt Jensen



Morten Bryder Pedersen



Jesper Nybo Stenager

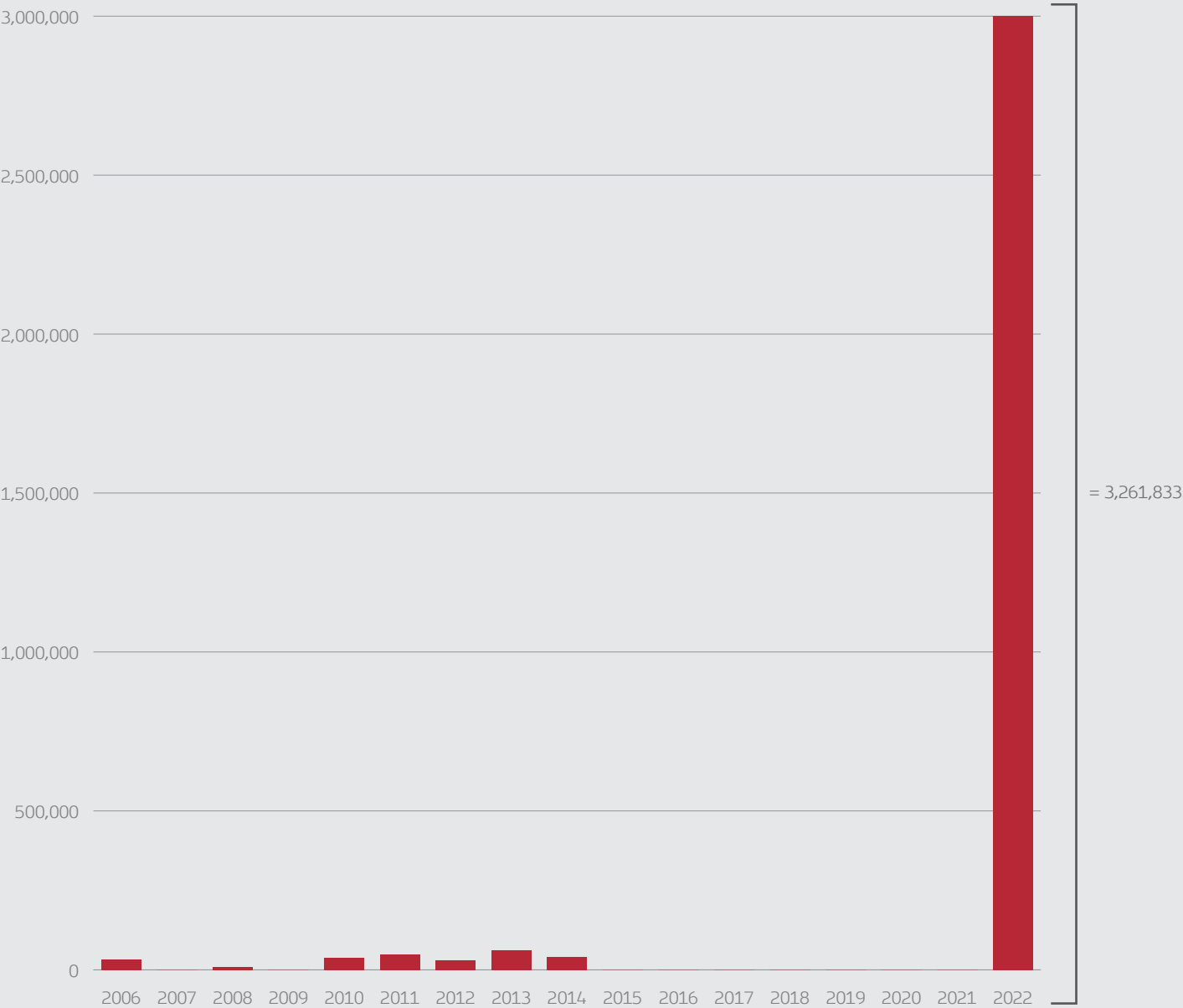
OWNERSHIP

Energi Danmark is owned by three electricity companies, which in turn are owned by private shareholders. Shareholders are Andel, NRGi and Andel Energi.

As of the 31st of December 2022, the company has the following shareholders:

	Ownership%	Share capital (DKK)
1. Andel a.m.b.a., Svinninge, Denmark	45.54	227.700.000
2. NRGi a.m.b.a., Aarhus N, Denmark	36.35	181.750.000
3. Andel Energi A/S, Svinninge, Denmark	18.11	90.550.000
	100.00	500.000.000

ANNUAL DIVIDEND IN T.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)
- > Green Power Denmark (Chairman)
- > Fibia P/S (Chairman)
- > Employer´s Association for Danish Energy and Utility Companies, DEA (Chairman)
- > Dansk Industri Hovedbestyrelse (Executive committee)
- > Andel Energi a/s (Chairman)
- > Watts a/s (Chairman)

Committee memberships:

- > DI Executive Committee
- > 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 Elhandel (Chairman)
- > Energiselskabet Natur-Energi (Chairman)
- > ELCON A/S (Chairman)
- > NRGi Rådgivning (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)
- > Andel Ratio A/S (Chairman)
- > Impagt Invest Sjælland a/s
- > Fibia P/S
- > Energi Danmark A/S

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 Elhandel
- > Energiselskabet Natur-Energi A/S
- > Kuben Management A/S
- > Fibia P/S
- > Clever A/S

EXECUTIVE BOARD

Jesper Nybo Stenager

CEO of Energi Danmark A/S
(since 10.02.2023)
CFO of Energi Danmark A/S
(since 01.04.2015)
State-authorised 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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