

Press release

Energi Danmark A/S - Annual Report 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 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.

We have been through another extraordinary year on the European energy markets, with rapidly increased and unprecedented volatile energy prices and collateral requirements for trading at the power exchanges.

In 2022, the Energi Danmark group achieved a revenue of DKK 344.6bn driven by high prices on the electricity and gas markets. The volume of delivered energy is not significantly higher than 2021. The revenue is mainly based on cross-border and gas trading activities. The group's result after tax of DKK 8.8bn is considered very satisfactory. The result is realized due to successful trading strategies outside the Nordic countries.

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

“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,” says CEO Jesper Nybo Stenager.

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.

A volatile 2022

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. Its portfolio consists of options to flow electricity and gas, which become valuable in scenarios with high prices or extreme volatility as experienced in 2022. In 2022, the Energi Danmark Group's trading division's result primarily stems from markets outside the Nordic countries.

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 to manage the level of collateral and working capital requirements.

Acquisition of Andel Energi's business customers

In 2022 we executed on the new strategy following from Andel and NRGi's consolidation of ownership of Energi Danmark in 2021, which laid the ground for further development of the Energi Danmark group. A transfer of Andel Energi's business activities regarding large business customers to Energi Danmark was concluded with effect from 1 January 2023. This will increase Energi Danmark's possibilities in the market even further.

"Andel and NRGi both have a strong and close relationship with the Energi Danmark Group and the acquisition shows that we are able to execute on the group's strategy and create further opportunities in the Northern European energy markets," says Chairman of the Board Jesper Hjulmand.

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 its owners, Andel and NRGi of DKK 3bn.

Expectations for 2023

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

Further information:

Chairman of the Board, Jesper Hjulmand
CEO, Jesper Nybo Stenager

Via Andel's press department +45 2170 3101