

Annual report 2024

Hovedgaden 36, 4520 Svinninge | CVR number 6851 5211

A woman with long blonde hair, wearing a grey sweater and dark jeans, carries a green jacket under her arm. She walks alongside a child with red hair wearing a green and white striped shirt and blue overalls. They are walking away on a sandy path through tall, dry grass. A small, fluffy, light-brown dog is walking ahead of them. In the background, a line of wind turbines is visible on the horizon under a clear blue sky.

and e

“ Andel must be committed to slowing climate change and ensuring a livable planet for future generations.

Bart Gyldenløve Roetink, Chairman of the Board
Jesper Hjulmand, Group CEO

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EBITDA

DKK 3.1 billion

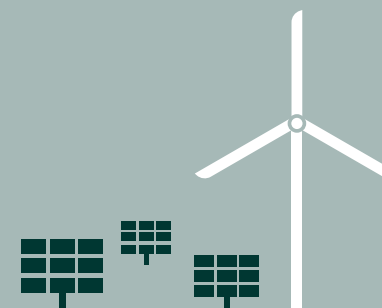
In 2024, **EBITDA** increased by 18% to DKK 3,070 million – the highest level ever, with the exception of the extraordinarily high earnings in 2022.



Investments

DKK 4.8 billion

In 2024, Andel **invested** a record-breaking DKK 4,772 million via our subsidiaries – an increase of 39% from the previous record.



Our customers

3.2 million

Andel's **customer base** increased in 2024 to a total of 3.2 million customer relationships. Growth is particularly driven by growth in e-mobility and fibre-optic broadband networks.





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Courage to take responsibility in the face of adversity

While the global temperature in 2024 exceeded the intent of the Paris Agreement for the first time, the green transition of the energy system ran into headwinds. With its cooperative owners behind it, Andel invested at historic levels to take responsibility in the fight against the climate crisis and made necessary prioritisations aimed at creating value for cooperative owners, customers and society.

Can we continue to talk about turbulence when the tremors are so frequent and so extensive that we only have a few fleeting moments of calm?

In recent years, Andel, the rest of the business community, the Danish population, policy makers and the global community have navigated everything from the COVID-19 pandemic to disrupted supply chains, extreme volatility in energy markets, a full-blown



energy crisis, war in Europe, geopolitical unrest and a highly topical view on the security of supply and energy as a key security policy. This is all on top of the drastic and accelerating consequences of climate change.

In this light, 2024 was unfortunately no exception. Devastating floods in Spain, hurricanes in the US, wildfires in Brazil and a heatwave in West Africa stood out as shining examples of the extreme weather conditions that climate scientists indicate will be sparked by the increasing temperature.

With an average temperature of 1.6°C above pre-industrial levels, the year ended as the warmest ever recorded – so hot that, for the first time, the world surpassed the Paris Agreement's intention not to exceed 1.5°C.

In 2025, the US is exiting the Paris Agreement for the second time. It is totally understandable to find yourself thinking that things are looking a little bleak right now.

It is all the more important that Andel and many others continue to insist on creating a greener future: insist on a future without fossil fuels; insist on slowing climate change and ensuring a livable planet for future generations. The green transition in energy consumption in 2024 faced headwinds, but it is by no means cancelled.

Significant increase in investments

In a challenging 2024, where words and toasts were put to the test, Andel stepped up our contribution to a greener and more digital future.

If we, as a society, are to accelerate the green transition, it requires efforts and investments across a broad range of

technologies across the value chain, from energy production to infrastructure and consumption. With investments totalling DKK 4.8 billion across the Group, we increased our investment level by 39% compared to the previous record of DKK 3.4 billion from 2023.

As in previous years, much of the money went to expanding the electricity grid in Eastern Denmark, investing in fibre-optic broadband in Region Zealand and rolling out charging networks across the country. New in 2024 was a major three-digit million-euro investment in new renewable energy production.

At the same time, Andel, our partners and the rest of the industry were challenged by a rapidly changing reality, especially in the market for investments in renewable energy production.

This new reality gave us reason to revisit our investment plan – not to lower our ambitions, but to ensure that the investments generate the greatest green transition for the money and thereby the most value for cooperative owners, customers and society.

Democratic ownership ensures long term vision

Andel's ability to invest long-term and patiently, even in challenging times, stems largely from our unique ownership structure as a cooperative society.

Backed by a strong support base, we prioritise the responsibility for creating a greener and more digital future over chasing short-term profit. We can afford to do this because the Group is financially robust and we have strong support for thinking in terms of decades rather than years.

When we took over Nakskov Elnet in June, we welcomed around 8,200 new cooperative owners. They joined the community at a

2024 status on selected owner promises



Andel will invest at least DKK 1.5 billion per year in electricity grids and charging networks for electric cars leading up to 2030. In 2024, Andel invested more than DKK 3 billion in electricity grids and charging networks for electric cars via its subsidiaries Cerius, Radius Elnet, Nexel and Clever.



By 2030, at least 50% of cooperative owners should know they are cooperative owners.

The average cooperative owner awareness increased significantly in 2024, reaching 38% compared to 25% in 2023. Awareness peaked in March at 52%.



At least 20% of cooperative owners vote in the 2030 Committee of Representatives election.

Record high average voting percentage of 13.3% in the 2024 Committee of Representatives election in Faxe, Køge, Ringsted and Vordingborg municipalities.

“ It may be that the green transition of energy consumption faced resistance in 2024. But it is by no means cancelled.



New members in Lolland Municipality

Following the acquisition of Nakskov Elnet in 2024, the citizens of Nakskov were able to vote for the first time in the recent election for the Committee of Representatives held in Lolland Municipality in 2025.

time of great interest in energy prices, energy consumption and the need for a green transition in the world's energy systems.

The 2024 elections for the Committee of Representatives in Faxe, Vordingborg, Ringsted and Køge municipalities ended with the highest average vote percentage to date at 13.3%. In parallel, our work continues towards our policy goal for value creation that at least 20% vote in the Committee of Representatives elections in 2030.

In 2024 we launched Andel Academy to best prepare cooperative owners for their role as members of the Committee of Representatives, achieve the best possible basis for broad representation and create a common foundation for debates and dialogues.

This represents a training offer for members of the Committee of Representatives, which provides insight into areas that are sometimes complex, such as annual reporting, the electricity system, the electricity market and the green transition. We expect this initiative to strengthen the already valuable dialogues between the Committee of Representatives, the Board of Directors and the Executive Board.

Renewable energy ambitions put to the test

In particular, our ambitions to invest in renewable energy production met resistance in 2024. At the beginning of the year, we expected the first large solar park in Andel's partnership with Better Energy to be connected during the course of the year.

However, sometimes things do not work out the way you hope. Shortly before Christmas, Better Energy entered restructuring proceedings, and instead of celebrating the grid connection of the partnership's first solar park together, we spent the months

around the turn of the year clarifying the future of four agreed solar parks. According to the current plan, these can be completed during 2025 and 2026.

In offshore wind, the new reality of the market became clear to everyone in December when no bids were received to build three offshore wind parks in the Danish North Sea.

We are very interested in building offshore wind in Denmark. As a purpose-driven company, creating value by contributing to sustainable development of society is at our very core.

As former Italian Prime Minister and head of the European Central Bank (ECB) Mario Draghi stated in a much-publicised report last autumn, a major expansion of renewable energy in Europe does more than just reduce CO₂ emissions. It also lowers energy prices, creates jobs and strengthens Europe's competitiveness and security.

At the same time, we realise that the conditions for investing in renewable energy production have changed fundamentally since we presented the investment plan in 2022, with expected investments totalling DKK 90 billion by 2035.

The ambition was to invest half in areas such as wind, solar, Power-to-X and energy storage. But as the market changes, we must also – as a responsible company – look at whether the pieces are still in the right place on the board, so that Andel's investments generate the greatest green transition for the money.

In this context, it would be irresponsible for us to invest billions in offshore wind power, for example, if we do not believe the investment can be recouped. Or if Andel, with an increased focus on flexibility and consumption, can help create the conditions for

accelerating the expansion of new renewable energy production in Denmark.

That does not change the fact that offshore wind is an essential technology in the fight against climate change, or that Denmark is a great country for offshore wind. Our hope is that all relevant forces come together to find the right procurement model so that we can move forward with the expansion of renewable energy production.

For this reason, we are also pleased that the government has made it clear that Denmark's electricity consumption must be covered by renewable energy and that a number of new initiatives will ensure that more wind turbines will be spinning in Danish waters.

Knowledge of our cooperative society on the rise

At the Committee of Representatives meeting in April, Jens Stenbæk stepped down after seven years as Chairman of the Board. He was replaced by Bart Gyldenløve Roetink as the new chairman of the board, while Lone Hass became deputy chairman.

The new board leadership was formed in the wake of Andel briefly hitting a milestone in the value creation policy: that by 2030, at least half of cooperative owners should know that they are cooperative owners.

In March, awareness peaked at an impressive 52%. Not surprisingly, this happened at the same time as we communicated intensively that cooperative owners could receive a payment of DKK 2,500 based on the group's extraordinary profit back in 2022.

At the end of the payout, Andel had paid out DKK 804 million to the more than 93% of cooperative owners who had signed up to receive it. The high level of knowledge of our cooperative society

right around the payout is obviously more of a curiosity than a guideline for future awareness. More precisely, we're thrilled that the average knowledge of our cooperative society for the whole of 2024 increased significantly to 38%, compared to 25% in 2023 and 22% in 2022.

Customer base grows amid increasing competition

Andel's revenue in 2024 totalled DKK 83,544 million, while EBITDA was DKK 3,070 million, corresponding to an increase of 18%. The net profit or loss before tax and value adjustment of the Group's shareholding in Ørsted ended at DKK -42 million, which is considered satisfactory in light of the challenging circumstances. On the bottom line, we ended 2024 with a profit or loss after tax of DKK -1,167 million.

The largest single impact in the financial statements stems from Ørsted's falling share price in 2024, which contributed an unrealised capital loss of DKK 1,055 million to the net profit or loss for the year.

In the business area of **Energy production**, revenue and operating profit developed negatively, in part due to less wind and lower prices than expected.

In **Infrastructure**, both revenue and operating profit developed favourably, partly due to increased consumption and increased connections from customers with high levels of electricity consumption. This development also means an even greater need for massive investments in the maintenance and expansion of the electricity grid, where the group invested more than ever in 2024.

At **Customer Solutions**, we succeeded in increasing our customer base and operating profit in an increasingly competitive market. Growth was particularly driven by customer growth in e-mobility and fibre-optic broadband networks. Revenue decreased due to lower electricity prices than in 2023.

Andel is a long-term co-owner of Ørsted

Andel's ownership stake in Ørsted is based on a strategic choice to be a player in energy production. Since Ørsted's stock exchange listing in 2016, our shareholding has contributed with positive value adjustments, realised gains and dividends totalling DKK 10.8 billion.

Increased focus on costs to strengthen the bottom line

It is gratifying that we are gaining more customers in the business, and in 2024, Andel manifested its position as market leader with a total of 3.2 million customer relationships. However we must also continuously ensure that we get the best out of our position.

At Andel, we don't get up in the morning with the general goal of chasing big profits; rather we want to fulfil our CSR – just as we have done for more than 100 years.

Nevertheless, the ability to do so for the next 100 years goes hand in hand with the ability to constantly maintain the Group's financial robustness.

In light of a first half-year where the Group's results were negatively affected by external factors such as fluctuating energy prices and high material prices, we announced a more intensive focus on the Group's costs together with Andel's half-year report.

We will maintain this focus in the coming years. Together with increasing revenue in several subsidiaries, increasing operating profit and utilising synergies across the group, this will strengthen the bottom line, so that Andel can continue to take responsibility for a greener future in the long term.

Continuing the fight towards a greener future

This is because Andel's vision and mission is to create energy for life by being the best connection in the fight for a greener and more digital future for all.

2024 showed that it truly is a struggle. Never something that comes naturally. It became more difficult for us to place investments in renewable energy production at the pace we recently expected when launching the investment plan.

However, our presence throughout the value chain from production to end-customer sales allows us to act with increased focus on areas that support the flexibility and consumption needed to, once again, increase demand for new renewable energy production.

Regardless of the magnitude of the challenges, we continue the struggle with an intensive focus on allocating investments such that they generate the maximum green transition for the money. We do this for the benefit of our cooperative owners, our customers and the community around us.

Thank you to the members of Andel's Committee of Representatives for once again in 2024 supporting Andel's fight for a greener future. And many thanks to the more than 2,900 colleagues who work hard to realise these ambitions.

Your tireless efforts are very much needed, as this year, we expect to increase the Group's investments again from DKK 4.8 billion in 2024 to approximately DKK 5.3 billion in 2025.

We stand together when it comes to taking responsibility.

Upwind, downwind and everything in between.

Svinninge, 26 March 2025



Bart Gyldenløve Roetink,
Chairman of the Board

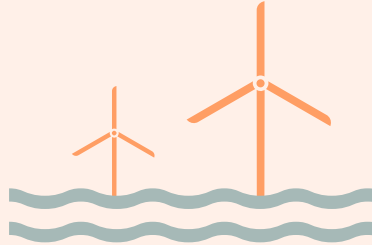


Jesper Hjulmand,
Group CEO

“ The ability to fulfil CSR goes hand in hand with the ability to maintain Andel's financial robustness.

Bart Gyldenløve Roetink, Chairman of the Board
Jesper Hjulmand, Group CEO

The past year at Andel – 2024



Ørsted pauses dividend payment

A significant decision for Andel, which, as a major shareholder in Ørsted, has received DKK 2 billion in dividends since Ørsted's stock exchange listing in 2016.

New cooperative owners are incorporated

Andel acquires Nakskov Elnet and merges the company into the grid company, Cerius. This means that around 8,200 grid customers in Nakskov will become cooperative owners.

Important agreement for the electricity grid of the future

As an important part of the expansion of the electricity grid, Cerius and Radius Elnet, as well as Nexel, decided on a billion-kroner tender for 15 primary substations on Zealand and Lolland-Falster – the largest substations in the Group's electricity grid.



1,000

public fast charging points

Clever reaches a milestone shortly before the New Year after setting up an average of more than one fast charging point per day in 2024.

Change is hard. But necessary

One of the most effective things we can do to reduce CO₂ emissions as private individuals is to switch from fossil-fuelled cars to electric cars. That's why Andel is launching a nationwide campaign for fossil-fuelled cars to have no place in a greener future.

February

May

August

December

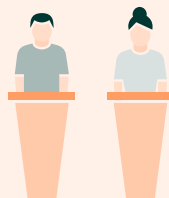
April

June

September

Opening of the Energimissionen

Andel's free school service for 5th and 6th graders in Region Zealand opens its doors in Svinninge. It aims to expand students' understanding of climate, energy systems and future green technologies.



New board leadership takes over

Bart Gyldenløve Roetink and Lone Hass form the new leadership of Andel's Board of Directors, as Jens Stenbæk, after seven years at the helm, chooses not to stand for re-election. He cites ongoing turnover as a key theme in the recommendations for good corporate governance in consumer-owned companies.

804 DKK million

paid to cooperative owners

Andel finalises the payment of dividends to the cooperative owners, which was decided based on the extraordinary financial year 2022.



Initiating street light shutdown

After some difficult years for Andel Lumen, Andel sold the charging point installation business and began a shutdown of the street lighting business.



Selected key financial ratios

● 2024 ● 2023

Net revenue

83.5 ↓ DKK billion
124.3 DKK billion

Profit or loss before tax and price adjustment of the Ørsted share

-42 ↑ DKK million
-83 DKK million

EBT

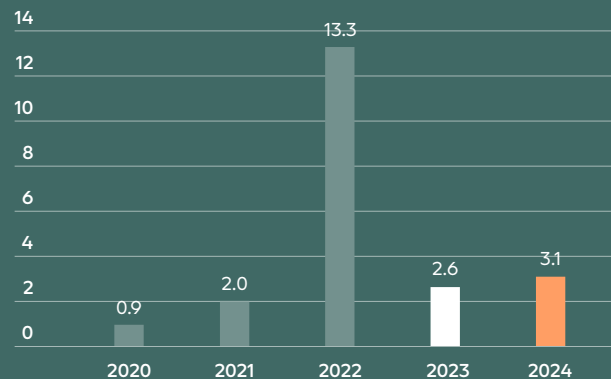
-1.1 ↑ DKK billion
-5.5 DKK billion

Equity

32.3 ↓ DKK billion
34.5 DKK billion

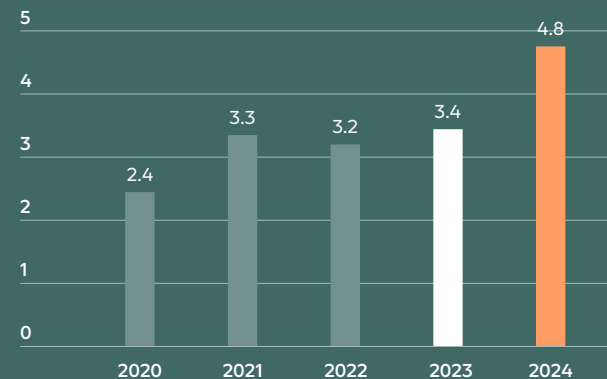
EBITDA

3.1 ↑ DKK billion **2.6** DKK billion



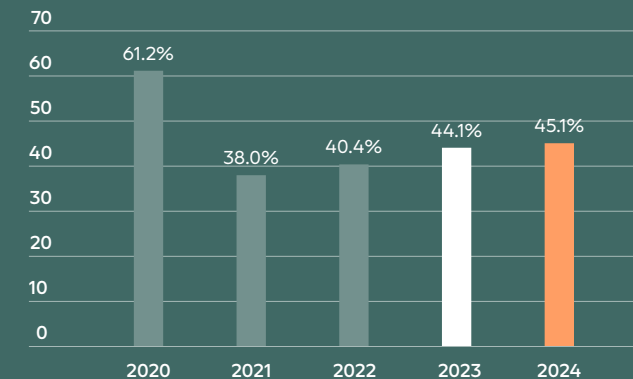
Investments

4.8 ↑ DKK billion **3.4** DKK billion



Solvency ratio

45.1 ↑ per cent **44.1** per cent



Selected ESG highlights

● 2024 ● 2023

Environment (E)

Scope 1, tonnes CO₂e

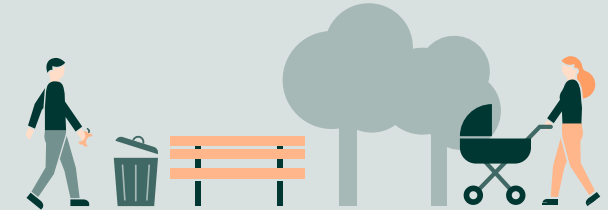
Total inventory of fuel, building heating gas, SF₆ gas losses and HFC losses.

3,724 ↑ tonnes CO₂e
3,496 tonnes CO₂e

Scope 2, tonnes CO₂e

Total calculation of district heating consumption, electricity consumption and grid loss (location-based method).

26,279 ↓ tonnes CO₂e
29,492 tonnes CO₂e



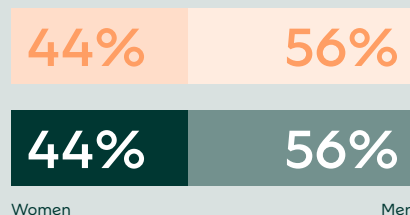
Governance (G)



● 2024 ● 2023

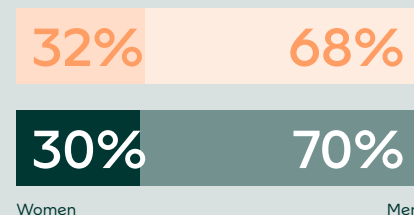
Gender composition of the board of directors, Andel A.m.b.a.

Number of women and men as a percentage of the total number of A.m.b.a. board members at year-end, excluding employee-elected members.



Gender composition of the Committee of Representatives

Number of women and men as a percentage of the total number of members of the Committee of Representatives at year-end.



Social (S)

Employee engagement

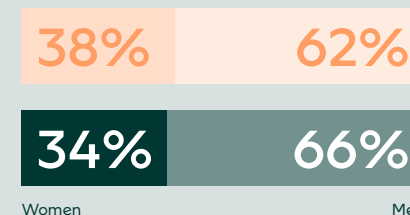
Based on results from the Employee Satisfaction Survey.

78% 78%

● 2024 ● 2023

Gender composition at other management levels

Number of women and men as a percentage of the total number of people in other management levels at year-end for companies in reporting class C (large).



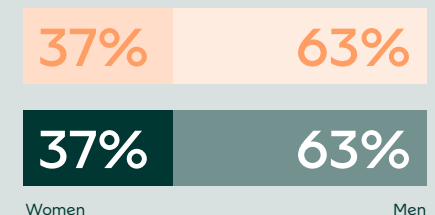
Average number of employees

Average number of employees during the year for the entire group.

2,965 2,650

Gender composition of the labour force

Number of women and men as a percentage of the total number of employees at year-end for the entire Andel Group.



Financial highlights

(DKK million)	2024	2023 ⁵	2022	2021 ³	2020 ²
Profit or loss					
Net revenue	83,544	124,335	369,118	56,345	7,569
Gross profit	5,429	4,606	15,067	3,408	1,850
EBITDA	3,070	2,609	13,258	1,962	938
EBITDA, normalised	-	-	-	2,248	1,522
Profit/loss before financial income and expenses, net (EBIT)	526	58	10,858	-20	-848
Profit/loss from net financials	-1,623	-5,554	-4,466	-8,200	11,324
EBT	-1,097	-5,496	6,392	-8,220	10,476
Net profit or loss	-1,167	-5,492	4,037	-8,308	10,674
Net profit or loss before tax and value adjustment of the Ørsted share	-42	-83	10,686	380	-747
Balance sheet					
Total assets	71,664	78,299	102,756	98,078	72,453
Total investments ⁴	4,772	3,433	3,192	3,340	2,436
Investment in tangible fixed assets	4,321	3,045	2,613	2,491	2,001
Equity	32,286	34,536	41,476	37,312	44,350
Cash flows					
- operating activity	2,169	6,697	12,527	-5,847	-3,625
- investment activity	-4,772	-3,143	-2,714	-2,066	-17,896
- financing activity	-1,651	-3,238	-2,998	8,161	10,353
Changes in cash and cash equivalents for the financial year	-4,254	316	6,815	248	-11,168
Financial ratios	%	%	%	%	%
Gross margin ratio	6.5	3.7	4.1	6.0	24.4
Profit margin	0.6	0.0	2.9	0.0	-11.2
Profit margin normalised ¹	-	-	-	1.1	4.6
Return on capital employed	0.7	0.1	10.6	0.0	-1.2
Return on capital employed normalised ¹	-	-	-	0.2	0.5
Solvency ratio	45.1	44.1	40.4	38.0	61.2
Return on equity	-3.5	-14.5	10.2	-20.3	27.4

¹ Normalised EBITDA, "Normalised profit margin" and "Normalised return on capital employed" have been prepared in accordance with "Recommendations and Ratios" of CFA Society Denmark (<https://cfa.dk/publikationer-2/vejledninger/>) (<https://www.keyratios.org/>). The figures have been adjusted for the effect of the special items specified in the note concerning special items in the annual report for the respective financial year.

² From start of September 2020, the acquired Radius Elnet A/S and Ørsted's residential customer and consolidated exterior lighting business are included.

³ From start of November 2021, Energi Danmark is fully recognised in the group.

⁴ Total investments for 2020 are calculated without recognising the investment in Radius Elnet and Ørsted's residential customer and consolidated exterior lighting business.

⁵ Comparative figures for 2023 have been corrected due to a material misstatement concerning previous years. Please refer to the description in the accounting policies.

Explanation of financial ratios

The financial ratios have been prepared in accordance with "Recommendations and Ratios" of CFA Society Denmark.

The financial ratios have been calculated as follows:

$$\text{Gross margin ratio} = \frac{\text{Gross profit/loss} \times 100}{\text{Net revenue}}$$

$$\text{Profit margin} = \frac{\text{Profit/loss before financial income and expenses, net} \times 100}{\text{Net revenue}}$$

$$\text{Return on capital employed} = \frac{\text{Profit/loss before financial income and expenses, net} \times 100}{\text{Total assets}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at year-end} \times 100}{\text{Total assets}}$$

$$\text{Return on equity} = \frac{\text{Net profit or loss} \times 100}{\text{Average equity}}$$

ESG financial highlights

	Unit	2024	2023	2022	2021	2020
Climate and environment						
CO ₂ e emissions, scope 1 ¹	Tonnes	3,724	3,496	3,009	3,264	1,947
CO ₂ e emissions, scope 2 – location-based ¹	Tonnes	26,279	29,492	29,695	73,627	40,533
CO ₂ e emissions, scope 2 – market-based	Tonnes	274,869	230,925	2,505	-	-
CO ₂ e emissions, scope 3, category 1 + 2	Tonnes	200,696	202,574 ²	149,192 ²	-	-
Social relationships						
Average number of employees per year ¹	Number of	2,965	2,650	2,371	1,993	1,303
Gender diversity, employees	%f/%m	37/63	37/63	36/64	38/62	38/62
Age breakdown, employees (<30 years / 30-50 years / >50 years)	%	13/44/43	13/46/41	-	-	-
Accidents at work ¹	Number of	38	27	26	31	25
Sick leave ¹	%	3.5	3.3	3.4	2.9	2.0
Trainees, apprentices and graduates	Number of	78	78	59	32	18
Gender pay gap	Times	1.22	1.22	1.21	-	-
Management structure						
Gender diversity in the board of directors, Andel A.m.b.a.	%f/%m	44/56	44/56	33/67	30/70	36/64
Gender diversity in the Committee of Representatives	%f/%m	32/68	30/70 ³	25/75 ³	14/86	13/87
Gender diversity in other management layers	%f/%m	38/62	34/66	34/66	34/66	38/62
Attendance at board meetings	%	99	95	94	-	-
Pay gap between CEO and employees	times	16	19	15	-	-

¹ The acquisition of Radius Elnet and Ørsted's private customer and consolidated exterior lighting business was concluded in 2020 with four months' consumption of electricity, district heating, water consumption and fuel, etc., where data for 2021 and onwards includes the former Radius Elnet and Ørsted's private customer and consolidated exterior lighting business in full. This affects all comparisons made between years.

² Data has been adjusted due to updates to the underlying data. Adjusted from 132,011 tCO₂e (2022) and 169,154 tCO₂e (2023).

³ Figures have been updated from the latest annual report, as the reporting practice has been changed to exclude employee- and consumer-elected board members and members of the Committee of Representatives appointed in accordance with the Articles of Association.

Vision and mission

We create energy for you
to live your life by being
each other's best connection
in the fight for a greener
and more digital future
for all.



We are Andel – We take responsibility

Andel is a cooperative society and a group with subsidiaries, which builds and believes that everyone has the right to a greener and more digital future.

When the light bulb is on, the internet connection is top notch and the car is charged, life is not only easier, but also more enjoyable. It creates value, freedom and opportunity.

As Denmark's leading energy and fibre-optic broadband network group, we fight every day to pull society in a greener and more digital direction through our three business areas: Energy Production, Infrastructure and Customer Solutions.

With a presence across the entire value chain, we see it as our life's most important task to develop and build renewable energy production, new technologies, infrastructure and customer solutions that contribute to Denmark's green and digital transition.

As a group, we are part of an ambitious transition of society with our planned investment of DKK 90 billion by 2035 in renewable energy production, electricity grids, fibre-optic broadband networks, Denmark's largest charging network and visionary energy solutions for our customers.

Our democratic form of ownership allows us to invest long-term and patiently and to contribute to the growth and development of the society we are part of.

We have been doing this for more than 100 years with the support of our owners: Cooperative members in Northwest, Central and South Zealand, Lolland-Falster and the islands.

Through Andel's Value Creation Policy, the cooperative members jointly set the long-term strategic direction for the group, which the Committee of Representatives, Board of Directors and Executive Management follow up on.

Through campaigns, we address important societal agendas to push barriers and boundaries so that, together, we can create a greener and more digital future with continued high security of supply – without fossil fuels.

We are proud of that – just as we are proud when Group companies develop concrete energy solutions that make it easy and attractive for our customers to make more sustainable choices and act on their carbon footprint.

This is because, at Andel, we are part of everyday life, part of working life and a part of Denmark. This is true in the countryside as well as in the cities, and we take pride in taking responsibility – for the benefit of our cooperative owners, customers and society.

“ Our democratic ownership allows us to invest long-term and patiently.

At a glance

Andel goes to market in the group's own name and through a number of subsidiaries, wholly or partly owned by Andel.



Andel A.m.b.a.



andel



⚡ Energy production



Wind



Sun



Power-to-X



Shareholding in Ørsted

🏗️ Infrastructure

cerius · radius

NEXEL

🏠 Customer solutions

andel energi

andel lumen



Fibia

Clever

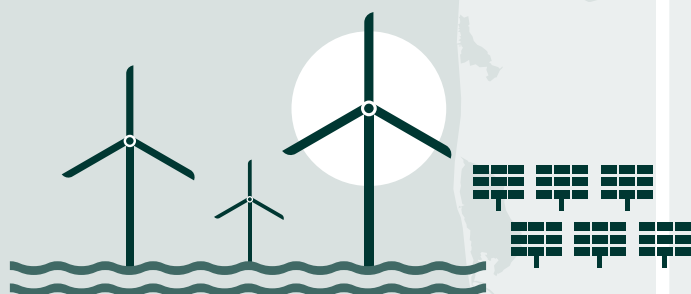
Watts®

Energi Danmark®

Business areas

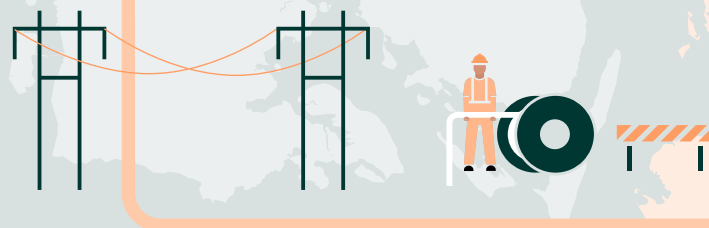
⚡ Energy production

We produce and invest in new renewable energy. When the sun shines on our solar cells and the wind blows on our wind turbines, power is produced. In our electrolysis plant, excess electricity is converted into hydrogen. And with a long-standing stake in Ørsted, we are indirectly invested in energy production in other countries.



🏗️ Infrastructure

We operate, maintain and expand the electricity grids in most of eastern Denmark, ensuring they are equipped to meet future demand. Through subsidiaries, we transport power to more than 1.5 million grid customers on Zealand, Lolland-Falster and the islands and connect new customers, new renewable energy production and energy storage.



Energy plays an increasing role in everyday life – when we work, cook, drive and heat our homes. With a presence throughout the value chain, Andel is resilient to market fluctuations and has the flexibility to target our investments so as to generate the maximum green transition for the money and to support the electrification of society.

100%

We are investing in renewable energy production, with the goal of covering sales to residential customers by 2035.

🏠 Customer solutions

We develop and offer digital and future-proof customer solutions for both private and business customers. Through subsidiaries with a wide range of products and solutions within electricity contracts, energy trading, energy optimisation, heat pumps, high-speed internet and charging solutions and with Denmark's largest charging network in the portfolio, we want Andel to be the customers' first choice and make greener choices easy and attractive.





Examples of 2024 investments

- DKK 2,279 million in increased electrification and reinvestments in the electricity grid via Cerius and Radius Elnet and Nexel.
- DKK 883 million primarily in the expansion of charging networks via Clever
- DKK 691 million primarily in the rollout and maintenance of fibre-optic group via Fibia
- DKK 684 million in renewable energy production, primarily in the development of solar parks.

Expected 2025 investments

- Approx. DKK 2.4 billion in increased electrification and reinvestment in the grid via Cerius and Radius Elnet
- Approximately DKK 1.1 billion in renewable energy production, primarily solar parks.
- DKK 900 million primarily in the expansion of charging networks via Clever
- DKK 800 million primarily in the rollout and maintenance of fibre-optic group via Fibia

The maximum green transition for the money

The electrification of society is moving too slowly, which in 2024 affected market conditions for investments in new renewable energy production. Andel responded with an increased focus on supporting consumption and flexibility. Despite a changing market, we increased investments in a greener and more digital future.

At Andel, We WANT the green transition. As a purpose-driven company, our point of departure is to create value and be of benefit to the cooperative owners, our other customers and Denmark in general by contributing to the sustainable development of society.

To achieve this, we have promised our cooperative owners to take responsibility for a greener and more digital future, with massive investments in renewable energy production, expansion of the electricity grid, expansion of the charging and fibre-optic broadband networks, and smart, digital customer solutions.

Specifically, in 2022 we presented an investment plan under which Andel expects to invest a total of DKK 90 billion in the green and digital transition by 2035.

In year two of the Group's investment plan, we increased investments in 2024 to a level of DKK 4.8 billion – 39% more than the previous record of DKK 3.4 billion from 2023.

Delivering on Andel's value creation policy

In particular, the work of expanding and future-proofing the electricity grid in eastern Denmark and rolling out charging

networks throughout Denmark accelerated in 2024, with investments totalling DKK 2,279 million in the electricity grid via Cerius and Radius Elnet and DKK 883 million in charging networks via Clever.

Customer connections and new production for the grid in Cerius' and Radius Elnet's supply areas increased, several kilometres of cables were laid underground on a daily basis and thousands of charging points were installed in carports, streets and along motorways across the country via Clever.

The roll-out is happening at a fast pace, and we are proud to deliver on an important point in Andel's value creation policy, whereby the cooperative owners set the direction for how we create value for them, our customers and society.

One of the specific targets is for Andel to take responsibility for the development of a robust and flexible energy infrastructure and ensure continued high security of supply through annual investments of at least DKK 1.5 billion in electricity grids and charging networks until 2030.

With total investments in these areas of more than DKK 3.1 billion, by 2024 we had more than doubled that amount. In addition, we expect to maintain this high level in 2025, with investments of approximately DKK 2.4 billion in this electricity grid and approximately DKK 900 million in charging networks.

A new reality for renewable energy production

Andel also stepped up renewable energy production. In 2024, we invested DKK 684 million, primarily in the development of solar parks. By comparison, the investment level in the area in 2023 was DKK 100 million.





Andel and Nature Energy's joint Power-to-X plant in Glansager converts excess solar and wind power into hydrogen. The hydrogen, together with biogenic CO₂, becomes e-methane, which is fed into the natural gas grid and displaces an equivalent amount of fossil natural gas.

In May, Andel announced a partnership with development company Lige Energi to develop solar parks, that will be 100% owned and operated by Andel. The first construction in this collaboration, Barmosen Vest near Vordingborg, is expected to start in 2025.

In November, Andel and biogas producer Nature Energy's joint Power-to-X plant in Glansager in Southern Jutland, Denmark, completed one year of commercial operation – a feat that no similar Danish plant can match. Since its inception, the plant has been successfully expanded several times, and we have gained significant experience in using electrolysis technology on a commercial scale.

However, 2024 was also an example of how things do not always go the way you want or expect, and we were forced to find new ways to navigate a complex and changing world.

In 2024, the market for investing in renewable energy production changed fundamentally compared to 2022, when we presented the DKK 90 billion investment plan, with half of it expected to be dedicated to renewable energy production in the form of wind, solar, Power-to-X and energy storage.

At the beginning of 2024, Andel and Better Energy jointly agreed to build four Danish solar parks operational in 2024-2025 and ambitions for a total of up to 15 such parks.

Due to the rapidly changing market conditions, we decided during the year to slow down the pace of the partnership, in which the construction of the four agreed solar parks was budgeted with investments totalling DKK 1 billion in 2024.

However, shortly before the turn of the year, Better Energy entered restructuring proceedings. Since then, we have worked to find a construction approach that enables the completion of the four agreed solar parks, which Andel expects to be completed during 2025 and 2026.

When market conditions change, as a responsible company we also look at whether our focus in the investment plan is still the right one or if the priorities should be adjusted.

Demand for new renewable energy is not growing adequately

Even though private electricity consumption, fuelled by more electric cars and heat pumps, is increasing in Denmark – in 2024, Cerius and Radius Elnet recorded the highest ever activity in the electricity grid for private customers and small businesses – the overall electrification of society is unfortunately moving too slowly.

For example, in line with the cancellation or postponement of a number of planned Power-to-X projects intended to use huge amounts of power from renewable energy production, the urgent need for a massive expansion of new renewable energy production has also decreased.

Coupled with the increased cost of building new renewable energy facilities, this challenges the economics of renewable energy projects. This became crystal clear to everyone when, in December 2024, no one bid to build offshore wind farms in the North Sea in the first round of the tender issued by the Danish state.

We expect the challenge to remain relevant until the electrification of society really accelerates and the heavy industry and the transport sector jump on board.

In this new reality, Andel does not see a sensible business case for reaching a capacity of 2 GWp solar, 2 GW wind and 1.2 GW electrolysis as early as 2035, as we originally expected in our investment plan.

This does not change the fact that we need to get there; it just needs to happen at a responsible pace that matches demand. No matter how much we want solar and wind energy and hydrogen production, and even though we will go to great lengths to make things work for our cooperative owners and society, it would be irresponsible to invest large sums if we cannot recoup them.

Will follow new tenders with interest

The challenges in the market impacted Andel's plan to bid on the planned government tenders for Hesselø Havvindmøllepark north of Zealand and Kriegers Flak II in southeast Zealand, together with asset manager Copenhagen Infrastructure Partners (CIP). The bid deadline was the first half of 2025.

In the summer of 2024, after a close examination of the tender documents, Andel and CIP realised that it was not possible to make ends meet on a joint bid. A prerequisite for Andel to bid was to team up with a partner with experience in offshore wind. In addition, we will not invest DKK billions if we cannot present a financially sound bid that guarantees us a return.

In the second half of the year, Andel tried to find a way forward through dialogues with potential new partners. After careful consideration, we decided not to bid.

Shortly after receiving no bids in the first round of the Danish North Sea tender, the government decided to cancel the second round in the inner Danish waters and initiate preparatory work towards tendering offshore wind on more attractive terms.

540

substations were installed by the construction company Nexel in 2024.

+57,000

supply requests were handled by the grid companies Cerius and Radius Elnet and the service company Nexel in 2024. An increase of 24%.

1.5 million

customers totalled Cerius and Radius Elnet's customers in 2024.

Andel will follow these new tenders with interest. In addition, we welcome the government's decision to move forward the first stage of the planned hydrogen pipeline from Esbjerg to Germany, as hydrogen produced with electricity from renewable energy sources is an important element in the phasing out of fossil fuels from heavy industry and transport.

Responding with increased focus on flexibility and consumption

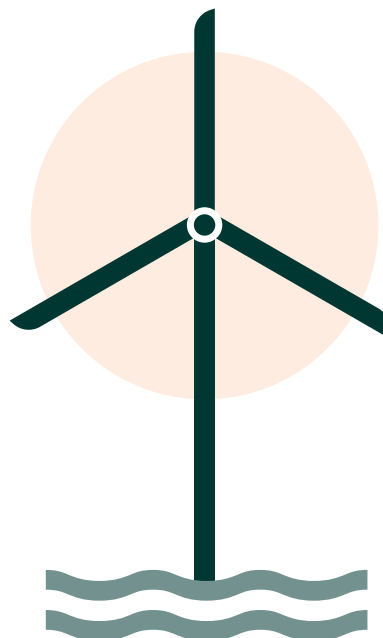
Fortunately, with a presence throughout the value chain from energy production to infrastructure and customer solutions, Andel is well placed to respond to the new reality.

In 2024, we decided that the Group will allocate slightly more of our investments towards projects that support the flexibility and consumption needed for the demand for new renewable energy production to increase again, such as through our subsidiaries in power grids, charging networks and energy solutions.

In a few years, we may tip the balance of investment back in favour of more new renewable energy production.

While we have taken our foot off the accelerator in some areas, we are looking more closely at batteries than we did when we launched the investment plan in 2022. With the ability to provide flexibility to the grid, they can become a key part of the energy transition. This applies to both large batteries connected to renewable energy facilities and smaller batteries at home.

During 2025, Andel Energi will introduce household batteries as a shortcut to lower electricity bills for electricity customers. When power is cheap – typically at night – the battery is automatically recharged. When people come home from work – typically when electricity prices are high around dinner time – they use power from the battery.



Andel's ambition for renewable energy capacity and electrolysis in 2035

2 GWp of solar energy

Today: 55 MWp via Andel Tryggevælde Solcellepark

2 GW wind energy

Today: 166 MW via Rødsand 2 Offshore Wind Farm

1.2 GW electrolysis

Today: 7.5 MW via Power-to-X production in Glansager

In the short term, we expect to increase investments in renewable energy production from DKK 684 million in 2024 to approximately DKK 1.1 billion in 2025. As in the previous year, the funds will primarily go towards the development of solar parks.

Overall, we expect to increase the group's investments to around DKK 5.3 billion by 2025, with focus on allocating the funds where we generate the greatest green transition for the money.

The electric car takes the lead in Danish breakthrough

For 15 years, Andel has invested billions in charging networks through its subsidiary Clever, based on a strong belief in the future of electric cars. 2024 was the year when Danes really took a stand, parked the fossil-fuelled cars in the past and set course for a greener future. With continued major investments and attractive charging products, Andel will continue to drive development forward and ensure that everyone can participate.

Denmark is an electric car country!

If anyone was still in doubt, 2024 put all doubts to rest.

With over 89,000 newly registered electric cars, corresponding to a share of 51.5%, Danes knocked fossil-fuelled cars off the throne for the first time. With approximately 350,000 electric cars on Danish roads and the number of petrol and diesel cars on the decline, the Danish car fleet is rapidly changing, which is something that has been in the making for many years.

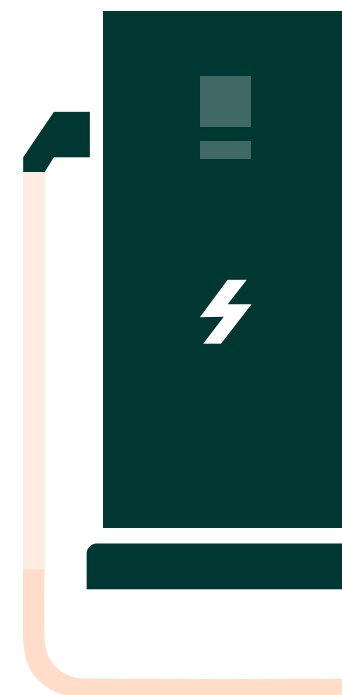
Unfortunately, this fantastic development is progressing somewhat more slowly in large parts of Europe. With an especially large decline in Germany, the share of newly registered electric cars across the EU fell to 13.6% in 2024.

This is worrying at a time when there are plenty of new, competitive electric cars on the market. This, together with favourable, stable Danish tax conditions and an extremely well-developed charging network, allowed Danes to choose electric, without range anxiety or charging stress.

8

Eight new fast charging stations

In 2024, Clever commissioned eight fast charging stations in Hillerød, Aabenraa, Rønnede and Billund, among others. By the end of the year, this brought Clever to 23 fast charging stations, with a total of 290 outlets along Danish motorways.



In 2024, Andel, through Clever, invested DKK 883 million in the expansion of Denmark's largest charging network. At the same time, the Group launched new charging products via Andel Energi and launched a nationwide campaign that sparked debate about the future of transport – with a clear message: fossil-fuel cars have no place in a greener future.

Andel's efforts in 2024 mark the culmination of a 15-year effort to promote electric cars, where Clever invested billions to spearhead the building of a Danish charging network – driven by an unwavering belief that the cars of the future will run on electricity.

While ten years ago most people doubted that the electric car would overtake the fossil fuel car, which has dominated transport for over a century, we invested in a firm belief that electric cars would actually achieve the significant role that is now a reality.

These early and massive efforts have positioned Clever as the country's leading charging operator with by far the largest charging network in the country. By the end of 2024, Clever had installed more than 12,400 public charging points – a significant proportion of Denmark's total of just over 30,000 public charging points.

In 2024 alone, Clever connected almost 5,000 public charging points, including 515 fast charging points, so that the hundreds of thousands of Danish electric car owners can drive safely around the country knowing that a Clever charger is never far away.

Shortly before the start of 2025, Clever reached a milestone, with the connection of fast charging point number 1,000 in the effort to make it attractive for Danes to choose an electric car: they

can charge at home in the garage, on the street overnight or on the road along the Danish motorways.

Collaborations to make electric cars attractive

In addition to its investments in the charging network, Andel, through Andel Energi and Clever, has focused on developing attractive charging products that make it even more advantageous to switch to electric cars.

In 2024, Andel Energi and Clever jointly launched two new charging solutions that make it easier for Andel Energi's more than 1 million electricity customers to take the step towards an electric future.

With the “fob” solution, Andel Energi's customers gained access to Clever's nationwide charging network with a charging fob and the option to pay directly through their electricity bill. This solution makes it easier for apartment dwellers without their own charging unit to charge on the go.

With the “unit” solution, customers who want their own charging unit at home have the option of paying off the Clever charging unit interest-free – an economical solution that allows customers to own a charging unit without a large down payment.

We found that customers responded so well to these new solutions that the original sales target had to be revised.

At the same time, in 2024, Clever expanded their roaming partnerships, allowing customers to charge at more than 3,000 additional charging points in Denmark and 3,000 in Germany and Scandinavia. The partnerships help make a larger part of the existing charging network accessible and attractive to Clever customers.

“ The development meant that shortly before the start of 2025, Clever reached a milestone with the connection of fast charging point number 1,000.



Fossil cars have no place in a greener future

The rapid transition to electric cars was also supported by an active debate. In 2024, Andel launched a large-scale campaign with the message that fossil-fuelled cars have no place in a greener future.

One of the campaign's key messages was that switching from fossil-fuelled cars to electric cars is one of the most effective things we can do as private individuals to reduce our CO₂ emissions.

As part of the campaign, sceptical Danes were given the opportunity to test drive an electric car for free with a charging

fob for Clever's nationwide charging network, so they could experience an everyday life without petrol or diesel.

The campaign's messages were rolled out on national TV and newspapers and reached over 2.6 million people on social media alone, igniting a lively debate.

And it is private car buyers in particular who have embraced the electric car. In December 2024, electric cars accounted for almost 78% of new registrations in Danish households.

Investments in the Danish charging network continue at full speed

While years ago it seemed like utopia to many to reach 1 million electric cars on Danish roads by 2030, it now seems that the number will be significantly higher.

Yet, despite the fact that electric cars have really taken off – even though there are more and cheaper electric models on the market, and even though the proportion of newly registered electric cars is set to increase significantly by 2025 – over 85 per cent of the existing Danish car fleet still use fossil fuels.

This is why it is important not to lift our foot off the accelerator, but to continue the massive expansion of charging networks for a greener and much more electric future.

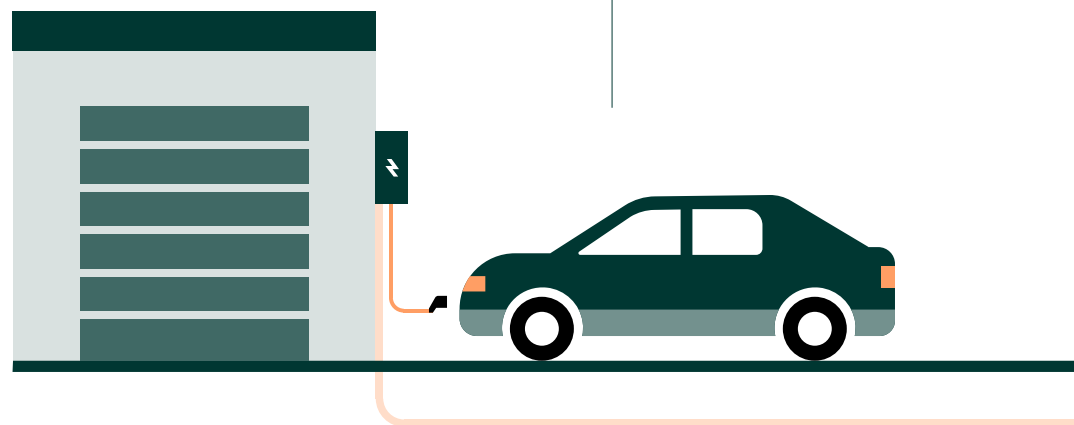
Through Clever, we expect to invest almost DKK 900 million in charging networks by 2025. The money will be used to install approximately 6,400 new public charging points – the biggest expansion to date.

While electric cars have become the preferred choice for Danes, competition in the charging market has also rapidly intensified.

In the coming years, it will be crucial to maintain the position the Group has built by continuing to expand the country's largest charging network and constantly ensuring that our products and solutions are attractive.

5.6%

The numerous new electric cars and their associated charging units in carports in eastern Denmark have left their mark on the electricity consumption, where in 2024, grid companies Cerius and Radius Elnet recorded the highest activity on the grid to date. Consumption among private customers and small businesses increased by 5.6%.



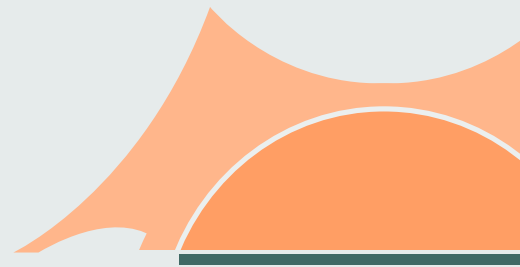
214

students at vocational schools on Zealand received Andel's 2030 scholarship in 2024.



1,325

applications were received by Andel in 2024 for the group's biannual distribution of 10 donations of DKK 10,000, each to local organisations and communities in Region Zealand.

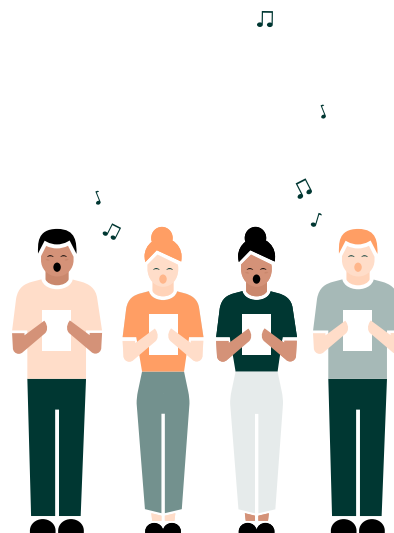


46

School classes from Region Zealand visited Andel's free school service, Energimissionen, in 2024, and the service is fully booked throughout the school year.

+99%

of cooperative owners in Andel have access to a fibre-optic broadband network connection from Fibia.



70.3%

of Roskilde Festival's gas consumption was replaced by electricity in the period 2022-2024, during which Andel has been the festival's energy partner.



+400,000

cooperative owners across North West, West, Central and South Zealand, Lolland-Falster and the islands.

38%

was the figure that the average knowledge about our cooperative society reached in 2024, up from 25% in 2023.





+100

new colleagues joined the Infrastructure business area in 2024. At the same time, Nexel increased the use of external contractors by 24% to meet growing demand.

44,600 km

electrical grids are owned by Cerius and Radius Elnet combined.

■ Cerius
■ Radius Elnet
■ Other grid companies



23

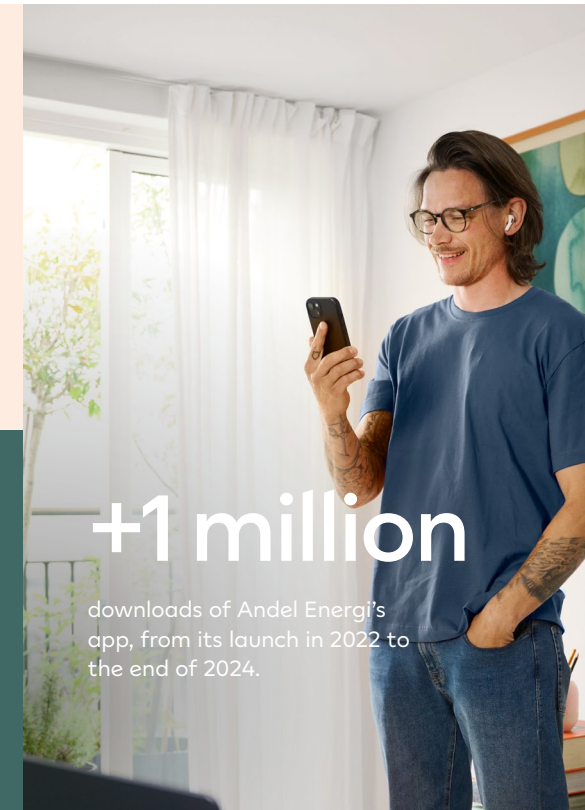
awards were won by Andel's "Give Space", "Windy Retreats" and "Danish Idyl" campaigns in 2024, for helping to create positive change in society and inspiring responsible initiatives.

4,266

hours is the duration that Andel and Nature Energy's Power-to-X plant in Glansager was operational in 2024 – more than similar Danish plants.

1,023

fast charging points were energised by Clever by the end of 2024, from a total of around 4,000 Danish public fast charging points.



+1 million

downloads of Andel Energi's app, from its launch in 2022 to the end of 2024.

Financial review

Financial review

Our business areas

Energy production

Infrastructure

Customer solutions

Financial review

Despite investment conditions being more challenging than in previous years, Andel has invested a massive DKK 4.8 billion in 2024, primarily in green transition and digitalisation. With investments in the expansion and maintenance of the electricity grid through the group's grid companies, Andel has maintained its focus on preparing the electricity grid to handle the increased electrification.

The group's activities and results in 2024 were characterised by a slower-than-expected pace of electrification, high material prices, uncertainty about energy prices, a slowdown in investments in renewable energy solutions and increasing competition in the commercial business areas.

In connection with the interim report, we stopped and revised our expectations for the year as a result of the half-year results and market conditions. With this in mind, during the last six months, we have focused on improving the profitability of existing operations as well as potential future investments.

Net profit or loss

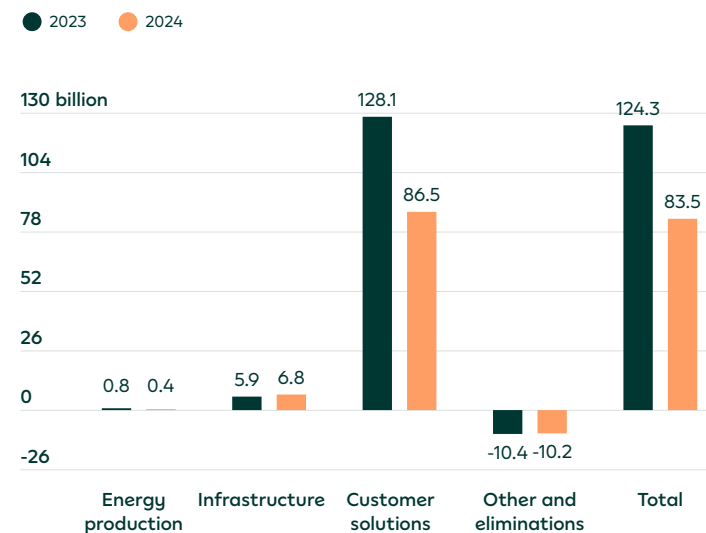
Revenue

Andel's total revenue decreased in 2024 by 33%, from DKK 124,335 million to DKK 83,544 million. Despite the increase in the number of customers, we have experienced a decrease in revenue, primarily due to falling energy prices for electricity and

gas, offset by correspondingly lower purchase prices. The revenue development for energy is thus largely profit-neutral.

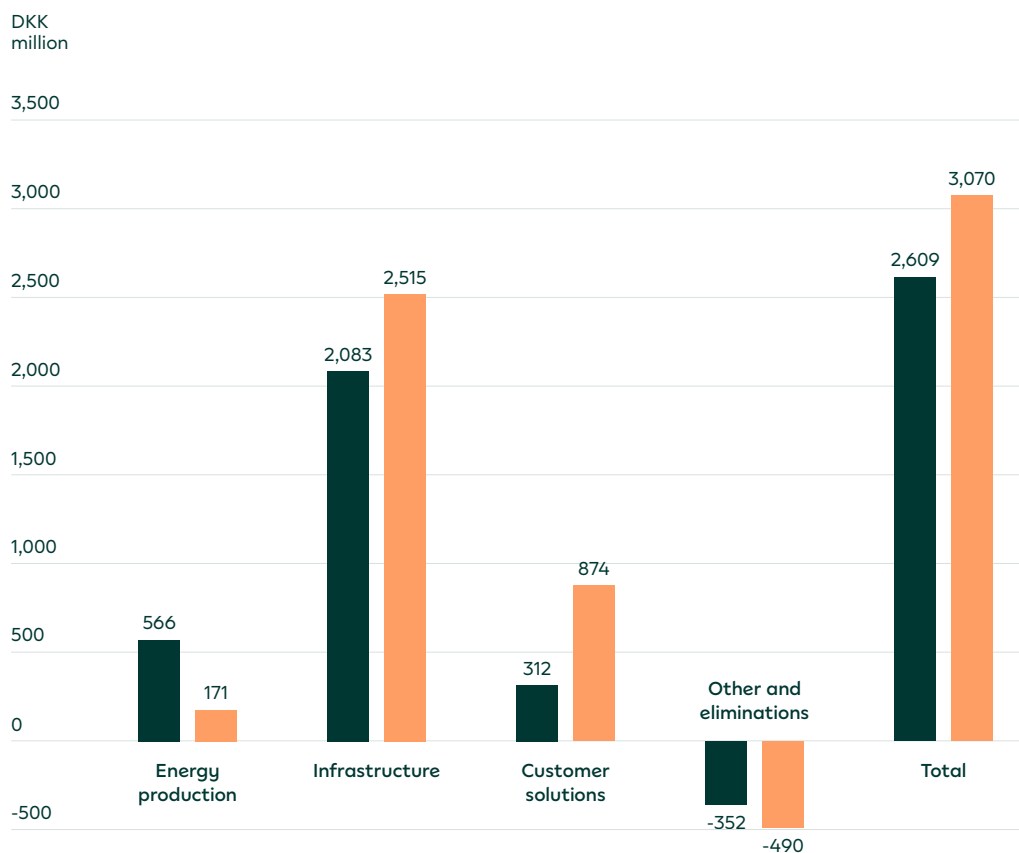
Revenue is also positively impacted by decisions regarding previous years in relation to revenue caps, increased activity in the distribution area and new customers in the commercial areas.

Revenue per business area



EBITDA per business area

2023 2024



EBITDA

The Group's EBITDA has increased by 18%, corresponding to DKK 461 million, from DKK 2,609 million in 2023 to DKK 3,070 million in 2024. The development in EBITDA by business area is described in general terms below.

EBITDA for the business area **Energy production** has decreased by 70%, corresponding to DKK 395 million, from DKK 566 million in 2023 to DKK 171 million in 2024. The development is mainly due to less wind and lower sales prices for electricity generation. In addition, a large part of the Rødsand II offshore windfarm was shut down late in the year due to repairs and component delays.

EBITDA for the business area **Infrastructure** has increased by 21%, corresponding to DKK 432 million, from DKK 2,083 million in 2023 to DKK 2,515 million in 2024. The increase in EBITDA can be attributed to the general development in the companies' revenue frameworks, including decisions regarding historical cases, while the increasing need for maintenance and expansion of the electricity grid has affected EBITDA negatively.

EBITDA for the business area **Customer Solutions** has increased by 180%, corresponding to DKK 562 million, from DKK 312 million in 2023 to DKK 874 million in 2024. The significant increase in EBITDA can to some extent be attributed to the fact that the 2023 financial year was particularly affected by large losses on gas capacity contracts, where the realised losses in 2024 are significantly smaller. In addition, strong development in sales of energy, e-mobility and fibre-optic broadband networks has led to growth in EBITDA.

Costs related to the closure of the Andel Lumen consolidated exterior lighting business have had a negative impact on the business area's EBITDA. The comparative figures have been changed as a result of a correction of material misstatements in

“ Our ambition to lead the green transition remains unchanged.

the subsidiary Energi Danmark regarding the financial year 2023, in which DKK 259 million before tax has been expensed. A more detailed explanation of this can be found under accounting policies.

The impact of group costs on EBITDA will be DKK 388 million in 2024, compared to DKK 397 million in 2023, corresponding to a decrease of DKK 9 million or 2%. The development in group costs can largely be attributed to, inter alia, IT development costs related to a new ERP system, one-off costs related to clarifying investments in renewable energy production and costs related to building an organisation and processes for compliance, sustainability and expansion of renewable energy. In the opposite direction, a number of cost savings were realised across the group in 2024 as part of profitability improvement initiatives.

Accounting eliminations between business areas have a negative impact on EBITDA of DKK 102 million in 2024 compared to an income of DKK 45 million in 2023.

Depreciation and amortisation

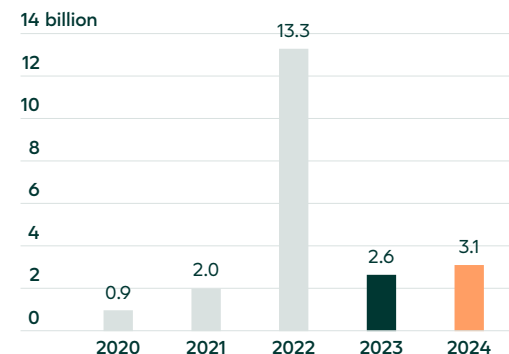
Depreciation, amortisation and write-downs for the year will amount to DKK 2,544 million in 2024, compared to DKK 2,551 million in 2023, corresponding to a decrease of DKK 7 million.

Financial income and financial expenses

Financial income and financial expenses represents an expense of DKK 581 million in 2024, compared to DKK 424 million in 2023, corresponding to an increase of DKK 157 million or 37%. Although the interest rate level has decreased during the financial year and has affected interest expenses positively, an increasing level of financed investments has affected interest expenses negatively.

Profit from investments in associates totalled DKK 13 million in 2024 compared to DKK -1 million in 2023.

Development in EBITDA



Unrealised capital loss on the Ørsted share amounts to DKK -1,055 million in 2024, compared to a loss of DKK -5,413 million in 2023. As expected, dividends from the Ørsted share will amount to DKK 0 million in 2024, compared to DKK 284 million in 2023.

Tax

Tax on net profit or loss constitutes a cost of DKK 70 million. The effective tax rate (6%) is primarily affected by the value adjustment of the shareholding in Ørsted of DKK -1,055 million, which is not deductible.

Financial result for the year (EBIT)

Net profit or loss before tax and value adjustment of the Ørsted share will be DKK -42 million in 2024, compared to DKK -83 million in 2023, corresponding to an increase of DKK 41 million.

Net profit or loss before tax for the year totalled a loss of DKK 1,097 million, compared to a loss of DKK 5,496 million in 2023.

Balance sheet

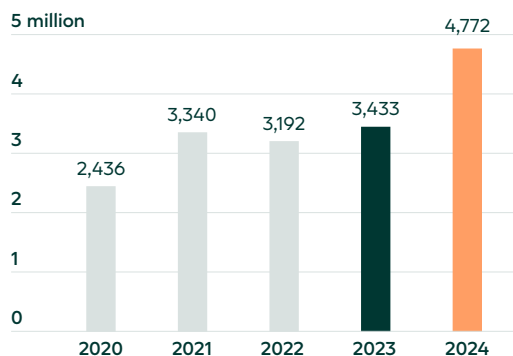
At the end of the financial year 2024, Andel's balance sheet totalled DKK 71,664 million, of which equity amounted to DKK 32,286 million, corresponding to a solvency ratio of 45.1%. The solvency ratio has thus increased by 1.0 percentage point compared to the financial year 2023. The increase in solvency is primarily due to a reduction in total assets of DKK 6.6 billion since the end of 2023, which can be attributed to lower funds tied up in working capital and fewer liquid assets.

Equity decreased by DKK 2.3 billion, which is due to the net profit or loss, distribution to cooperative owners and fair value adjustment of hedging instruments, etc.

Investments

The Group's total investments have increased by 39% and amount to DKK 4,772 million, compared to DKK 3,433 million in 2023.

Development in investments



Investments consisted of DKK 4,321 million in new tangible fixed assets and DKK 454 million for the acquisition of Nakskov Elnet and the purchase of intangible assets such as a new ERP system.

In 2024, investments were mainly focussed on reinvestments and expansion of the electricity grid. In addition, the establishment of new solar parks, expansion of the fibre-optic broadband network and the establishment of e-mobility represent significant investment sums.

Completed development projects and development projects in progress capitalised under intangible assets total DKK 835 million (DKK 668 million in 2023). This can primarily be attributed to development projects related to the Group's IT platforms, which, inter alia, handle network management, delivery flow and accounting records.

Result in relation to announced expectations

Net profit or loss before tax and value adjustment of the Ørsted share totalled DKK -42 million, which is an increase of DKK 41 million from 2023, when net profit or loss before tax and value adjustment of the Ørsted share was DKK -83 million.

The result is lower than the originally announced expectation of DKK 300 million, but in line with the downgraded profit forecast announced in connection with the half-year results for 2024.

The most significant deviations from the original forecast are mainly due to lower settlement prices and lower energy production, while losses on gas capacity contracts have been higher than expected. A higher result from the Infrastructure business area had the opposite effect, mainly due to adjustments to the revenue cap.

Expectations for profit/loss for the financial year 2025:

Across Andel, initiatives to increase earnings from commercial activities will continue, and cost management will generally be in focus.

Andel will continue to explore opportunities for investment in renewable energy, and the grid companies will continue to expand the electricity grid.

Based on this, we expect a consolidated profit before tax, equity investments and value adjustment of the Ørsted share for the 2025 financial year in the region of DKK 200 million. As in the past, results can be influenced by a number of different factors, including:

- In the Energy Production business area, a further slowdown in the renewable energy market and changes in electricity prices could significantly impact the 2025 results.
- In the Infrastructure business area, changes in the speed of electrification could significantly affect the 2025 result.
- In the Customer Solutions business area, the continued increase in competition, combined with uncertainty about the geopolitical and economic situation could have a significant impact on electricity and gas prices and thus the result for 2025.
- Changes in general inflation and interest rates could affect all business areas and subsidiaries across Andel.

Events after the end of the financial year

No events have occurred after the end of the financial year that in management's judgement have a material impact on the assessment of the annual report for 2024.

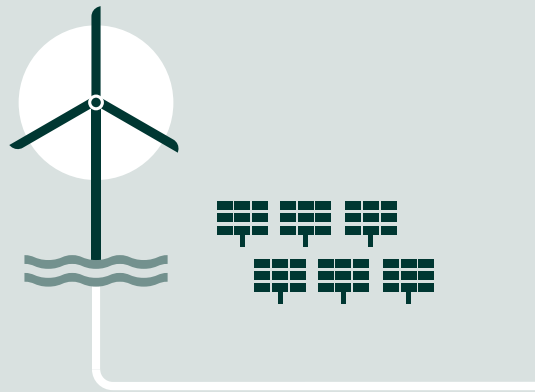


Our business areas

a

● 2024 ● 2023

⚡ Energy production



Revenue

377 ↓ DKK million

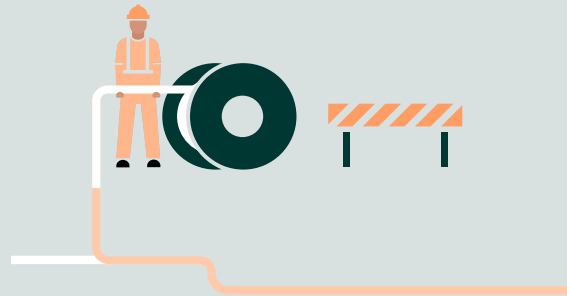
796 DKK million

EBITDA

171 ↓ DKK million

566 DKK million

🏗️ Infrastructure



Revenue

6,792 ↑ DKK million

5,885 DKK million

EBITDA

2,515 ↑ DKK million

2,083 DKK million

🏠 Customer solutions



Revenue

86,544 ↓ DKK million

128,081 DKK million

EBITDA

874 ↑ DKK million

312 DKK million

The Group's activities are divided into three business areas, which together represent Andel's presence throughout the energy and fibre-optic broadband network value chain. Our diversification of investments and activities across multiple business areas increases financial resilience and the Group's strategic playing field and ensures the foundation for us to stay on track towards our goal of supporting the green transition and digitalisation of society.

⚡ Energy Production Andel is an active player in energy production in Denmark, including electricity production from Rødsand II offshore windfarm (166 MW), Tryggeværde Solcellepark (55 MWp) and Glansager Power-to-X-plant (7.5 MW). In addition, Andel is engaged in renewable energy production worldwide through ownership of shares in Ørsted (5%).

🔌 Infrastructure Through the grid companies Cerius and Radius Elnet, Andel owns the electricity grid in most of eastern Denmark. Through the contracting company Nexel, we provide operation, maintenance and construction services that support the work of electricity grid companies.

🏠 Customer Solutions Andel is engaged in a number of commercial activities across markets and products through the energy companies Energi Danmark and Andel Energi, the fibre-optic broadband network company Fibia, the broadband, telephony and TV provider Wao, charging operator Clever and energy solutions from Watts.

(DKK million)	Group 2024	Group 2023
EBITDA per business area		
Energy production		
Rødsand II Offshore Wind Farm A/S	166	556
Other companies	5	10
EBITDA, Energy production	171	566
Infrastructure		
Cerius A/S	845	576
Radius Elnet A/S	1,537	1,378
Nexel A/S	133	129
EBITDA, Infrastructure	2,515	2,083
Customer solutions		
The Energi Danmark Group	195	-324
ANDEL ENERGI A/S	105	71
Clever A/S	113	90
Fibia P/S, incl. Wao A/S	602	581
Other companies	-141	-105
EBITDA, Customer solutions	874	312
EBITDA, Business areas	3,560	2,961
Andel A.m.b.a.	-58	-75
Andel Holding A/S	-330	-322
Group eliminations and adjustments	-102	45
EBITDA, total	3,070	2,609

⚡ Energy production

Andel is an active player in energy production in Denmark, including electricity production from Rødsand II Offshore Wind Farm (166 MW), Tryggevælde Solcellepark (55 MWp) and Glansager Power-to-X-plant (7.5 MW). In addition, Andel is engaged in renewable energy production worldwide through our ownership of shares in Ørsted (5%).

Energy production highlights

(DKK million)	2024	2023
Profit or loss		
Net revenue	377	796
Gross profit	171	596
EBITDA	171	566
Investments for the year	684	100

Revenue

Revenue in the Energy Production business area has decreased by 53% to DKK 377 million in 2024 compared to DKK 796 million in 2023. The decrease is mainly due to there being less wind in 2024 than expected, leading to a lower total production than in 2023. Periods of downtime at the Rødsand II offshore windfarm have also affected production negatively. In addition, the price of electricity has been lower than in 2023.

EBITDA

EBITDA for the year has decreased by 70% and amounts to DKK 171 million in 2024, compared to DKK 566 million in 2023. The development in EBITDA can primarily be attributed to the development in revenue.

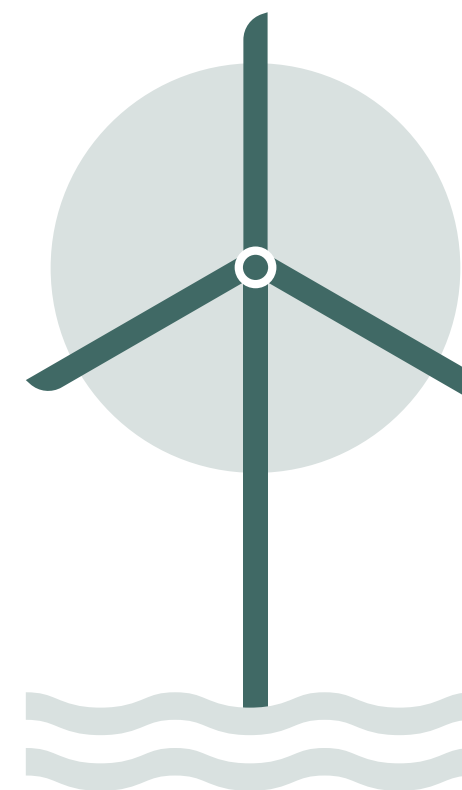
Investments

On the investment side, the general uncertainty in the renewable energy market and the slower pace of electrification of society have led to the postponement of development projects in general, which have meant that Andel has not been able to make the expected investments in energy production with sufficient consideration for our economy.

Despite the adjustment of the investment rate, investments in energy production have increased significantly, totalling DKK 684 million in 2024 compared to DKK 100 million in 2023.

684 DKK million

has been invested in renewable energy production in 2024.

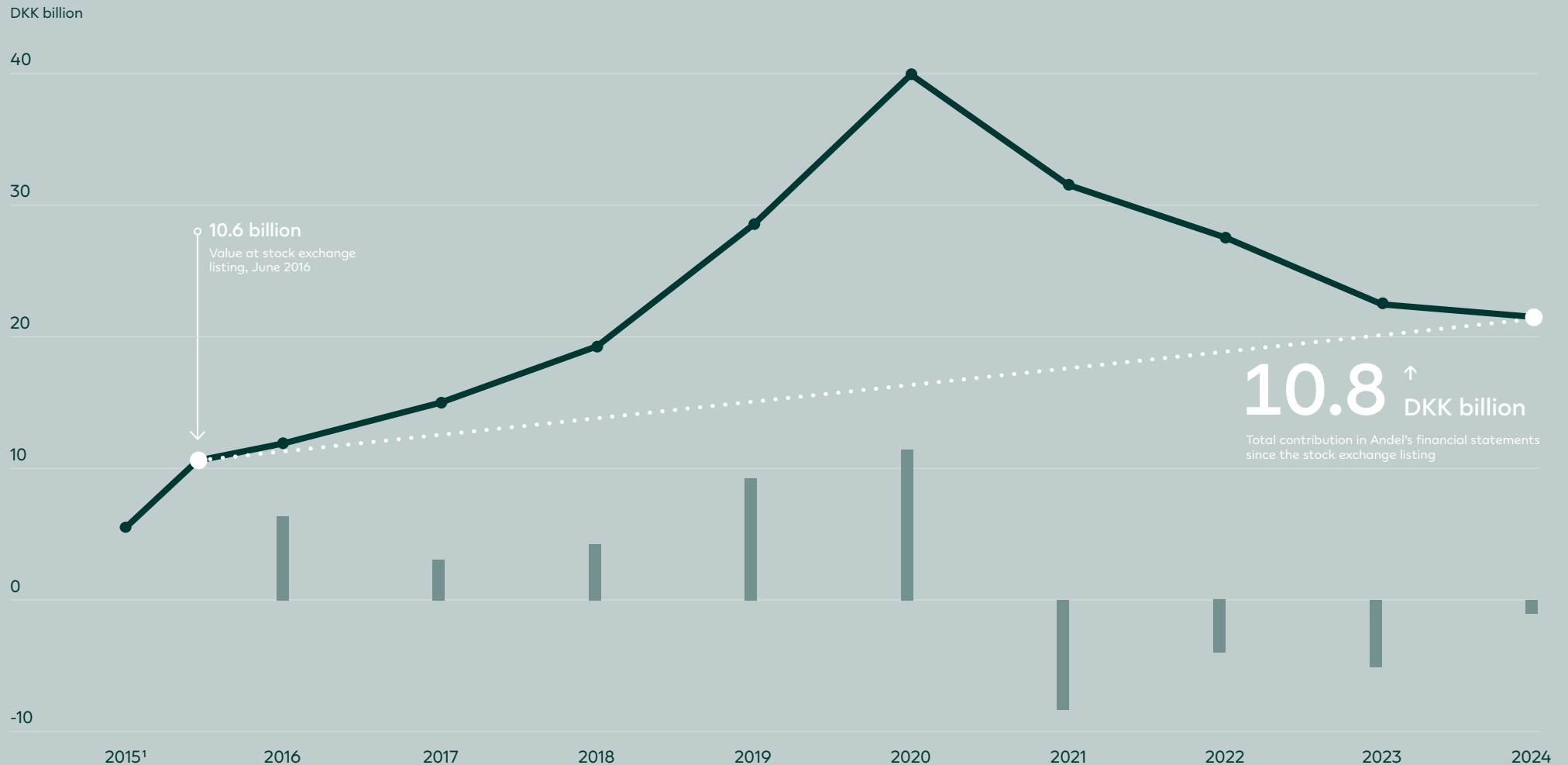


Ørsted – a valuable long-term asset

Andel's 5.01% equity interest in Ørsted is based on a strategic choice to be active in renewable energy production and represents an important position in our work towards a greener future. At the same time, the proceeds from divestments have contributed to Andel's ability to invest. The equity interest is recognised in relation to the share price development in Andel's financial statements. Ørsted's share price fell by 13% in

2024 and contributed to Andel's result with an unrealised value adjustment of DKK -1,055 million.

The value of Andel's shareholding at the end of 2024 was DKK 6.8 billion. Since Ørsted's stock exchange listing in 2016, the shareholding has contributed a positive value adjustment, realising gains and dividends of DKK 10.8 billion.



Energy production at Andel

Andel's presence in energy production is part of our historical DNA, dating back to the first generator station in 1912.

Today, energy production and technologies play an ever-increasing role in the Andel Group. It is a key element of our responsibility towards cooperative owners, society and climate, but also a potential future growth area for the commercial business.

Activities and investments

Green transition is a cornerstone of Andel and we are fighting for a future energy system powered by 100% renewable energy.

Phasing out fossil fuels requires a transition to 100% renewable energy, and Andel has a clear goal to contribute to the propagation of renewable energy.

Andel takes an active role in the development and ownership of wind, hydrogen and solar energy as part of driving the green transition of Denmark's electricity consumption and ensuring the basis for the electrification of society.

Increasing global geopolitical turmoil has made it clear that energy and security policy are closely intertwined, and that an energy system based on renewable and stable Danish energy is an important part of ensuring security and independence for all Danes.

Andel wants the green transition to take place. This is why we have ambitious expectations of investing billions in the construction of wind, hydrogen, solar and new energy facilities in the years leading up to 2035. We continuously calibrate our investment plans in relation to consumption and

electrification rates. However, high ambitions and the will to go green cannot stand alone, as economics and risk go hand in hand. Andel's investments will therefore continuously follow market developments and adapt to achieve the best possible green transition for the money and give the right impetus to the green transition where our investments can have the greatest impact.

Highlights

The electrification of society is progressing more slowly than expected, and rising costs and interest rates have challenged large investments in renewable energy. Andel has therefore adapted the pace of its investment to the market situation to ensure financial responsibility.

A government tender for offshore windfarms in the North Sea that did not receive any bids exemplifies the status of renewable energy investments in 2024, when despite our ambitions and prioritised funds, Andel could not ensure sufficient balance between the desire for climate responsibility and the minimum requirements for financial responsibility.

In 2024, Andel focused on expanding solar energy activities, and we built on valuable experience from our hydrogen plant in Glansager.

In addition, Andel has entered into a partnership to build four solar parks, with a total capacity of 750 MW. Establishing solar parks is a milestone in Andel's ambitions to expand renewable energy.

The coming years

It remains our ambition to increase our own production of solar, hydrogen and wind energy in the coming years with investments that support society's green transition. However, this needs to be done in a controlled and financially responsible manner, which is

“ Green transition is a cornerstone of Andel, and we are fighting for a future energy system powered by 100% renewable energy.

why Andel's investments in renewable energy in the coming period will keep pace with the market.

Status of investments in collaboration with Better Energy

Through the company Better Energy Andel P/S, in which we share ownership equally with Better Energy, we have invested in four solar parks in 2024.

One solar park was close to completion by the end of 2024, while the other three solar parks are still under construction and are expected to be ready for production in 2025 and 2026.

In December 2024, parts of the Better Energy Group commenced restructuring proceedings. Since these proceedings started, we have worked actively to clarify the future and ensure the completion of the solar parks. In week 9 of 2025, the restructuring proceedings led to the bankruptcy of two companies in the Better Energy group. These bankruptcies do not include the companies that Andel is a part of. Clarifications between Andel and Better Energy are still in progress and it is expected to be possible to build the solar parks as planned, albeit with a certain delay.



⚡ Energy production highlights

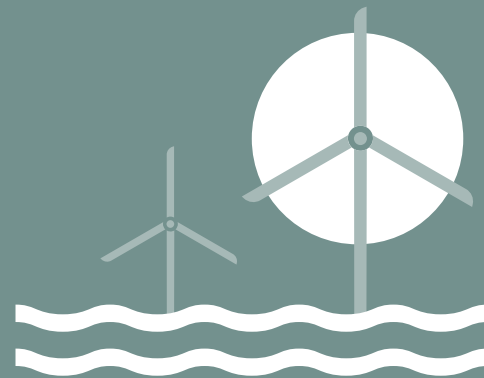


a
53 GWh

Andel Tryggevælde Solar Park
has produced 53 GWh.

662 GWh

Rødsand II Offshore Wind Farm has produced 662 GWh



178,500

households' electricity
consumption is covered by
Andel's energy production.

684 DKK million

Has been invested in four solar
parks, among other things.

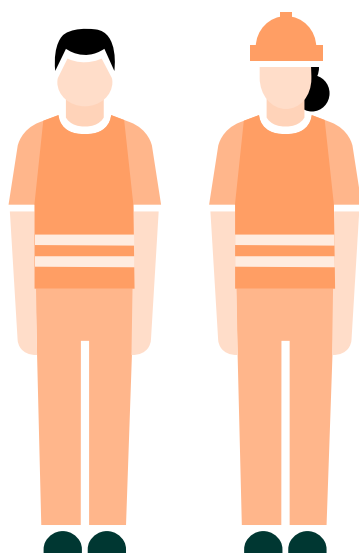
1.3 million Nm³ hydrogen

The Power-to-X plant in Glansager, owned by Andel in partnership with Nature Energy, converts electricity for 1.3 million Nm³ of hydrogen and 327 tonnes Nm³ e-methane. The process has converted 344 tonnes of CO₂ from the existing raw biogas, which is equivalent to 566 flights from Copenhagen to New York.



1.5 million

Connected grid customers in Cerius and Radius Elnet



Infrastructure

Through the grid companies Cerius and Radius Elnet, Andel owns the electricity grid in most of eastern Denmark. Through the contracting company Nexel, we provide operation, maintenance and construction services that support the work of the electricity grid companies.

Infrastructure highlights

(DKK million)	2024	2023
Profit or loss		
Net revenue	6,792	5,885
Gross profit	3,102	2,450
EBITDA	2,515	2,083
Investments for the year	2,279	1,484

Revenue

Revenue in the Infrastructure business area will amount to DKK 6,792 million in 2024 compared to DKK 5,885 million in 2023, corresponding to an increase of 15%. Of this, revenue from the grid companies (distribution tariffs, etc.) totalled DKK 3,885 million in 2024 (DKK 3,570 million in 2023).

Revenue is positively affected by the general development in the grid companies' revenue caps, primarily due to growth and inflation. In addition, contractor activity increased due to an increased need for operation, maintenance and expansion of the electricity grid. Finally, revenue was positively to the tune of DKK 173 million by decisions related to the revenue cap regulation regarding previous years.

EBITDA

EBITDA for the year will be DKK 2,515 million in 2024 compared to DKK 2,083 million in 2023, corresponding to an increase of 21%.

Electrification brings new types of large electricity consumers, which on the one hand has led to increased consumption, but on the other hand has led to an increasing need for maintenance and investments in grid expansion.

Operation and maintenance costs have increased due to an increased level of activity and an increased number of faults, especially in metropolitan areas. The year was also characterised

“ Staff costs have increased in 2024 as a result of strategic capacity building, with an addition of over 100 employees in the year.

by high material prices and challenges with security of supply, which generally led to an increase in cost levels.

Staff costs have increased in 2024 as a result of strategic capacity building, with an addition of more than 100 employees during the year to handle the increasing activity and investment levels resulting from electrification and the expansion of the electricity grid.

Investments

Investments in this business area have increased by 54% to DKK 2.3 billion in 2024 compared to DKK 1.5 billion in 2023. The level of investment reflects the increased demand, mainly for new investments to expand the electricity grid and reinvestments to update the existing infrastructure.



6%

Increase in transported volumes of electricity in 2024.

Infrastructure at Andel

In infrastructure, Andel is present through the grid companies Cerius and Radius Elnet and the contracting company Nexel.

The grid companies own the electricity grid in most of eastern Denmark and are responsible for ensuring that the grid is maintained and geared for the future.

Most of the work on the electricity grid itself is carried out through the contracting company Nexel, which provides operation, maintenance and construction services that support the work of the grid companies.

Infrastructure is a natural monopoly and is therefore subject to revenue framework regulation, including pricing (tariffs) and cost and investment levels.

Highlights

Development in consumption and activities

After a 2023 characterised by an energy crisis and high electricity prices, overall electricity consumption has increased. Therefore, the transport of electricity has increased by almost 6% in 2024, which is reflected in a revenue increase of almost 9%.

The electricity grid companies have 1.5 million connected grid customers, and Nexel has grown to approximately 700 employees in 2024 to support the increasing activity of the grid companies. The increased demand has led to a stronger focus on reinforcements and new connections, in addition to ongoing operation and maintenance. The increasing scope of tasks has led to a need for reorganisation at Nexel, aimed at efficient and flexible resource utilisation. This must continue to ensure a stable electricity supply at a reasonable price for consumers and

simultaneously develop and operate an efficient infrastructure that promotes electrification and green transition.

Challenges with materials and labour

The materials market has been under pressure globally, with delays and increased costs, while relevant labour remains a scarce resource. This has put pressure on the infrastructure sector. We have managed to secure materials and labour with dedicated efforts that have ensured stable progress in our projects. This has been achieved through employee development, flexible working conditions and targeted efforts to ensure that we remain an attractive workplace.

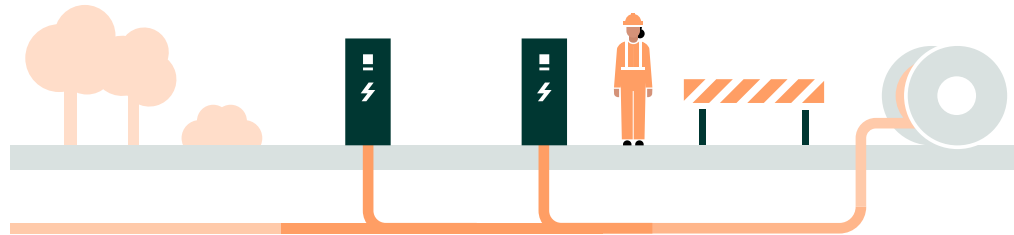
The coming years

The biggest challenge for the infrastructure area will be to continue the massive grid expansion and connection of many new customers, combined with maintaining a continued high level of security of supply.

To support the electrification of Denmark, investments in infrastructure will increase significantly towards 2035. This effort is accompanied by a continued focus on cost synergies and retention of employees and competences to ensure that Andel's electricity distribution business remains a leader in Denmark.

19,658

inspections performed on cable cabinets.



+13%

growth in number of employees.

714 units +12%

new transformers.



+24%
57,050 units

connection applications received.

440 km. +24%

new 10Kv cables.

2.3 DKK billion

has been invested in the
expansion and maintenance
of the electricity grid.



Customer solutions

Andel is engaged in a number of commercial activities across markets and products through the energy companies Energi Danmark and Andel Energi, the fibre-optic broadband company Fibia, the broadband, telephony and TV provider Wao, the charging operator Clever and energy solutions from Watts.

Customer solutions highlights

(DKK million)	2024	2023
Profit or loss		
Net revenue	86,544	128,081
Gross profit	1,964	1,255
EBITDA	874	312
Investments for the year	1,592	1,686

Revenue

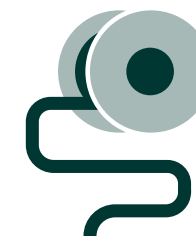
Revenue in the Customer Solutions business area will amount to DKK 86,544 million in 2024, compared to DKK 128,081 million in 2023, corresponding to a decrease of 32%. The decrease can mainly be attributed to falling energy prices. On the other hand, revenue was positively affected by customer growth, especially in e-mobility and fibre-optic broadband, which contributed a revenue increase of approximately DKK 700 million.

EBITDA

EBITDA for the year will be DKK 874 million in 2024 compared to DKK 312 million in 2023, corresponding to an increase of 180%. The falling energy prices have affected both revenue and energy purchases, which is why the development in energy prices in isolation has had a modest impact on EBITDA.

As a result of increased activity and customer acquisition, which has increased revenue within e-mobility and fibre-optic broadband, there has been a need to hire more employees, and other external costs have increased. Overall, staff costs and other external costs have increased by just over DKK 300 million in 2024.

In addition, material misstatements relating to previous years in Energi Danmark have been corrected by DKK 259 million, which are described in more detail in the accounting policies.



DKK 1.6 billion

has been invested in activities such as charging networks and fibre-optic broadband networks in 2024.

Investments

Investments are on a par with last year, totalling DKK 1.6 billion in 2024, compared to DKK 1.7 billion in 2023. Investments have mainly focused on the fibre-optic broadband network and expansion of the charging network.

Customer solutions at Andel

Andel's commercial activities include energy trading, portfolio management, energy buying and selling, fibre-optic broadband, internet/TV, e-mobility and smart energy solutions.

The business area has evolved over time and reflects Andel's combination of core business within the energy market and our ambition and ability to build new business areas that can drive green transition and digitalisation of society.

Through our marketing activities, we have made it easy to choose an electric car, and Andel has placed Denmark at the forefront of e-mobility. Our cooperative owners have access to a fast and stable fibre-optic broadband network which ensures digital equality and viable conditions in everyday digital life – regardless of where they live.

Andel has built market-leading positions in the energy market for renewable energy sales, enabling us to set the bar high and help define the standard for climate-responsible services.

Andel's customer solutions are characterised by a wide range of products and services aimed at both private (B2C) and business (B2B) customers. Our customers are met by strong individual companies with unique, purpose-driven value propositions, which

together help make it easy and attractive for customers to switch to a climate-responsible everyday life.

Highlights

A tough year for green solutions

Energy prices have fallen during the year, and the market continues to be characterised by general uncertainty about energy price developments.

Among other things, this has meant slower-than-expected growth in the conversion to heat pumps and slower electrification in Danish households.

The year of the electric car

A bright point in the green transition in Denmark can be seen in the e-mobility market, where in 2024 the electric car overtook fossil-fuelled cars for the first time in terms of new sales.

This development has particularly been driven by Andel's massive investment in e-mobility and charging station networks that make it easy and safe for Danes to choose electric cars, as well as a group-wide coordinated market effort between Clever and Andel Energi.

Andel is strongly committed to promoting e-mobility in Denmark and has a clear ambition to maintain its market position and maintain momentum in green transition in the transport sector.

Digitalisation and consumption optimisation

Andel reached a milestone at the beginning of 2024, offering 99% of our cooperative owners a fibre-optic broadband connection.

“ Through our marketing activities, we have made it easy to choose an electric car.

Apps and smart technology for monitoring and optimising energy consumption continue to gain traction with consumers through our apps from Andel Energi and Watts, among others.

Watts' intelligent control, Watts Homegrid, launched in 2024, supports making customers' power consumption as green and cheap as possible by, among other things, avoiding "peak hours" on the grid and thus optimising consumption towards a more even load.

Focus on profitability and product portfolio

Andel focuses on profitability, maintaining and expanding market share, including through investments and launching new strategic collaborations across the business area.

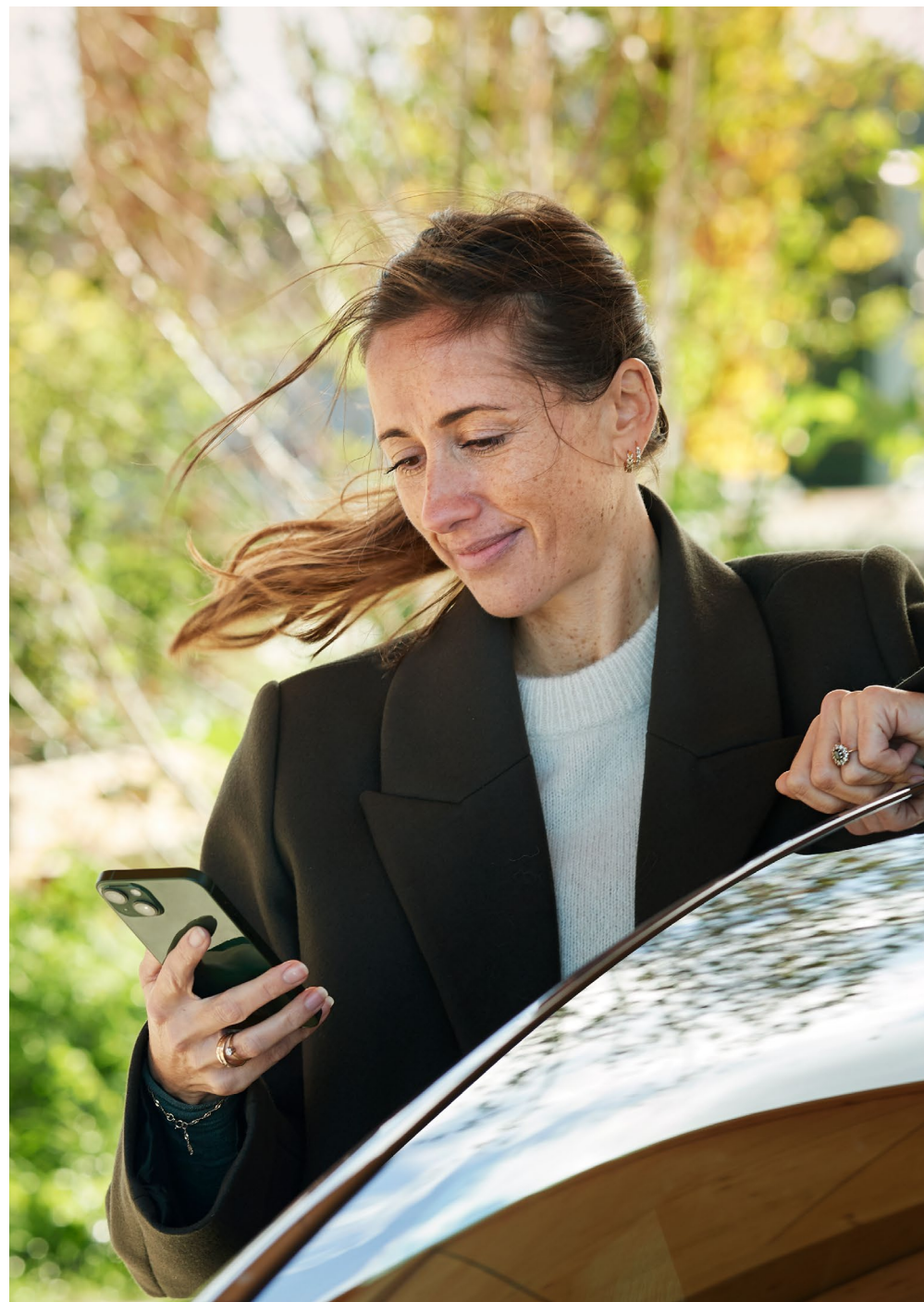
In addition, in order to focus the portfolio on our core business, we have divested activities in Andel Lumen and initiated a controlled shutdown of other activities in the company.

The coming years

As Denmark's leading group within customer solutions in the energy market, Andel will continue the fight for the green transition in Danish energy consumption by making the climate-responsible choice simple and accessible to everyone.

This requires us to continue to dare to break new ground, staying true to our purpose and strengths as a commercially orientated cooperative society by pushing for the necessary changes in society and markets.

Andel expects the energy market to continue to be characterised by general volatility in 2025 and thus continued market risk for customer-facing activities with high exposure to fluctuations in energy prices.



1,369

Number of public fast and rapid charging points via Clever.

12,430

Number of public charging points via Clever.



1.9 million

Number of customer relationships in the Customer Solutions business area.

37,100 Mwh

Average consumption per customer.



1.6 DKK billion

Investments in developments such as fibre-optic broadband and charging networks.



Corporate governance

Sustainability

Double materiality assessment

CSR and gender composition

Corporate governance

Data ethics

Risk management

Sustainability



At Andel, we care about society, and as a co-operatively owned group, value creation is more than economics to us. It is just as much about sustainability and CSR and about nurturing and contributing to the community for the benefit of the whole. It will not only benefit us in our own lifetime, but also serve future generations.

With our group sustainability strategy, “New business in a sustainable reality”, we have intensified our efforts to bring sustainability even closer to the core of our business. The strategy is centred around three main themes, with 16 underlying programmes. These represent the areas where we see Andel as having the greatest opportunity to create a positive impact through our business and where, using a risk-based approach, we will work to minimise any negative effects on society from our business operations.

Over the past year, we have realised a number of sustainability-related milestones within climate and environment, the social area and governance (ESG). These results are the product of a coordinated effort across the group and reflect our strategic focus on integrating sustainability into our business operations through the 16 programmes. For all our sustainability work, please refer to our sustainability report: <https://andel.dk/om-andel/baeredygtighed/>

Andel's sustainability wheel frames our approach to sustainability



Group sustainability strategy

We have taken up the fight for reductions in CO₂

Massive and urgent action is required to reduce greenhouse gas emissions and promote the green transition to slow climate change. Andel will play a responsible and central role in the green transition within our field of operation.

Programmes

1. We invest in sustainable energy production (cf. EU taxonomy)
2. We develop energy storage
3. We help our customers contribute to Denmark's climate goals through our products and services
4. We build and operate sustainable vital infrastructure for electrification and the green transition
5. We share our knowledge about sustainable energy systems
6. We operate our business in a CO₂-neutral way (scope 1 + 2)
7. We prioritise green procurement (scope 3)

General strategic goals



RE production corresponding to the consumption of 1.4 million households in 2050, including 10 TWh production in 2035



- Scope 1 + 2, CO₂ neutral in 2050 (-40% in 2025, -95% in 2030) excluding grid loss.
- Scope 3, -35% in 2030, cat. 1 + 2 (baseline 2022)



We will ensure charging infrastructure for ½ million electric cars by 2025



We strive for taxonomy-aligned business areas and investments



We strive for sustainable consumption

Future resource scarcity creates the need to keep Andel's materials and products in the economic cycle with the highest possible value for as long as possible. At the same time, we must ensure that the conditions in Andel's supply chains fulfil our own and international standards in relation to human rights, etc.

Programmes

8. We incorporate circular economy principles into our procurement, products and services
9. We engage in responsible supplier management
10. We use sustainable financing instruments

General strategic goals



We will have 100% recycling and other waste recovery by 2030



We are stepping up responsible supplier management



We care about the community

At Andel, we care about nature, our employees, society and the future. As a cooperatively owned group, value creation for us is about social responsibility and about nurturing and contributing to the community for the benefit of the whole.

Programmes

11. We work to protect nature and biodiversity
12. We fight for digital equality
13. We contribute to growth, education and development in society
14. We focus on robust data, data security and data ethics
15. We have a culture of diversity, equality, inclusion and holistic understanding
16. We base our success on job satisfaction, mental health and personal safety

General strategic goals



By 2024, we have achieved our goal of promoting biodiversity on 20-30% of the land in our main locations



Collective social contribution totalling DKK 225 million by 2030



By 2025, we will be an industry leader in data ethics



70 students, trainees and graduates by 2026



“ Andel has taken important steps towards implementing CSRD and working with strategic sustainability.”

Double materiality assessment

Consolidated double materiality assessment and CSRD implementation

Andel is covered by the EU Corporate Sustainability Reporting Directive (CSRD), European Sustainability Reporting Standards (ESRS) and the EU Taxonomy Regulation, which is part of the EU Green Deal. These include a number of policy initiatives aimed at creating a paradigm shift towards sustainable business operations and reporting thereof. Sustainability reporting must be included in the annual report's management commentary and be subject to sustainability auditing.

In connection with this, we have noted the Omnibus proposal of 26 February 2025 to postpone the inclusion of CSRD in the annual report until 2027 at the latest. Later in the year, when we know the EU Commission's decision on the proposal, we will use it as a reference point.

“Bottom-up” dual materiality assessment

In 2024, Andel took important steps towards implementing CSRD and working with strategic sustainability.

In order to take credible and responsible steps on the journey towards driving the paradigm shift and creating strong coherence in the group's sustainability strategic focus, we have chosen a bottom-up approach to our double materiality assessment (DMA).

This means that each subsidiary has prepared an independent DMA that reflects their specific value chain, sustainability impacts, risks and opportunities. Going forward, the analysis will be integrated as a natural strategic management tool in the companies.

The individual DMAs are consolidated into the Group's overall double materiality assessment based on uniform threshold values, etc.

From materiality assessment to action plans

In preparing the Group's overall dual materiality assessment, we have identified a number of significant impacts, risks and opportunities. These inform the further sustainability strategic focus of the group's work with strategy and CSRD implementation. Our consolidated DMA results have been subject to a gap analysis, and work has begun to develop action plans for effective implementation of the directive.

In 2025, Andel will begin work on implementing action plans together with relevant subsidiaries to ensure anchoring and continuous change in our work with strategic sustainable business operations.

Steps in implementing CSRD – a paradigm shift for sustainable business operations and reporting

1.

Scope and approach

Determine scope and ambition level for CSRD implementation, including subsidiary approach, roles and responsibilities.

2.

Dual materiality

Identify the group's material ESG-related impacts, risks and opportunities (IRO) within our sustainability strategy, through bottom-up double materiality assessment (DMA) and value chain mapping.

3.

Gap analysis

Prepare gap analysis for mandatory areas and key IROs identified in step 2. The analysis identifies gaps in future reporting, including strategy, policies, actions, goals and processes that support a paradigm shift.

4.

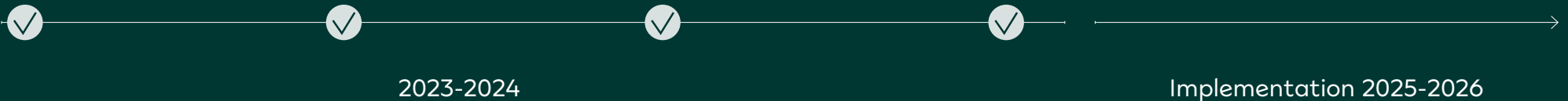
Roadmap and action plans

Develop action plans to close identified gaps while complying with relevant disclosure requirements.

5.

Implementation and data collection

Implement action plans according to the ambition level of the sustainability strategy, with changes to governance, strategy, policies, goals and processes. This work is based on relevant data collection.





Reporting on gender composition

In order to continue transparency about our journey towards gender balance, Andel chooses to continue reporting on gender composition in the management levels.



CSR and gender composition

Andel A.m.b.a. – Group

Statement on social responsibility and gender-related management structure

Andel is a signatory to the UN Global Compact, which is a strategic initiative for companies committed to conducting business in accordance with 10 universal principles in the areas of human rights, labour rights, environment and anti-corruption.

Andel produces an annual Sustainability Report, which details our journey towards greater sustainability, our work with CSR and the progress we are making in these areas.

The sustainability report also constitutes the statutory report on CSR, cf. section 99a of the Danish Financial Statements Act, and can be read in full here: <https://andel.dk/om-andel/baeredygtighed/>

Gender composition in management

On 19 December 2024, the Danish Parliament adopted a bill that repeals section 99b of the Danish Financial Statements Act, removing the previous requirement that the management commentary must include an account of the target figures and policy for the gender composition of management.

However, companies in the Andel Group that present annual reports according to the rules for accounting class C (large) are still required, cf. section 139c of the Danish Companies Act, to set target figures and prepare a policy for increasing the proportion of the under-represented gender at the company's management levels.

At Andel, we consider a good gender balance in leading positions to be an important prerequisite for diversified innovation, development

and realisation of the full potential in and of our company. In order to maintain transparency about our journey towards gender balance, Andel therefore chooses to continue with voluntary reporting of gender composition in the management levels.

The table shows Andel's target figures for the under-represented gender at each management level and the current distribution for Andel A.m.b.a. and the Andel Group's wholly owned companies, which present annual reports according to the rules for accounting class C (large).

For more information, please refer to the respective companies' independent reports on their status and development in this area.

Other levels of governance include the first two levels under the supreme governing body. Across the Andel Group, the first level includes the Executive Board and persons who are organisationally at a corresponding management level. The second level includes people with personnel responsibility who report directly to the first management level. In the companies covered, there were a total of 50 people in the other management levels at the end of 2024, of which women made up 38% compared to 34% in 2023. There has therefore been progress in 2024, though Andel does not consider the gender composition to be equal, cf. guidelines from the Danish Business Authority.

Andel works continuously to create a framework that can help ensure the under-represented gender's opportunities for employment and career development in order to promote gender balance in management positions in the companies covered. Andel's goal is to achieve equal gender composition across other management levels, which according to the Danish Business Authority's guidelines corresponds to 40/60%. Our work with goal fulfilment in accordance with the subsidiaries' respective policies includes:

- Hiring procedures and recruitment processes that help to make female leadership talent visible, so that qualified candidates from both genders are represented in internal and external recruitment.
- Actively ensuring diversity in selection for participation in leadership training and development initiatives.
- Promoting women's career development opportunities through talent spotting, networking and mentoring programmes, etc.

Gender composition of the supreme governing body	Number of persons	Women	Men	Requirement for target figures	Target figures for under-rep. gender
Gender diversity in senior management					
Andel A.m.b.a., Committee of Representatives	151	32%	68%	Yes	40% (2028)
Andel A.m.b.a., Board of Directors ¹	9	44%	56%	No	-
Andel Holding, Board of Directors	3	33%	67%	No	-
Andel Energi, Board of Directors	6	50%	50%	No	-
Cerius, Board of Directors	6	33%	67%	No	-
Radius Elnet, Board of Directors ¹	6	33%	67%	No	-
Nexel, Board of Directors ¹	4	25%	75%	No	-
Gender diversity in the other levels of management ²	50	38%	62%	No	40% (2025)
Gender composition among other people with personnel responsibilities ³	126	30%	70%	No	-

¹ Employee- and consumer-elected members and members appointed on the basis of a statutory right of appointment are not included.

² For wholly owned subsidiaries that present annual reports according to the rules for reporting class C (large). This includes the companies Andel Holding, Andel Energi, Cerius, Radius Elnet and Nexel.

³ For wholly owned subsidiaries that present annual reports according to the rules for accounting class C (large). This includes the companies Andel Holding, Andel Energi, Cerius, Radius Elnet and Nexel. This includes people outside other management levels with personnel responsibility.

Andel A.m.b.a. – the company

Gender composition at the top management level

Board elections were held in 2024, following which 4 out of 9 board members are women. The under-represented gender thus accounts for 44%, and Andel therefore considers the board to have an equal gender composition, as we follow the Danish Business Authority's guidelines in this area (33/67%). In accordance with the guidelines, we have not included consumer and employee-elected members in the calculation.

After the election in 2024, the Committee of Representatives consists of 49 women and 102 men, excluding members appointed in accordance with the provisions of the Articles of Association. The under-represented gender is 32% compared to 30% in 2023. In the Committee of Representatives election in 2024, we saw an increase in the proportion of women elected, partly as a result of active measures to promote the nomination of more women.

Despite the improvement from 2023 to 2024, Andel has not reached the 33% target. Although this target has not been reached, Andel has decided to set a new target figure of 40% by the end of 2028, which corresponds to a balanced gender composition. We believe that the new target figure is ambitious but realistic given the initiatives of recent years, which have contributed to an increase in the proportion of women on the Committee of Representatives from 13% in 2020 to 32% in 2025. In accordance with the guidelines, members appointed on the basis of a statutory right of appointment are not included in the calculation.

Members of the Committee of Representatives and Board of Directors included in the calculation of gender composition are elected through democratic processes. Thus, it is entirely up

to the cooperative owners who is elected to the Committee of Representatives, while the members of the Committee of Representatives appoint the Board of Directors. According to the company's articles of association, any member can stand for election to the Committee of Representatives regardless of gender, age, religion, political views, etc., just as any member of the Committee of Representatives, can stand for election to the Board of Directors.

Gender composition at the other management levels

Andel A.m.b.a. has no employees and thus no other management levels.

	2024	2023
Supreme governing body, board of directors		
Total number of members ¹	9	9
Under-represented gender	44%	44%
Target figures	-	-
Year when target figures will be met	-	-
Supreme governing body, Committee of Representatives		
Total number of members ¹	151	149 ²
Under-represented gender	32%	30% ²
Target figures	40%	33%
Year when target figures will be met	2028	2025

¹ Employee and consumer-elected members and members appointed on the basis of a statutory right of appointment are not included.

² Updated from latest annual report due to new reporting practices. For the financial year 2023, members appointed according to a statutory right of appointment were recognised in the statement.



32%

Increase in the share of women on the Committee of Representatives

After the Committee of Representatives election in 2024, 49 seats on the Committee of Representatives will be occupied by women (excluding statutory seats), which corresponds to 32%.

Corporate governance

The recommendations for corporate governance in consumer-owned utility companies establish a solid foundation for active ownership of Andel and for cooperation between Andel's Committee of Representatives, Board of Directors and management.

The recommendations for corporate governance in consumer-owned utilities developed by Green Power Denmark's Owner-Consumer Forum are based on a number of the same recommendations that apply to listed public limited companies and foundations. The recommendations have been prepared with the special circumstance in mind that utility companies have elected representatives in the highest governing bodies. That's why the industry's Committees of Representatives and boards of directors pay special attention to active ownership, value creation and transparency.

The Andel Group follows all 25 recommendations for corporate governance in consumer-owned utility companies.

The corporate governance report can be found at:
<https://aarsrapport.andel.dk/god-selskabsledelse/>

25 of 25

recommendations for corporate
governance are followed by Andel

Data ethics

The Andel Group processes extensive amounts of data, and digitalisation in society, giving rise to a number of ethical considerations in our handling of data and the use of new technologies, algorithms, etc.

With 400,000 cooperative owners, 3.2 million customer relationships and almost 3,000 employees, the Andel Group processes extensive amounts of data. We are aware of the responsibilities that come with data processing and actively strive to ensure that this is done responsibly in accordance with our values as a cooperative society.

In 2024, the Andel Group updated its data ethics policy. The policy sets out the principles for the group's data ethics conduct and describes the guidelines for ethical, responsible and transparent data processing and use. The policy covers all group employees and all data-driven processes.

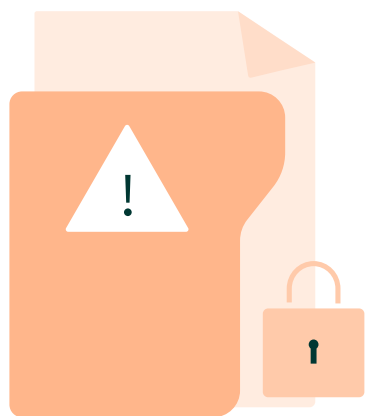
The data ethics policy of the Andel Group is based on the following code of conduct, consisting of four principles:

- We are socially responsible
- We let the individual take centre stage
- We process data securely and reliably
- We are aware of our responsibilities.

In 2023, Andel established an intra-group Data Ethics Council as a forum where group companies discuss ethical considerations regarding data processing, the use of new technologies and related ethical dilemmas. In 2024, the council worked on spreading awareness of data ethics in the Group through targeted information. In addition, the group has hired a data ethics coordinator to ensure focus and insight into data ethics work going forward.

In 2025, the Andel Group will intensify its efforts to further increase employees' knowledge of data ethics and the related code of conduct so that more people become even more aware of responsible data processing in everyday life. Due to increasing amounts of data and increased use of new technologies, algorithms, etc., we will also focus on the ethical use of artificial intelligence to ensure fairness and transparency. In addition, we will explore themes such as "Ethics by design".

The full data ethics policy statement can be found here: <https://aarsrapport.andel.dk/dataetik/>



Risk management

Risk management is a central element in the Andel Group's operations, anchored in Group Management. We continuously monitor and manage financial, non-financial and strategic risks. Andel's business is spread across the value chain through the business areas of energy production, infrastructure and customer solutions. This gives us an increased opportunity to mitigate risks by balancing fluctuations across business areas.

Our risk management function works in a structured way to identify, analyse, quantify, prioritise and manage risks and continuously report to Group Management and the Sustainability, Audit and Risk Committee (BRR). Operational risk management is handled in a decentralised fashion within the group – as close to the specific risks as possible. A structured framework forms the basis for the Group's work with risk management.

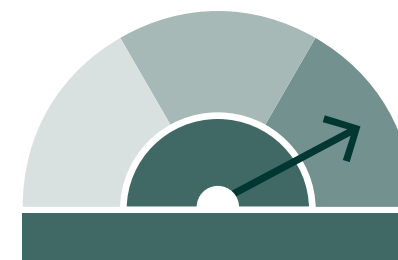
Significant events in the year

Following the general slowdown in **the global economy** in recent years, central banks cut interest rates in mid-2024. For Andel, lower interest rates mean better conditions for financing and realising investment plans.

Andel closely follows threat assessments from the Centre for Cyber Security (CFCS) and adapts its initiatives on **cybersecurity** to the current threat level. CFCS continues to see Denmark as a target for increasing cyber threats, with cyber espionage and attacks against critical infrastructure, including the energy sector, being a part of the threat landscape. For Andel, this means that we continue to closely monitor developments and work on constant improvements to optimise resilience against cyber attacks.

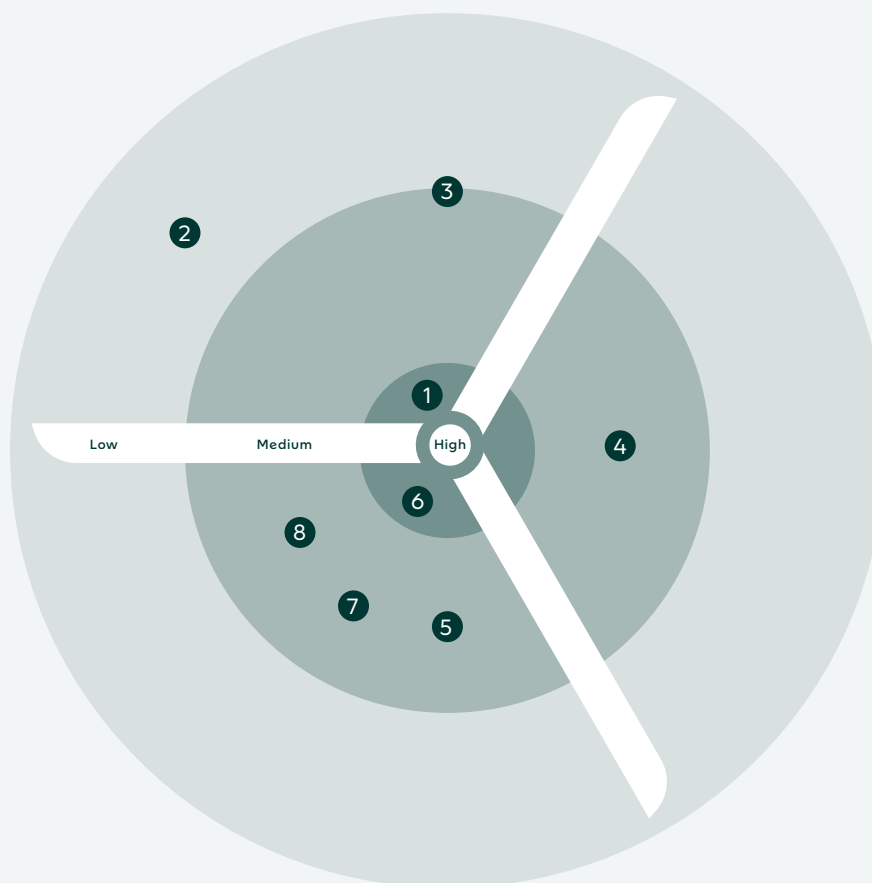
The expansion of renewable energy and electrification of society is going more slowly than expected, and there has been a slowdown in the renewable energy market in 2024. The investment climate continues to be challenged by material prices and interest rates that have led to insufficient profitability in projects, and Andel has adjusted its investment rate to market conditions. The Group's ambition to lead the green transition remains unchanged, but the path to get there has been adjusted. Several investors in the market have announced reduced appetite for investments, and we therefore expect continued pressure in the coming period, which will be closely monitored.

“ We continuously monitor and manage financial, non-financial and strategic risks.



Risk assessment for selected risks

“ Through continuous risk assessments and targeted actions, Andel ensures robust risk management that promotes stability and long-term value creation.



Non-financial risks

- 1 IT-related risks
- 2 Compliance and legal risks
- 3 Risks related to working conditions

Financial risks

- 4 Financial risks

Strategic risks

- 5 Risks related to investments
- 6 Risks related to investing in renewable energy
- 7 Commercial risks
- 8 Risks related to investing in electricity grids

● Low ● Medium ● High

Risks	Description and development	Risk management
● 1. IT-related risks	Securing data and systems against cyber attacks and data leaks is a high priority at Andel. Based on the geopolitical situation and assessments from the Centre for Cyber Security (CFCS), the threat level remains elevated. As a critical infrastructure owner, this is especially true for Andel. The increased threat level also places demands on the IT system landscape, which must be resilient to system failures, data leaks and potential cyber attacks.	Andel closely monitors developments in this area and is constantly working to improve IT security through training, projects and emergency response exercises that optimise resilience against cyber attacks.
● 2. Compliance and legal risks	Andel aims to comply with applicable legislation at all times. Therefore, the Group closely monitors new legislation and prepares for compliance when new regulations are introduced. The main focus is on compliance with the special rules in the Electricity Supply Act, as well as the integration of the rules in the EU General Data Protection Regulation in our processes. Across the group, there is also a focus on ensuring that physical and digital security meets the requirements of NIS2 and CER, which deal with IT and cyber security, and the sustainability area with ESG and reporting requirements is a current focus area.	Dedicated implementation projects have been established to ensure compliance with significant new regulations. Despite Andel's focus and goal of ensuring compliance with applicable legislation at all times, there is an inherent risk of non-compliance or inadequate compliance with specific regulations – e.g. as a result of interpretation – but Andel works continuously to mitigate the risk through dedicated compliance teams, advice, guidance and training.
● 3. Risks related to working conditions	Andel wants to be an attractive workplace that works to ensure a good physical and psychological working environment for employees, which is essential for Andel's ability to attract and retain relevant labour.	Andel ensures a good working environment through policies, processes, satisfaction surveys and workplace assessments. Targeted initiatives include awareness campaigns, safety workshops, etc.
● 4. Financial risks	Andel is exposed to general developments in the global and national economy, which is why the capital structure is continuously adjusted to ensure sufficient capital resources. The bond portfolio has been adapted to a more robust composition in relation to external factors. The duration of Andel's interest-bearing payables has decreased, and the Group has entered into a new interest rate hedging agreement that reduces the interest rate risk in relation to the earnings framework in the distribution companies. Interest-bearing payables are denominated in DKK. Andel is exposed to currency fluctuations in EUR, SEK, NOK, PLN, USD and GBP, with EUR accounting for the majority of the flow. The Group does not speculate directly or indirectly in currencies, and exposure is limited through invoicing in the main currency, netting and hedging with approved derivatives.	The economic development of market interest rates is closely monitored. Financial impacts on the Group's assets and equity and liabilities are reported on an ongoing basis. The size of the capital reserves is validated through forecasts and subjected to stress tests under different scenarios. Open positions are monitored continuously and risk appetite limits are described in the Treasury policy.
● 5. Risks related to investments	Andel categorises its shareholding in Ørsted as a non-current financial asset for accounting purposes. Risks related to this are classified as strategic due to the Group's strategy to have ownership in the area of renewable energy production. In 2024, once again we saw major fluctuations and decreases in the share price, directly and indirectly affecting Andel's income statement and balance sheet. In addition, Andel holds a number of investments, with majority ownership in strategically selected business areas. Andel's investments help create value for cooperative members and society at large by contributing to the green transition through access to green power and charging infrastructure, as well as increased digital equality through fibre-optic broadband for all cooperative owners.	The risk policy states that share price fluctuations of +/-20% in a rolling three-month period should be reported to the relevant committees. Additional investments in majority ownership interests are continuously adapted to the Group strategy and market conditions.

Risks	Description and development	Risk management
6. Risks related to investing in renewable energy	Andel has the goal of expanding renewable energy by 2035. External factors, including slower than expected electrification of society, have challenged the pace of expansion.	Andel has adjusted the pace of its investment in renewable energy, and at the same time, the group focuses on being present throughout the value chain and dividing its investments in energy production between solar, wind and Power-to-X to reduce risk exposure. Different approaches to models for financing and expanding the renewable energy portfolio are being explored, including a mix between partnering and self-development.
7. Commercial risks	Continued fierce competition in the energy market, including energy trading (wholesale), energy sales to customers and charging infrastructure (e-mobility) creates increased pressure on the Group's commercial activities, which over time can challenge the companies' earning power. Andel's credit risk is driven by the customers' ability to pay and the suppliers' fulfilment of their delivery obligations. Economic fluctuations can therefore potentially increase the fragility of the financial position of both customers and suppliers, which may affect Andel's earning power.	The group continuously adapts its product portfolio to address customer needs and demand. Work is continuously being done with respect to profitability, cost levels, pricing and market monitoring. Customers and suppliers are continuously credit assessed in order to minimise Andel's overall credit risk.
8. Risks related to investing in electricity grids	The continued transition and electrification of society means that new players and customers are constantly emerging. To enable the green transition through electrification, it is essential that Andel's distribution companies Cerius and Radius Elnet, together with the construction company Nexel, organise and execute the expansion of the electricity grid at a high pace, while maintaining high security of supply. It is crucial for the ability of the distribution companies to support society's needs that the regulatory framework is up to date, that the Group can continue to build capacity and maintain access to necessary materials, and that relevant stakeholders work together to achieve these goals.	The work of the distribution companies is focused on meeting society's needs. This includes a constant focus on building capacity and ensuring the shortest possible connection time. Cerius and Radius Elnet actively participate in industry collaborations and working groups that support the political level.
Specifically on ESG risks: As part of Andel's work on implementing the new CSRD requirements, work is currently underway on organising the process and reporting of the risks identified in the initial analysis work, cf. the previous section on double materiality assessment.		



Financial statements

Statement by the Executive Board

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Balance sheet

Statement of changes in equity

Cash flow statement

Notes

Accounting policies

“ Although private electricity consumption is increasing in Denmark, the overall electrification of society is unfortunately moving too slowly.

Bart Gyldenløve Roetink, Chairman of the Board
Jesper Hjulmand, Group CEO

Statement by the Executive Board

The Board of Directors and the Executive Board have today considered and approved the annual report of Andel A.m.b.a. for the financial year 1 January – 31 December, 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts and consolidated accounts give a true and fair view of the financial position of the company and the group as at 31 December 2024 and of the results of their operations and cash flows for 2024.

The annual report is recommended for approval by the Committee of Representatives.



Svinninge, 26 March 2025
Jesper Hjulmand, Group CEO

A handwritten signature in dark ink, reading "Jesper Hjulmand".



Bottom from the right: Jesper Hjulmand (Group CEO), Jesper Lange (CAO), Ole Hillebrandt (CFO), Marlene Holmgaard Fris (CEO of Andel Energi), Casper Holst-Christensen (CEO of Fibia), Knud Pedersen (CRO). Second row from the right: Jens Fossar Madsen (CEO of Cerius and Radius Elnet), Casper Kirketerp-Møller (CEO of Clever), Rikke Harbo Trikker (Communications Director). Third row from right: Louise Hahn (CEO of Energi Danmark), Henrik Wej Petersen (CEO of Andel Lumen), Anders Vikkelsø (CEO of Nexel), Lotte Tange (CIO), Per Madsen (CEO of Watts), Kirstine Bergenholtz (CPO, resigned 31 March 2025), and Mikkel Heino Simonsen (Transformation and Project Director).

Management statement, Board of Directors



Bart Gyldenløve Roetink

Positions in Andel A.m.b.a.
Chairman of the Board

Member of committees in Andel and other positions of trust/management positions

- Member of the Nomination and Remuneration Committee at Andel A.m.b.a.
- Vice Chairman of the Board of Andel A.m.b.a. 2021-2024
- Member of the Committee of Representatives in Business Lolland-Falster

Board member since
2017

Current term of office
2022-2025

Constituency
Guldborgsund

Employment
Business Manager, Sydbank



Lone Hass

Positions in Andel A.m.b.a.
Deputy Chairman of the Board

Member of committees in Andel and other positions of trust/management positions

- Member of the Nomination and Remuneration Committee at Andel A.m.b.a.
- Chairperson of the Board, Mouritsen A/S
- Chair of the Board, Scantago A/S
- Board member, Elindco A/S
- Deputy Chair of Bestyrelseskvinder

Board member since
2023

Current term of office
2023-2026

Constituency
Odsherred

Employment
Self-employed chief executive



Trine Engel

Positions in Andel A.m.b.a.
Board member

Member of committees in Andel and other positions of trust/management positions

- Member of the Sustainability, Audit and Risk Committee in Andel A.m.b.a.
- Board member of LM Gruppen
- Board member of Odsherred Forsyning
- Member of the Committee of Representatives at Energimuseet on behalf of Andel

Board member since
2020

Current term of office
2024-2027

Constituency
Roskilde

Employment
Energy planner, VEKS



Anja Birkebæk

Positions in Andel A.m.b.a.
Board member

Member of committees in Andel and other positions of trust/management positions

- Chairman of Jyderup Business Association
- Chairman of Knaek cancer in Holbæk Municipality

Board member since
2022

Current term of office
2022-2025

Constituency
Holbæk

Employment
Owner Manager, Edelslundhus



Ulrik Theophil Jørgensen

Positions in Andel A.m.b.a.
Board member

Member of committees in Andel and other positions of trust/management positions

- Chairman of the Board, Lolland Ejendomme P/S
- Chairman of the Board, Kompas Invest A/S
- Board member, Agricultural Economics Society
- Board member, SAP9 Group A/S
- Member of the Committee of Representatives at Realdania
- Member of the Committee of Representatives in Business Lolland-Falster

Board member since
2024

Current term of office
2024-2027

Constituency
Lolland

Employment
CEO and landowner



Kjetil Krøemer

Positions in Andel A.m.b.a.
Board member

Member of committees in Andel and other positions of trust/management positions

- Member of the Sustainability, Audit and Risk Committee in Andel A.m.b.a.
- Board member of Storkøbenhavns Køretekniske Anlæg

Board member since
2019

Current term of office
2023-2026

Constituency
Køge

Employment
Head of Smart Product Technology, Velux



Helle Grace Lundsgaard

Positions in Andel A.m.b.a.
Board member

Member of committees in Andel and other positions of trust/management positions

- Member of the Nomination and Remuneration Committee at Andel A.m.b.a. Member of the Committee of Representatives, Forenet Kredit
- Member of the Committee of Representatives, Realdania
- Member of the Committee of Representatives, Dansk Markedsføring

Board member since
2013

Current term of office
2021-2025

Constituency
Ringsted

Employment
Self-employed communications advisor

Helle Grace Lundsgaard



Svend Müller

Positions in Andel A.m.b.a.
Board member

Member of committees in Andel and other positions of trust/management positions

- Committee leader of the Authorisation Committee in Andel A.m.b.a.
- Chairman of the Board, Svebølle-Viskinge Fjernvarmeselskab
- Board member of Odsherred Forsyning

Board member since
2011

Current term of office
2023-2026

Constituency
Kalundborg

Employment
Sales manager, AAB A/S

Svend Müller



Niels Nicolaisen

Positions in Andel A.m.b.a.
Board member

Member of committees in Andel and other positions of trust/management positions

- Committee Chair of the Sustainability, Audit and Risk Committee at Andel A.m.b.a.
- Deputy Mayor of Odsherred Municipality

Board member since
2013

Current term of office
2024-2027

Constituency
Odsherred

Employment
Contract Control Manager, Saint-Gobain Distribution Denmark

Niels Nicolaisen



Poul Dreyer*

Positions in Andel A.m.b.a.
Board member, employee-elected

Member of committees in Andel and other positions of trust/management positions

- Employee-elected board member of Nexel
- Vice Chairman of FSU at Andel (Joint Cooperation Committee)
- Board member of the Service Group at 3F BJMF
- Board member of 3F BJMF

Board member since
2023

Current term of office
2023-2026

Constituency
Employee-elected

Employment
Net technician, Nexel

Poul Dreyer



Flemming Hardsner*

Positions in Andel A.m.b.a.
Board member, employee-elected

Member of committees in Andel and other positions of trust/management positions

- Member of the Authorisation Committee at Andel A.m.b.a.

Board member since
2019

Current term of office
2023-2026

Constituency
Employee-elected

Employment
Department Manager, IT Support, Andel

Flemming Hardsner

* Employee-elected member of the Board of Directors

To the owners of Andel A.m.b.a.

Independent auditor's report

Opinion

In our opinion, the consolidated financial statements and parent company financial statements give a true and fair view of the financial position of the group and the parent company at 31 December 2024, and of the results of the group's and the parent company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2024, in accordance with the Danish Financial Statements Act.

We have audited the consolidated financial statements and the parent company financial statements of Andel A.m.b.a. for the financial year 1 January – 31 December 2024, 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 consolidated statement of cash flows ("financial statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on the management review

Management is responsible for the management review.

Our opinion on the financial statements does not cover the management review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management review and, in doing so, consider whether the management review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, management review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial

Statements Act. We did not identify any material misstatement of the management review.

Management's responsibility for the financial statements

The management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management

either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility 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 in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial

statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related

to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and the parent company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent company financial statements. We are responsible for the direction,

supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 26 March 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR (company reg. no.) 33 77 12 31



Rasmus Friis Jørgensen

state-authorised public accountant
mne28705



Henrik Kragh

state-authorised public accountant
mne26783



Income statement

1 January – 31 December 2024

Note	(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
1	Net revenue	83,544	124,335	0	0
	Work performed by the entity and capitalised	674	271	0	0
	Other operating income	25	161	0	0
	Total operating income	84,243	124,767	0	0
	Energy and consumables used	76,929	118,211	0	0
	Other external expenses	1,885	1,950	54	72
	Gross profit	5,429	4,606	-54	-72
2	Staff costs	2,313	1,968	4	3
	Other operating costs	46	29	0	0
3	Depreciation and amortisation	2,544	2,551	0	0
	Operating profit/loss	526	58	-58	-75
4	Income from investments in group enterprises	0	0	-151	-257
5	Income from investments in associates and jointly controlled entities	13	-1	0	0
6	Income from other investments	-1,055	-5,129	-1,055	-5,129
7	Financial income	493	527	54	42
8	Financial expenses	1,074	951	8	17
	Profit or loss before tax	-1,097	-5,496	-1,218	-5,436
9	Tax on profit or loss for the year	70	-4	7	42
	Net profit or loss	-1,167	-5,492	-1,225	-5,478
10	Distribution of net profit				

Balance

31 December 2024

Assets

Note	(DKK million)	Group 31/12/2024	Group 31/12/2023	Parent company 31/12/2024	Parent company 31/12/2023
	Fixed assets				
	Goodwill	9,349	9,637	0	0
	Acquired customer relationships and rights	1,535	1,694	0	0
	Completed development projects	652	485	0	0
	Development projects in progress	183	183	0	0
11	Intangible fixed assets	11,719	11,999	0	0
	Land and buildings	1,098	1,037	0	0
	Technical plant and machinery	30,080	28,707	0	0
	Other fixtures, fittings, tools and equipment	229	187	0	0
	Leasehold improvements	5	6	0	0
	Tangible fixed assets under construction	3,213	2,231	0	0
12, 13	Tangible fixed assets	34,625	32,168	0	0
14	Investments in group enterprises	0	0	19,700	20,085
15	Investments in associates and jointly controlled entities	102	122	32	32
16	Other investments	6,863	7,885	6,828	7,883
17	Other receivables	254	278	0	0
	Fixed asset investments	7,219	8,285	26,560	28,000
	Total non-current assets	53,563	52,452	26,560	28,000
	Current assets				
18	Inventories	1,071	1,353	0	0
	Trade receivables	8,180	9,495	0	0
19	Contract work in progress	33	47	0	0
	Receivables from group enterprises	0	0	1,205	0
20	Deposits	1,851	2,715	0	0
	Rate-regulated deficit	182	264	0	0
	Other receivables	466	419	0	0
	Tax payables	99	39	0	0
21	Prepayments and accrued income	304	124	0	1
13, 29	Fair value of hedging instruments	1,108	2,325	0	0
	Receivables	12,223	15,428	1,205	1
22	Securities	896	884	0	0
	Cash at bank and in hand	3,911	8,182	15	3,711
	Total current assets	18,101	25,847	1,220	3,712
	Assets	71,664	78,299	27,780	31,712

Balance 31 December 2024

Equity and liabilities

Note	(DKK million)	Group 31/12/2024	Group 31/12/2023	Parent company 31/12/2024	Parent company 31/12/2023
Equity					
	Reserve for net revaluation under the equity method	0	0	4,518	4,903
	Reserve for fair value of hedging instruments	-149	88	0	0
	Foreign currency translation reserve at fair value	-21	-16	0	0
	Retained earnings	27,925	29,946	23,237	25,115
	Minority interests	4,531	4,518	0	0
	Total equity	32,286	34,536	27,755	30,018
23	Deferred tax	993	1,083	0	0
24	Other provisions	705	641	0	0
	Provisions	1,698	1,724	0	0
Long-term liabilities					
25	Credit institutions	22,331	15,886	0	0
26	Payables owed to minority interests	252	252	0	0
27	Other payables	32	26	0	0
28	Prepayments and accrued income	5,392	4,939	0	0
	Total long-term liabilities	28,007	21,103	0	0
Short-term liabilities					
25	Credit institutions	1,603	9,041	0	0
26	Payables owed to minority interests	9	0	0	0
	Payables to group enterprises	0	0	15	1,677
	Payables to associates	6	0	0	0
	Suppliers of goods and services	3,808	5,203	3	17
19	Contract work in progress	19	9	0	0
	Prepayments received from customers	33	67	0	0
	Collateral security received	228	71	0	0
	Income tax	94	57	7	0
27	Other payables	2,161	2,477	0	0
28	Prepayments and accrued income	442	511	0	0
13, 29	Fair value of hedging instruments	1,270	3,500	0	0
	Total short-term liabilities	9,673	20,936	25	1,694
	Total liabilities	37,680	42,039	25	1,694
	Equity and liabilities	71,664	78,299	27,780	31,712
30	Acquisitions				
31	Contractual obligations				
32	Contingent liabilities and other financial liabilities				
33	Fee for the auditors elected by the Annual General Meeting				
34	Related parties				
35	Group companies				

Statement of changes in equity group

31 December 2024

(DKK million)	Reserve for fair value of hedging instruments	Reserve for fair value of exchange rate adjustments	Retained earnings	Cooperative members' interest of equity	Minority interests	Total
2024						
Equity at 1 January 2024	88	-16	29,946	30,018	4,518	34,536
Fair value adjustment of hedging instruments	-237	0	0	-237	-45	-282
Other adjustments of capital	0	-5	8	3	0	3
Extraordinary distribution to cooperative owners	0	0	-804	-804	0	-804
Net profit or loss	0	0	-1,225	-1,225	58	-1,167
Equity at 31 December 2024	-149	-21	27,925	27,755	4,531	32,286
2023						
Equity at 1 January 2023	465	-14	35,329	35,780	5,696	41,476
Adjustment at the beginning of the year and corrections	102	0	0	102	5	107
Fair value adjustment of hedging instruments	-479	0	0	-479	-36	-515
Other adjustments of capital	0	-2	95	93	2	95
Dividend	0	0	0	0	-1,135	-1,135
Net profit or loss	0	0	-5,478	-5,478	-14	-5,492
Equity at 31 December 2023	88	-16	29,946	30,018	4,518	34,536

Statement of changes in equity parent company

31 December 2024

(DKK million)	Reserve for net revaluation under the equity method	Retained earnings	Total
2024			
Equity at 1 January 2024	4,903	25,115	30,018
Adjustments of capital in group enterprises	-234	0	-234
Extraordinary distribution to cooperative owners	0	-804	-804
Net profit or loss	-151	-1,074	-1,225
Equity at 31 December 2024	4,518	23,237	27,755
2023			
Equity at 1 January 2023	6,681	29,099	35,780
Adjustments of capital in group enterprises	-1,650	1,366	-284
Net profit or loss	-128	-5,350	-5,478
Equity at 31 December 2023	4,903	25,115	30,018

Cash flow statement group

Note	(DKK million)	2024	2023
	Net profit or loss	-1,167	-5,492
36	Adjustments	4,341	8,090
	Cash flow before funds tied up in working capital, etc.	3,174	2,598
37	Change in working capital	-184	6,396
38	Financial payments, net	-694	-507
	Cash flows from ordinary activities	2,296	8,487
	Dividend and income tax paid	-127	-1,790
	Cash flows from operating activities	2,169	6,697
	Net investments in companies ¹	-93	-67
	Net investment in intangible assets	-386	-306
	Net investment in tangible fixed assets	-4,293	-3,042
	Net investment in fixed asset investments	0	-12
	Dividends received	0	284
	Cash flows from investing activities	-4,772	-3,143
	Movements in capital regarding minorities, net	0	-1,135
	Distribution to cooperative owners	-804	0
	Repayment of payables to credit institutions	-2,939	-2,596
	Repayment of payables to minority interests	15	-7
	Incurrence of payables with credit institutions	784	500
	Bank overdraft withdrawals	1,293	0
	Cash flows from financing activities	-1,651	-3,238
	Change in cash and cash equivalents	-4,254	316
	Cash at bank and in hand at 1 January	9,066	8,731
	Reclassification and value adjustments of securities held for sale	-5	19
39	Cash at bank and in hand at 31 December	4,807	9,066
	Cash at bank and in hand at year-end	4,807	9,066
	Short-term payables owed to credit institutions, at year-end	-1,603	-9,041
	Current payables to minority interests, end of year	-15	0
	Long-term payables owed to credit institutions, at year-end	-22,331	-15,886
	Non-current payables to minority interests, end of year	-252	-252
	Net interest-bearing payables at 31 December	-19,394	-16,113

¹ In this item, set-off has been effected of acquired cash at bank and in hand in the acquired enterprises.

Notes

01 Net revenue

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Segment information				
Energy production Rødsand 2 Offshore Wind Farm A/S, Andel Tryggevoelde Solcellepark ApS, Andel Barmosen Solcellepark ApS, Better Energy Andel P/S, Better Energy Andel Komplementar ApS	266	302	0	0
Infrastructure Cerius A/S, Radius Elnet A/S, Nexel A/S	1,876	1,219	0	0
Customer solutions Energy sales and solutions: Andel Energi A/S, Koncernen Energi Danmark A/S, Watts A/S, Enova Energy ApS, Fibia P/S, Wao A/S, Fibia Komplementar Charging solutions: Clever A/S Outdoor light: Andel Lumen A/S Unallocated items: Andel Holding A/S, Andel Ratio A/S, Andel Sp. z o.o., Andel A.m.b.a.	79,746 1,454 202 0	121,792 796 192 34	0 0 0 0	0 0 0 0
Total	83,544	124,335	0	0
Assets				
Energy production (incl. Ørsted)	10,566	11,167	6,828	7,883
Infrastructure	31,269	30,377	0	0
Customer solutions	27,785	30,544	32	32
Eliminations and unallocated items	2,044	6,211	20,920	23,797
Total	71,664	78,299	27,780	31,712
Geographical markets (DKK million)	Group 2024	Group 2023		
Denmark	76,116	113,201		
Other countries	7,428	11,134		
Total	83,544	124,335		

02 Staff costs

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Wages & salaries and remuneration	2,079	1,769	4	3
Pensions	203	172	0	0
Other social security costs	31	27	0	0
Total	2,313	1,968	4	3
Remuneration paid to the company's Executive Board, Board of Directors and the Committee of Representatives constitute:				
Executive board	9	10	2	1
Board of directors	4	3	4	3
Committee of Representatives	4	3	4	3
Total	17	16	10	7
Average number of employees during the year	2,965	2,650	0	0

Remuneration for the parent company's Board of Directors and Executive Board has been charged to the income statement under other external expenses as re-invoiced management's remuneration from Andel Holding A/S.

03 Depreciation and amortisation

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Goodwill	290	315	0	0
Acquired customer relationships and rights	167	143	0	0
Completed development projects	216	142	0	0
Buildings	22	21	0	0
Technical plant and machinery	1,800	1,885	0	0
Other fixtures, fittings, tools and equipment	48	44	0	0
Leasehold improvements	1	1	0	0
Total	2,544	2,551	0	0

04 Income from investments in group enterprises

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Share of result in group enterprises	0	0	-151	-257
Total	0	0	-151	-257

05 Income from investments in associates and jointly controlled entities

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Share of profit in associates and jointly controlled entities	13	-1	0	0
Total	13	-1	0	0

06 Income from other investments

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Dividends from other investments	0	284	0	284
Value adjustment of other investments	-1,055	-5,413	-1,055	-5,413
Total	-1,055	-5,129	-1,055	-5,129

07 Financial income

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Interest income, group enterprises	0	0	36	0
Other financial income	493	527	18	42
Total	493	527	54	42

08 Financial expenses

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Interest expenses, group enterprises	0	0	8	17
Other financial costs	1,074	951	0	0
Total	1,074	951	8	17

09 Tax on profit or loss for the year

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Current tax for the year	113	341	7	42
Deferred tax for the year	-39	-335	0	0
Adjustment to tax, previous years	5	-171	0	0
Adjustment to deferred tax, previous years	-9	161	0	0
Total tax for the year	70	-4	7	42
In addition to the tax recognised in the income statement, tax is recognised in equity (fair value adjustment of hedging instruments)	-61	-108	0	0

09 Tax on net profit or loss for the year – continued

Global minimum tax with additional tax (top-up tax)

The Group is subject to the OECD's Pillar II rules (global minimum taxation), which apply from 1 January 2024. Pillar II aims to address BEPS (Base Erosion and Profit Shifting) by introducing a global minimum tax rate of 15% and implementing tax legislation on the allocation of taxing rights. The Group has prepared a preliminary Transitional Country-by-Country Reporting (CbCR) Safe Harbour assessment with a conclusion for the accounting period

ending 31 December 2024. Based on this, the Group expects to qualify for Transitional CbCR Safe Harbour in the majority of the jurisdictions where the Group is present in the financial year 2024. As at 31 December 2024, there is no indication that the additional tax will have a material impact on the Group in 2024. The Group has applied a temporary mandatory deferred tax exemption with respect to the effect of the additional tax and recognises it as current tax when it is incurred.

10 Distribution of net profit

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Retained earnings	-2,029	-5,478	-1,878	-5,350
Reserve for net revaluation under the equity method	0	0	-151	-128
Extraordinary distribution to cooperative owners	804	0	804	0
Minority interests	58	-14	0	0
Total	-1,167	-5,492	-1,225	-5,478

11 Intangible assets for the group

(DKK million)	Goodwill	Acquired customer relationships and rights	Completed development projects	Development projects in progress	Total
Cost at 1 January 2024	10,611	2,260	1,137	183	14,191
Adjustment at the beginning of the year	-26	0	26	6	6
Additions during the year	0	8	220	158	386
Additions by merger	0	0	1	0	1
Disposals during the year	0	0	-31	0	-31
Transfer during the year	0	0	164	-164	0
Cost at 31 December 2024	10,585	2,268	1,517	183	14,553
Amortisation and impairment losses at 1 January 2024	974	566	652	0	2,192
Adjustment at the beginning of the year	-28	0	27	0	-1
Amortisation and impairment for the year	290	167	216	0	673
Reversed amortisation on the disposals for the year	0	0	-30	0	-30
Depreciation, amortisation and impairment losses at 31 December 2024	1,236	733	865	0	2,834
Carrying amount at 31 December 2024	9,349	1,535	652	183	11,719
Amortised over	10-40 years	10-20 years	3-7 years		

Goodwill

Goodwill acquired in connection with the acquisition of Radius Elnet (2020) and N1 Hillerød (2021) (power distribution) is amortised over 40 years. The business case underlying the purchase price includes a forecast period of 40 years and a terminal value representing earnings in the period after year 40. On this basis, management has chosen a specific 40-year amortisation period for goodwill,

as this period reflects the budgeted cash flows in the forecast period. The long forecast horizon of the business case is based on the special character of the business area, with long-term investments in infrastructure without real alternative operators. Thus, the entry barrier for any alternative operators is particularly high, due to the substantial capital expenditure, with a relatively low return over a long timeframe and

with relatively large effects on rural and urban areas, as well as requirements for approvals and a grid license by the authorities. Based on this, the risk of the acquisition is assessed to be particularly low.

Acquired goodwill in connection with the acquisition of the majority of the shares in the Energi Danmark group (2021) is amortised over 20 years. The

management of the Andel group has assessed an amortisation period on goodwill of 20 years to be appropriate in the specific scenario due to a strong sector and market position with significant possibilities of optimisation and synergies. By choosing 20 years, profitability is measured over the period which has been used as the basis in connection with further purchase of shares in Energi Danmark.

Acquired customer relationships and rights

Acquired customer relationships and rights are amortised on a straight-line basis over their estimated useful lives, which are determined on the basis of management's experience in the business area in question, including experience figures on turnover ratio.

For the investment made in HMN Naturgas, the amortisation period follows the expected phase-out of gas at the end of 2029.

For the investment made in 2020 in Ørsted's residential customers, the amortisation horizon is estimated at 20 years, based in part on historical target figures on the average churn for electricity customers.

11 Intangible assets for the group – continued

Completed development projects and development projects in progress

Development projects in progress and completed development projects can primarily be attributed to development projects relating to the group's IT platforms, which handle network management and supply flow, as well as all the

accounting records, including non-current assets, construction projects, customer management, invoicing and wage administration.

All development projects are meeting expectations, and thus, no indication of impairment has been identified.

12 Tangible fixed assets for the group

(DKK million)	Land and buildings	Technical plant and machinery	Other fixtures, fittings, tools and equipment	Leasehold improvements	Property, plant and equipment under construction	Total
Cost at 1 January 2024	1,227	41,596	399	11	2,231	45,464
Adjustment at the beginning of the year	-1	-15	1	1	-5	-19
Additions in connection with acquisition	0	86	0	0	8	94
Additions during the year	41	1,004	58	0	3,218	4,321
Disposals during the year	0	-131	-52	0	-1	-184
Transfer during the year	43	2,140	56	-1	-2,238	0
Cost at 31 December 2024	1,310	44,680	462	11	3,213	49,676
Amortisation and impairment losses at 1 January 2024	190	12,889	212	5	0	13,296
Adjustment at the beginning of the year	0	0	1	0	0	1
Amortisation and impairment for the year	22	1,800	48	1	0	1,871
Reversed amortisation on the disposals for the year	0	-80	-37	0	0	-117
Transfer during the year	0	-9	9	0	0	0
Depreciation, amortisation and impairment losses at 31 December 2024	212	14,600	233	6	0	15,051
Carrying amount at 31 December 2024	1,098	30,080	229	5	3,213	34,625
Amortised over	20-50 years	5-50 years	3-30 years	5 years		

13 Uncertainty in recognition and measurement

The carrying amount of the Group's non-current assets requires judgements, estimates and assumptions about future events. The estimates and assumptions made are based on historical experience and other factors that management considers reasonable under the circumstances, but which are naturally uncertain and unpredictable. Due to the risks and uncertainties to which the Group is subject, actual outcomes may differ from the estimates made. The measurement of asset values can be significantly affected by significant changes in estimates and assumptions or as a result of new knowledge or subsequent events.

The carrying amount of the Group's non-current assets is supported and based on business plans, which include significant estimates of the development in the number of new customers, the average consumption per customer, the development in investments and expectations of required return on investment.

In 2024, impairment testing was performed in Andel Tryggevælde Solar Park ApS. In this context, the group used price estimates from external providers of electricity forward curves.

The impairment test performed has resulted in a write-down of assets of DKK 25 million.

For other relevant business areas, it has been assessed whether there are indications of impairment. In such cases, impairment tests are performed to assess whether the Group's non-current assets will be able to generate sufficient positive net cash flows in the future to support the carrying amount of the non-current assets. Future net cash flows are estimated based on business plans with associated budgets and forecasts for earnings and investments. The most important parameters in the impairment tests performed relate to sales prices, the development in the number of customers, average consumption per customer, investments and the applied WACC. In consequence of the nature of the business areas, expected cash flows are estimated for a period of many years into the future, which carries some uncertainty. As far as possible, the uncertainty has been recognised in the estimated cash flows, as well as the discount rate. Impairment tests have not identified any further impairment requirements for the Group's non-current assets.

At the end of 2023, Andel Holding made an investment in the jointly controlled company Better Energy Andel P/S and owns 50% of the company. The other shareholder in the company, Better Energy Partnership III P/S, is a subsidiary of Better Energy Holding A/S, which commenced restructuring proceedings on 19 December 2024. Better Energy Andel P/S has invested in 4 solar parks, which at the balance sheet date are under construction. In December 2024, a major review of the technical state of completion of the ongoing installations was carried out. The conclusion from the review is that the technical completion rates are as expected, so there is no indication of impairment of the assets.

Financial and physical energy contracts for natural gas and electricity are measured at market value in accordance with accounting policies. Measurement of the market value of energy contracts is based on quoted prices in active markets. In the absence of quoted prices for identical and similar energy contracts, accepted valuation methods are generally used where available market data is used as input to assess market value. As regards complex financial instruments, a combination of both standard and non-standard products are used, as well

as unofficial market data, all of which are part of the valuation model for the market value calculation. Inputs and assumptions are continuously tested to support the greatest possible accuracy of the model.

The assumptions of the valuation model used for the determination of the market value of physical and financial energy contracts are made in compliance with IFRS 13. Changes to the assumptions can have a significant impact on the market value and thus on results, balance sheet and equity.

Further details regarding the assumptions used in the fair value measurement of energy contracts and related sensitivities are given in note 29.

Physical energy contracts are recognised in the balance sheet as derivatives under assets or financial liabilities. The valuation is based on expected future consumption or production of energy. This is associated with some uncertainty, as expectations may differ from what is realised. At 31 December 2024, the carrying amount of derivatives recognised under assets is DKK 1,108 million (DKK 2,325 million 2023) and derivatives recognised under liabilities is DKK 1,270 million (DKK 3,500 million 2023).

14 Investments in group enterprises

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Cost at 1 January	0	0	15,302	15,302
Capital contribution	0	0	0	0
Cost as at 31 December	0	0	15,302	15,302
Revaluations at 1 January	0	0	4,783	6,690
Value adjustment	0	0	-234	-284
Dividend	0	0	0	-1.366
Net profit or loss	0	0	-151	-257
Revaluations at 31 December	0	0	4,398	4,783
Carrying amount at 31 December	0	0	19,700	20,085

Parent company Name	Registered in	Share capital (DKK million)	Voting share and ownership interest	Equity (DKK million)	Net profit or loss (DKK million)
Investments in subsidiaries are specified as follows:					
Andel Barmosen Solcellepark ApS	Svinninge	0	100.0%	0	0
Andel Energy A/S	Svinninge	36	100.0%	2,827	97
Andel Holding A/S	Svinninge	12,973	100.0%	15,306	-223
Andel Lumen A/S	Svinninge	134	100.0%	382	-55
Andel Ratio A/S	Svinninge	128	100.0%	1,926	28
Andel Sp. z o.o.	Poland	0	100.0%	5	1
Andel Trykkevælde Solcellepark ApS	Søborg	0	100.0%	20	-2
Cerius A/S	Svinninge	1,497	100.0%	2,474	301
Clever A/S	Copenhagen	97	94.9%	197	-151
Energi Danmark A/S	Aarhus	500	63.6%	8,651	233
Fibia Komplementar ApS	Haslev	0	65.5%	0	0
Fibia P/S	Haslev	3,063	65.5%	2,577	8
Nexel A/S	Svinninge	151	100.0%	571	102
Radius Elnet A/S	Svinninge	1,109	100.0%	2,481	503
Rødsand 2 Offshore Wind Farm AB	Sweden	3	80.0%	994	6
Watts A/S	Køge	1	100.0%	15	-35

15 Investments in associates and jointly controlled entities

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Cost at 1 January	197	187	41	31
Additions for the year	0	10	0	10
Transfer during the year ¹	-75	0	0	0
Cost as at 31 December	122	197	41	41
Value adjustment at 1 January	-75	-75	-9	-9
Adjustment at the beginning of the year	0	1	0	0
Transfer during the year ¹	42	0	0	0
Net profit or loss	13	-1	0	0
Value adjustment at 31 December	-20	-75	-9	-9
Carrying amount at 31 December	102	122	32	32

Better Energy Andel P/S, Better Energy Andel Komplementar ApS and underlying companies are jointly controlled companies between Andel Holding A/S and Better Energy Partnerships III P/S. The Andel Group owns 50 per cent of the voting rights in the companies, which is why decisions on relevant activities in the companies require agreement among the parties with joint control.

Group Name	Registered in	Voting share and ownership interest
Investments in associates and jointly controlled entities are specified as follows:		
Better Energy Andel P/S	Frederiksberg	50%
Better Energy Andel Komplementar ApS	Frederiksberg	50%
Impagt Invest Sjælland A/S	Roskilde	50%
Ultra-Fast Charging Venture Scandinavia ApS	Copenhagen	50%
¹ Stiesdal Storage A/S	Give	39%/76%

Parent company Name	Registered in	Voting share and ownership interest
Investments in associates are specified as follows:		
Impagt Invest Sjælland A/S	Roskilde	50%

16 Other investments

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Cost at 1 January	894	892	5,445	5,445
Transfer during the year	75	0	0	0
Capital contribution	0	2	0	0
Cost as at 31 December	969	894	5,445	5,445
Value adjustment at 1 January	6,991	12,404	2,438	7,851
Transfer during the year	-42	0	0	0
Value adjustment for the year	-1,055	-5,413	-1,055	-5,413
Value adjustment at 31 December	5,894	6,991	1,383	2,438
Carrying amount at 31 December	6,863	7,885	6,828	7,883

17 Other receivables

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Cost at 1 January	293	278	0	0
Additions during the year	20	34	0	0
Repayments during the year	-41	-19	0	0
Cost as at 31 December	272	293	0	0
Value adjustment at 1 January	0	0	0	0
Value adjustment for the year	0	0	0	0
Value adjustment at 31 December	0	0	0	0
Carrying amount at 31 December	272	293	0	0
Recognised as follows:				
Financial asset investments, due after 1 year	254	278	0	0
Other receivables, due within 1 year	18	15	0	0
Total	272	293	0	0

18 Inventories

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Natural gas storage	350	704	0	0
Other inventories	712	647	0	0
Prepayment of goods	9	2	0	0
Total	1,071	1,353	0	0

19 Contract work in progress

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Contract work in progress, selling price	138	139	0	0
Contract work in progress, invoiced on account	-124	-101	0	0
Total	14	38	0	0
Recognised as such in the balance sheet:				
Contract work in progress under assets	33	47	0	0
Contract work in progress under liabilities	-19	-9	0	0
Total	14	38	0	0

20 Deposits

Comprises deposited amounts in connection with concluded financial contracts.

21 Prepayments and accrued income

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Prepaid expenses including gas accruals	304	124	0	1
Total	304	124	0	1

22 Securities

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Fair value at end of year	896	884	0	0
Value adjustments in the income statement	-5	-16	0	0

The securities holding consists exclusively of bonds.

23 Deferred tax

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Deferred tax 1 January	1,083	1,262	0	0
Adjustment, previous years	-8	207	0	0
Exchange rate adjustments	1	-2	0	0
Additions in connection with acquisition	2	0	0	0
Recognised in the income statement	-39	-335	0	0
Recognised directly in equity	-46	-49	0	0
Deferred tax at 31 December	993	1,083	0	0
Deferred tax (net) is based on the following items:				
Intangible fixed assets	249	191	0	0
Tangible fixed assets	1,549	2,207	0	0
Fixed asset investments	61	53	0	0
Accrued investment contributions/income	388	-1,012	0	0
Trade receivables	4	-29	0	0
Financial instruments	-50	-60	0	0
Rate-regulated deficit/surplus	-29	58	0	0
Provisions and creditors, etc.	-1,025	-231	0	0
Tax loss carry forward	-154	-94	0	0
Total	993	1,083	0	0

24 Other provisions

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Other provisions at 1 January	641	713	0	0
Provisions during the year	85	69	0	0
Disposals/reversals in the year	-21	-141	0	0
Other provisions at 31 December	705	641	0	0

The item includes estimated costs for site remediation in Haslev, decommissioning obligations in Rødsand II Offshore Wind Farm A/S, restoration obligations for charging station locations in Clever A/S and other contractual obligations.

25 Credit institutions

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
After 5 years	10,318	10,698	0	0
Between 1 and 5 years	12,013	5,188	0	0
Long-term portion	22,331	15,886	0	0
Within 1 year	1,603	9,041	0	0
Short-term portion	1,603	9,041	0	0
Total	23,934	24,927	0	0

26 Payables owed to minority interests

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
After 5 years	0	0	0	0
Between 1 and 5 years	252	252	0	0
Long-term portion	252	252	0	0
Within 1 year	9	0	0	0
Short-term portion	9	0	0	0
Total	261	252	0	0

27 Other payables

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
VAT and taxes payable	1,245	1,218	0	0
Wages and salaries due, holiday pay, A taxes and social security contributions, etc.	274	346	0	0
Additional other payables	674	939	0	0
Total	2,193	2,503	0	0
It is recognised as follows:				
After 5 years	19	19	0	0
Between 1 and 5 years	13	7	0	0
Long-term portion	32	26	0	0
Within 1 year	2,161	2,477	0	0
Short-term portion	2,161	2,477	0	0
Total	2,193	2,503	0	0

28 Prepayments and accrued income

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
After 5 years	4,640	4,203	0	0
Between 1 and 5 years	752	736	0	0
Long-term portion	5,392	4,939	0	0
Within 1 year	442	511	0	0
Short-term portion	442	511	0	0
Total	5,834	5,450	0	0

Accruals and deferred income primarily consist of investment contributions received and third-party revenue, which are recognised under equity and liabilities and recognised as income over a period of 30-40 years, corresponding to the average amortisation period for current capital expenditure.

29 Fair value of hedging instruments

Forward exchange contracts

The group has entered into forward exchange contracts as the group is exposed to SEK, NOK, GBP, USD, TRY etc. The group only enters into forward exchange contracts with counterparties with the Investment Grade (AAA – BBB-).

Forward exchange contracts are measured using generally accepted principles, and such measurement is based on relevant observable spot exchange rates and yield curves.

Interest derivatives

The group has entered into DKK interest rate swaps because of its exposure to CIBOR interest rates. The group only enters into interest rate swaps with counterparties with the Investment Grade (AAA – BBB-).

Interest rate swaps are measured using generally accepted principles, and such measurement is based on relevant observable forward rates.

Gas and electricity derivatives

The group has entered into natural gas and electricity derivatives (futures and forward) because of its exposure to spot and forward natural gas prices in all of Europe. The group primarily trades natural gas derivatives on EEX and ICE, as well as with large financial counterparties. The group's activities with exchanges and CSA counterparties are managed via margin settlement and bilateral exposure and, in addition, activities are managed via credit granting and monitoring.

As far as possible, electricity derivatives are measured based on quoted products and measurement is subsequently based on projections of these. Exposure based on projected curves is classified as level 3 in the fair value hierarchy.

Financial instruments at 31 December 2024 (DKK million)	Carrying value	Principal (volume x contract price)	Term (Months)
Financial assets measured at fair value			
Forward exchange contracts	18	4,086	1-36
Interest derivatives	3	233	1-24
Electricity derivatives	963	60,595	1-132
Natural gas derivatives	124	20,440	1-48
Total	1,108	85,354	
Financial liabilities measured at fair value			
Forward exchange contracts	-3	-2,843	1-36
Interest derivatives	-143	-8,956	1-87
Electricity derivatives	-523	-72,291	1-132
Natural gas derivatives	-601	-20,658	1-48
Total	-1,270	-104,748	

29 Fair value of hedging instruments – continued

Instruments classified as Level 3 in the fair value hierarchy (DKK million)	
Value at 1 January 2024	168
Additions related to acquisitions	8
Loss/gain recognised in the income statement	-2
Transfer to/from level 1 or 2	-145
Value at 31 December 2024	29

Offsetting (DKK million)	Derivatives (assets)	Derivatives (liabilities)	Total
Gross	9,308	-8,439	869
Offsetting	-8,200	7,169	-1,031
Derivatives recognised in the balance sheet	1,108	-1,270	-162
Collateral security	210	-17	193
Net	1,318	-1,287	31

The unrealised value of derivatives recognised in equity amounts to DKK -149 million.

Hedge accounting (DKK million)	Positive/ negative fair value	2025 Principal amount (volume x contract price)	2026 Principal amount (volume x contract price)	2027 Principal amount (volume x contract price)	2028 Principal amount (volume x contract price)	2029 Principal amount (volume x contract price)
Interest derivatives recognised in equity as cash flow hedges	-101	8,207	7,920	1,718	1,638	1,070
Electricity and natural gas derivatives recognised in equity as cash flow hedges	-48	713	197	0	0	0

30 Acquisitions

In 2024, investments were made in the following subsidiaries:

- Nakskov Elnet A/S
- Share Barmosen Solcellepark ApS (formerly Little Green Energy ApS)

The investments are self-financed.

The cost price for the companies has been finalised. The difference on initial recognition of the acquisition of the subsidiaries amounts to DKK 0 million net.

Revenue and profit for the companies included in the consolidated financial statements since the respective acquisition dates can be specified as in the table below.

Nakskov Elnet A/S merged with Cerius A/S on 31 May 2024. After the merger, the company's activities were fully integrated into Cerius A/S, which is why it is not possible to calculate the recognised result of the acquired business after the acquisition date.

The cost of the acquisition of Andel Tryggevælde Solcellepark ApS was finalised in 2024. This has resulted in a reduction of the difference on initial recognition of the acquisition of the subsidiary of DKK 16 million, of which DKK 0 million is goodwill.

The cost of the acquisition of Better Energy Andel P/S in 2023 is preliminary and will be finalised in connection with the commissioning of the underlying solar parks in 2025-2026.

Acquired enterprises	Revenue	Result before tax
Recognised ownership period's share of revenue and profit or loss before tax (DKK million)		
Nakskov Elnet A/S (included after merger in Cerius A/S) 31/05 – 31/12/2024	10	0
Andel Barmosen Solcellepark ApS 09/01 – 31/12/2024	0	0
Total	10	0

31 Contractual obligations

Andel Holding A/S and Andel Lumen A/S have assumed the contractual obligations customary for the industry, including guarantees of up to DKK 15 million for work performed as of 31 December 2024.

In a press release on 25 September 2024, Andel Lumen A/S announced that the company is in controlled liquidation. In connection with this, Andel Lumen A/S is therefore in the process of cancelling and settling its contractual obligations to all its customers.

In connection with the construction of a natural gas pipeline from Zealand to Lolland and Falster, Energi Danmark A/S has committed to purchasing capacity on the line for 15 years until 2039 at an additional cost of DKK 100 million. The obligation is passed on to the end customer, who must buy the gas.

Energi Danmark A/S has entered into agreements for the future purchase of transport capacity for gas, where the unrecognised liability amounts to DKK 67 million at 31 December 2024. The agreement expires in 2027.

Waoos A/S has entered into contracts with channel providers for the delivery of TV rights to content in TV packages. The contracts run for 1-2 years, where the commitment follows the development in customer numbers.

32 Contingent liabilities and other financial liabilities

(DKK million)	Group	Parent company
Leases		
Leases have been concluded and fall due as follows:		
Fall due within 1 year	193	0
Fall due between 1 and 5 years	359	0
Fall due after 5 years	298	0
Total at 31 December 2024	850	0
Collateral security		
As security for payables to mortgage credit institutions etc., assets have been charged.		
The book value of charged assets amounts to		
Land and buildings	115	0
Technical plant and machinery	25,138	0
Other fixtures, fittings, tools and equipment	1	0
Other investments	6,828	6,828
Inventories	16	0
Trade receivables	4	0
Deposits	1,191	0
Securities	896	0
Cash at bank and in hand	84	0
Total at 31 December 2024	34,273	6,828
Guarantees provided for credit facilities of group companies constitute	0	12,274
Guarantees and sureties given to suppliers, customers etc. amount to	1,714	0

33 Fee for the auditors elected by the Annual General Meeting

(DKK million)	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Fees can be specified as follows:				
Statutory audit ¹	7	6	0	0
Other assurance engagements	0	0	0	0
Tax consultancy	1	1	0	0
Other services	30	26	0	0
Total	38	33	0	0

¹ Fees for statutory audit of parent company amount to DKK 0.2 million (2023: DKK 0.2 million)

34 Related parties

Other related parties

- The company's Board of Directors (see the Statement by the Executive Board)
- Group enterprises, cf. note 35

Group structure

Andel A.m.b.a. is the ultimate parent company of the group, which presents the consolidated annual report.

Transactions

All transactions with related parties that are not on an arm's length basis, in accordance with Section 98c(7) of the Danish Financial Statements Act, have been disclosed. No such transactions have been conducted during the year.

35 Group companies

Group companies Name	Registered in	Voting share and ownership interest
Andel Barmosen Solcellepark ApS	Svinninge	100%
Andel Energy A/S	Svinninge	100%
Andel Holding A/S	Svinninge	100%
Andel Lumen A/S	Svinninge	100%
Andel Ratio A/S	Svinninge	100%
Andel Sp. z o.o.	Poland	100%
Andel Trykkevælde Solcellepark ApS	Søborg	100%
Better Energy Andel P/S	Frederiksberg	50%
Better Energy Andel Komplementar ApS	Frederiksberg	50%
Better Energy Andel Komplementar ApS	Frederiksberg	50%
Cerius A/S	Svinninge	100%
Clever A/S	Copenhagen	94.9%
DISAM Australia Pty. Ltd.	Australia	63.6%
DISAM BH d.o.o.	Bosnia and Herzegovina	63.6%
DISAM GE LLC	Georgia	63.6%
Disam Nm Dooel Skopje	Macedonia	63.6%
DISAM US LLC	USA	63.6%
Energi Danmark A/S	Aarhus	63.6%
Energi Danmark Anadolu Elektrik Enerjisi Tiptan Ticaret Limited Liability Company	Turkey	63.6%
Energi Danmark Securities A/S	Aarhus	63.6%
Energy Sales Sweden AB	Sweden	63.6%
Energy Sales Norway AS	Norway	63.6%
Energia Myynti Suomi Oy	Finland	63.6%
Energie Vertrieb Deutschland EVD GmbH	Germany	63.6%
Enova Energy ApS	Svinninge	100%
Fibia Komplementar ApS	Haslev	65.5%
Fibia P/S	Haslev	65.5%
Nexel A/S	Svinninge	100%
Radius Elnet A/S	Svinninge	100%
Rødsand 2 Offshore Wind Farm AB	Sweden	80%
Rødsand II Offshore Wind Farm A/S	Rødby	80%
Solcellepark Vedde P/S	Frederiksberg	50%
Solcellepark Køng Mose P/S	Frederiksberg	50%
Solcellepark Radsted-Grøenge P/S	Frederiksberg	50%
Solcellepark Saltø P/S	Frederiksberg	50%
Wao A/S	Tilst	65.5%
Watts A/S	Køge	100%

36 Cash flow statement – adjustments

(DKK million)	2024	2023
Depreciation and amortisation	2,544	2,551
Result from investments in associates and jointly controlled entities, other investments and securities	1,042	5,130
Other operating costs	104	-11
Tax on profit or loss for the year	70	-4
Financial income	-493	-527
Financial expenses	1,074	951
Total	4,341	8,090

37 Cash flow statement – change in working capital

(DKK million)	2024	2023
Change in inventories	282	346
Change in receivables	3,208	19,642
Change in short-term liabilities	-3,674	-13,592
Total	-184	6,396

38 Financial payments, net

(DKK million)	2024	2023
Financial payments, gross	-576	-443
Unrealised gains – bond holding and bank accounts	13	-98
Reversed discounting	-122	13
Accrued borrowing costs – creditors	-9	21
Total	-694	-507

39 Cash at bank and in hand

(DKK million)	2024	2023
Of this tied-up	84	94

Tied-up cash has been pledged as collateral for loans taken out in Rødsand 2 Offshore Wind Farm AB.

Accounting policies

General

The annual report of Andel A.m.b.a. has been prepared in accordance with the provisions of the Danish Financial Statements Act for large companies in reporting class C. The annual report for 2024 is presented in DKK million. The accounting policies are unchanged compared to 2023.

Correction of material misstatements relating to previous years

After submitting the annual report for 2023, the management of the subsidiary Energi Danmark has identified significant balances that were measured incorrectly in 2023, which is why corrections have been made regarding previous years.

The corrections are due to the following, which caused incorrect measurement at the end of 2023:

- Incorrect labelling in trade registration of a few but significant trades that caused the wrong measurement method to be used.

- Calculation error regarding the accrual of a gas item.
- Lack of updated prices for key gas capacity contracts.

As a result, the comparative figures for 2023 have been corrected and the effect on the individual items can be seen in the table to the right: correction of comparative figures.

General note on recognition and measurement

Revenue is recognised in the income statement as it is earned. In addition, value adjustments are recognised of financial assets and liabilities, which are measured at fair value or at amortised cost. In the income statement, all expenses incurred to achieve the earnings for the year are also recognised, including depreciation, amortisation and impairment losses, as well as provisions and reversals, caused by changed accounting estimates of amounts that have previously been recognised in the income statement.

Correction of comparative figures for 2023 (DKK million)	2023
The group	
Income statement	
Increase in energy and consumables purchases	259
Decrease in tax on net profit or loss	57
Decrease in net profit or loss	202
Assets, liabilities and equity	
Decrease in derivative assets	53
Decrease in deferred tax liabilities	57
Increase in derivative liabilities	163
Increase in other liabilities	43
Decrease in equity	202
The parent company	
Income statement	
Decrease in result from investments in group enterprises	129
Decrease in net profit or loss	129
Assets, liabilities and equity	
Decrease in investments in group enterprises	129
Decrease in equity	129

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of the asset can be reliably measured. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of the liability can be reliably measured. At initial recognition, the assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual item below. Certain financial assets and liabilities are measured at amortised cost, by which a constant effective interest rate is recognised over the time to maturity. Amortised cost is calculated as original cost less any repayments and addition/deduction of the accumulated amortisation of the differential between cost and nominal amount. By this, capital losses and gains are allocated over the time to maturity. In recognition and measurement, predictable losses and risks that arise before presentation of the annual report, and that confirm or rebut conditions existing on the balance sheet date, are taken into consideration.

Danish kroner (DKK) are used as functional currency. All other currencies are viewed as foreign currencies.

Consolidated financial statements

The consolidated financial statements comprise the parent company Andel A.m.b.a. and the companies in which the group directly or indirectly holds the majority of the voting rights.

Enterprises in which the Group holds between 20 and 50% of the voting rights and exercises significant influence, but not control, are viewed as associates.

Entities in which the Group has joint control through a cooperation agreement with one or more parties, but without direct rights over assets or direct liability for obligations, are considered to be jointly controlled entities.

The consolidated financial statements have been prepared as a summary of the parent company and the individual subsidiaries' audited financial statements presented in accordance with the accounting policies of

the group. On consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends, as well as realised and unrealised profits and losses from transactions between the consolidated enterprises are eliminated.

The Group's activities in jointly controlled entities are recognised in the consolidated financial statements on a line-by-line basis.

The parent company's investments in the consolidated subsidiaries are eliminated, with the parent company's share of the subsidiaries' equity value determined at the date on which consolidation was made.

When recognising investments in associates in the consolidated financial statements, equity value is used as the method of consolidation. For gradual acquisitions in which control is obtained, the rules under IFRS 3 are used.

Extra-group mergers

Newly acquired enterprises are recognised in the consolidated financial statements as of the date of the acquisition. Enterprises

sold or wound down are recognised in the consolidated financial statements up to the time of divestiture. Comparative figures are not restated for newly acquired enterprises.

The acquisition date is the date on which the group obtained effective control of the acquired enterprise.

The acquisition method is used for the purchase of new businesses where the group obtains control of the acquired business. The assets, liabilities and contingent liabilities of the acquired businesses are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax is recognised on the revaluations made.

Remaining positive balances are recognised in the balance sheet under intangible assets as goodwill, which is amortised on a straight-line basis in the income statement over its estimated useful life following an evaluation of the economic life. Negative balances are recognised in the income statement at the time of takeover.

The purchase payment for an enterprise consists of the fair value of the agreed payment in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase payment is contingent on future events or the fulfillment of agreed conditions, that part of the purchase payment is recognised at fair value at the acquisition date. Subsequent adjustments to contingent consideration are recognised in the income statement.

Costs incurred in connection with acquisitions are recognised in the income statement in the year in which they are incurred.

Positive and negative balances from acquired enterprises may, as a consequence of changes in the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. At the same time, these adjustments are reflected in the value of goodwill or negative goodwill, including amortisation already made. Any corrections are then recorded as errors.

Profits or losses from disposals of subsidiaries are calculated as the difference between the selling price and the carrying amount of net assets at the date of the sale, including non-amortised goodwill and expected costs for sale or termination. Profit or loss is recognised in the income statement at the date on which the enterprise's control of the subsidiary ceases.

Minority interests

On determination of the consolidated equity, the shares of the subsidiaries' results and equity attributable to minority interests are disclosed as separate items in the note on distribution of net profit and equity. Minority interests are recognised based on revaluation of acquired assets and liabilities at fair value at the date of acquisition of the subsidiaries. Excess values in addition to this are recognised using the "full goodwill method".

Intercompany mergers

For acquisitions, mergers, demergers, transfers of assets and share exchanges, etc., where the participating enterprises

are under the control of the parent company, the book value method is used, whereby the combination is deemed to be completed at the time of acquisition without adjustment of comparative figures.

Under the Book Value method, the assets and liabilities of the acquired business are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the agreed payment and the carrying amount of the acquired business is recognised in equity.

Foreign currency conversion

Transactions in foreign currencies are translated at initial recognition at the exchange rate prevailing at the date of the transaction. Exchange rate differences arising between the exchange rate prevailing at the date of transaction and the exchange rate at the payment date are recognised in the income statement as an item under financial income and expenses. Receivables, payables and monetary items in foreign

currencies which have not been settled at the balance sheet date are translated at the closing rate. The difference between the closing rate and the rate prevailing at the date of inception of the receivable or payable is recognised in the income statement as an item under financial income and expenses.

Leases

Rental payments made under operating leases are recognised in the income statement over the time of the lease. The group's aggregate liability under operating leases and rental agreements is disclosed under contingent liabilities and other financial liabilities.

Segment information

Reported segments are constituted by the group's overall business activities and are based on the group's various overall activities and internal management reporting. Assets in the business segments comprise the assets used directly in operation of the segment, including intangible assets, tangible fixed assets and investments in associates.



Income statement

Net revenue

Revenue is recognised in the income statement if delivery and transfer of risk to the buyer has taken place before the end of the year. Revenue is recognised excluding VAT and taxes, and less rebates and discounts in connection with the sale.

Contract work in progress is recognised as production is carried out, by which the revenue is comparable to the selling price of work performed for the year (the percentage of completion method). This method is used when the aggregate revenue and expenses on the construction contract and the stage of completion at the balance sheet date can be calculated reliably, and it is probable that the economic benefits, including payments, will flow to the company.

Statutory adjustment, where too much has been charged to electricity grid customers (rate-regulated surplus) is recognised in the income statement as a correction to revenue and in the balance sheet as a liability other than provision.

For cases in which too little has been charged to electricity grid customers (rate-regulated deficit), and where it has been decided to exercise the right to adjust the rate in future prices, a similar correction is recognised to revenue and a receivable in the balance sheet.

Connection fees received are recognised in the balance sheet and recognised as revenue over a period of 30-40 years, which corresponds to the average amortisation period of the current capital expenditure. The accrual of connection fees received has been made from 1 January 2000.

Work performed by the entity and capitalised

This item includes work performed in the financial year and capitalised under tangible fixed assets. Measurement of work performed by the entity is made for the entity's own generated expenses, which are recognised under other external expenses and staff costs.

Other operating income

Other operating expenses include items of a secondary character to the group's principal activities, including loss on sale of intangible assets and tangible fixed assets.

Energy and consumables used

The purchase of energy includes the costs of purchase of electricity, natural gas and transportation used to achieve the revenue for the year. The results of derivative financial instruments used for hedging the purchase of electricity for the period are also included in this item. Consumables used include the consumption of supplies used to achieve the revenue for the year. Included in this are direct and indirect expenses for consumables and the purchase of goods and services from sub suppliers.

Other external expenses

Other external expenses include indirect production costs and expenses for distribution, sale, advertising, administration, premises, bad debts, etc.

In other external expenses, IT expenses that do not meet the criteria for capitalisation are also recognised.

Staff costs

Staff costs include wages and salaries, as well as social security costs, pensions, etc. for employees. Reimbursements received from public authorities are offset from staff costs.

Other operating expenses

Other operating expenses include costs of a secondary character to the group's principal activities, including loss on sale of intangible assets and tangible fixed assets.

Depreciation and amortisation

Depreciation, amortisation and impairment losses include the depreciation, amortisation and impairment losses for the year on intangible assets and tangible fixed assets, as well as retirement of non-current assets.

Income from investments in group enterprises, associates and jointly controlled entities

The proportionate share of the results for the year is recognised in the income statement under the items “Income from investments in group enterprises” and “Income from investments in associates” and “jointly controlled entities”.

Financial income and financial expenses

Items under financial income and financial expenses include interest, realised and unrealised capital gains and losses relating to securities, payables and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax prepayment scheme.

Tax on profit or loss for the year

The parent company Andel A.m.b.a. is liable to pay tax in accordance with Section 1(1)(6) of the Danish Corporation Tax Act, which means that the company is only liable to pay tax on the income resulting from business activity with

non-members. The company is not taxed jointly with the other companies in the group.

Andel Holding A/S is jointly taxed with the subsidiaries in the Andel group. The tax for the individual companies is fully allocated based on their expected taxable income. The jointly taxed enterprises are included in the on-account tax scheme.

The tax on the net profit or loss, which consists of the current tax for the year, the deferred tax for the year and any adjustments to previous years, is recognised in the income statement with the share attributable to the results for the year, and directly in equity, with the share attributable to entries directly in equity. The tax on the net profit or loss is calculated based on the net profit or loss before tax, adjusted for non-taxable income and expenses, as well as any adjustments to previous years.

Balance sheet

Intangible fixed assets

Goodwill is amortised on a straight-line basis over the estimated useful economic life, which is determined based on the management's experience in the business area in question. In cases where the Group is unable to reliably estimate the useful life of goodwill, the amortisation period is set at 10 years.

Acquired customer relationships are amortised on a straight-line basis over the useful economic life, which is determined based on the management's experience in the business area in question. The amortisation period is the longest for strategically acquired activities with a strong market position and a long-term earnings profile. If the group is not able to estimate the economic life reliably, the amortisation period is set at 10 years.

Development projects include salaries, amortisation and other costs that are directly or indirectly attributable to the company's development activities. Development projects that are clearly

defined and identifiable, in which the technical rate of utilisation, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and for which the intention is to produce, market or use the project, are recognised as intangible assets if there is sufficient certainty that the value in use of the future earnings can cover the production, sales and administrative expenses, as well as the actual development costs. Development projects which do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as the costs are incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or the recoverable amount, where this is lower. Capitalised development costs are amortised on a straight-line basis from the date of completion over the period in which the development work is expected to generate financial benefits.

The expected useful lives of intangible fixed assets are

- Goodwill 10-40 years
- Acquired customer relationships and rights 10-20 years
- Development projects 3-7 years

The residual value of the Group's intangible assets is reassessed annually.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and impairment losses. Cost comprises purchase price and costs directly attributable to the acquisition until the date at which the assets are ready for use. For self-constructed assets, cost includes direct and indirect costs for wages, materials, components and sub suppliers.

Interest expense on borrowings for the financing of tangible fixed assets with a long manufacturing period is included in the cost. Other interest expense is recognised in the income statement.

Tangible fixed assets are depreciated on a straight-line basis over the estimated useful lives of the assets, except that offshore wind turbines are depreciated using a revenue-based method over the period over which the offshore wind turbines are expected to generate revenue.

The expected useful life of the assets is

- Buildings 20-50 years
- Technical buildings 40-50 years
- Plant and machinery 5-50 years
- Onshore wind turbines 20 years
- Offshore wind turbines 25 years
- Photovoltaics 10-40 years
- Other technical installations 3-30 years
- IT equipment 3-5 years
- TV boxes 3 years
- Other operating equipment 5-10 years
- Furnishing rented premises 5 years

Land is not depreciated.

The residual value of the group's property, plant and equipment is reassessed annually. Profits or losses

related to disposal of tangible fixed assets are calculated as the difference between the selling price (less costs of dismantling, sale and restoration) and the carrying amount.

Profits or losses are recognised in the income statement under “Other operating income” and “Other operating expenses”, respectively.

Impairment of non-current assets

The carrying amount of intangible assets and tangible fixed assets is assessed annually for indication of impairment, in excess of what is expressed as depreciation and amortisation. If there is indication of impairment, the asset is written down to its lower recoverable amount. The recoverable amount of the asset is calculated as the higher of the net selling price and its value in use. If it is not possible to determine the recoverable amount of the individual asset, the assets are assessed collectively in the smallest group of assets for which, through an aggregate assessment, a reliable recoverable amount can be determined.

Head office property and other assets for which it is not possible to determine a value in use, as the asset itself does not generate any future cash flows, are assessed for indication of impairment together with the group of assets to which they can be attributed.

Investments in group enterprises, associates and jointly controlled entities

Investments in group enterprises, associates and jointly controlled entities are recognised and measured in the parent company’s annual report using the equity method. The company has opted for the equity method as the method of consolidation.

On initial recognition, investments in group enterprises, associates and jointly controlled entities are measured at cost.

Costs incurred in connection with investments in group enterprises, associates and jointly controlled entities are recognised in the income statement in the year in which they are incurred. The cost is allocated in accordance with

the acquisition method as described in the section on consolidated financial statements in the accounting policies. The value of cost is adjusted by the share of profit or loss after tax, calculated in accordance with the section on consolidated financial statements in the accounting policies and adjusted for unrealised intergroup profits and losses.

Any excess value and goodwill relative to the underlying carrying amount is amortised in accordance with the section on consolidated financial statements in the accounting policies section of the consolidated financial statements. Negative goodwill is recognised as income in the income statement.

Dividends received are deducted from the carrying amount.

The aggregate net revaluation of investments in group enterprises, associates and jointly controlled entities is transferred via the distribution of net profit to “reserve for net revaluation according to the equity method” under

equity, providing the carrying amount exceeds the cost. The reserve is reduced by distribution of dividend to the parent company and adjusted by other changes in equity in the group enterprises, associates and jointly controlled entities.

Group enterprises, associates and jointly controlled entities with a negative net asset value are recognised at DKK 0. If the parent company has a legal or constructive obligation to cover the enterprise’s negative balance, a provision is included for this.

Profits or losses from disposals of group enterprises are calculated as the difference between the selling price and the carrying amount of net assets at the date of the sale, including non-amortised goodwill and expected costs for sale or termination. Profit or loss is recognised in the income statement at the date on which the enterprise’s control of the subsidiary ceases.

Other investments

Listed securities are measured at fairvalue at year-end. Other investments recognised under financial asset investments comprise assets measured at fair value at the balance sheet date. To the extent that other investments are not traded in a well-functioning and efficient market, the fair value of the investments is measured based on a calculated value in use.

Other receivables

Other receivables under investments are recognised at amortised cost.

Inventories

Inventories are measured at cost, calculated at weighted average cost or net realisable value where this is lower. The net realisable value is calculated as the expected selling price less costs of completion and costs to be incurred to conclude the sale.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed calculated based on the

state of completion. The stage of completion is calculated as the share of the incurred contract costs in relation to the estimated total costs of the contract. When it is probable that the total contract costs will exceed the total income on a contract, the expected loss is recognised in the income statement. Prepayments and payments received on account are deducted from the selling price. Individual contracts are classified as receivables when the net value is positive and as liabilities when the net value is negative.

Costs in connection with sales work and the obtaining of contracts are recognised in the income statement as they are incurred.

Receivables

Receivables are recognised in the balance sheet at amortised cost or the lower net realisable value, which under this corresponds to nominal value less write-down for bad and doubtful debts. Write-downs for bad and doubtful debts are determined on the basis of an individual

assessment of each receivable and, for trade receivables, a general write-down based on the company's experience from previous years.

Rate-regulated deficit/surplus

Statutory regulation where too much has been charged to electricity consumers (rate-regulated surplus) relating to the electricity supply activity is recognised in the income statement as a correction to revenue and in the balance sheet as a rate-regulated surplus under liabilities.

For cases in which too little has been charged to electricity consumers in relation to what is allowed (rate-regulated deficit), a similar correction is recognised to revenue and a rate-regulated deficit is recognised under receivables.

Rate-regulated deficit relating to previous years, which in the coming years can be included in the grid tariff, is recognised in the balance sheet under receivables at a value corresponding to the amount that management expects to be charged in the coming years.

Accruals and deferred income (assets)

Accruals and deferred income recognised under assets comprise costs incurred that relate to subsequent financial years.

Prepayments and accrued income are measured at amortised cost, which usually corresponds to nominal value.

Derivative financial instruments

At initial recognition, derivative financial instruments are recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair value of derivative financial instruments is included in the item 'fair value of hedging contracts' under receivables and short-term liabilities. Changes to the fair value of derivative financial instruments which are classified as and meet the criteria for hedging of recognised assets or liabilities are recognised in the income statement together with value adjustments concerning the hedged asset or hedged liability. For derivative financial instruments which are not hedging instruments, value adjustments

are recognised in the fair value, also in the income statement.

If, at the date of the contract formation, a difference is identified between transaction prices and the fair value (day 1 gain/loss), the difference will be recognised on a straight-line basis in the income statement over the contract period.

Changes to the fair value of derivative financial instruments which are classified as and meet the conditions for hedging of future assets or liabilities are recognised in the item 'fair value of hedging instruments' under receivables or payables and in equity.

Income and expenses relating to such hedging transactions are transferred from equity on realisation of the hedged item and recognised in the same item as the hedged item.

Securities

Listed securities recognised in current assets are measured at fair value at the

balance sheet date. Realised capital gains and losses are recognised in the income statement.

Cash at bank and in hand

Cash at bank and in hand comprises operating cash and deposits with banks.

Equity

Reserve for net revaluation according to the equity method includes the total net revaluation of investments in group enterprises, associates and jointly controlled entities. The reserve is reduced by distribution of dividend to the parent company and adjusted by other changes in equity in group enterprises, associates and jointly controlled entities.

'Reserve for fair value of hedging instruments' comprises the fair value of derivative financial instruments classified as and meeting the conditions for hedging of expected future transactions related to the purchase of electricity and natural gas, interest rate hedging and other items. Any tax effect of this has been provided.

Foreign currency translation reserve includes accumulated foreign exchange differences resulting from translation of foreign group enterprises to the presentation currency of the annual report (Danish kroner).

Proposed dividends are recognised as a liability at the time of adoption at the Committee of Representatives meeting. Dividends expected to be paid for the year are shown as a separate item under equity.

Other provisions

Other provisions include expected costs which are uncertain as to size and date of settlement. Other provisions are recognised and measured based on best estimate of the expenses necessary at the balance sheet date to settle liabilities. Provisions with an expected maturity of more than one year as from the balance sheet date are discounted using the average bond yield.

Financial liabilities

Liabilities are recognised at amortised cost, which normally corresponds to nominal value.

Accruals and deferred income (liabilities)

'Accruals and deferred income' includes income received for revenue recognition in subsequent financial years. The item comprises, among other items, investment contributions received, which are recognised in the balance sheet and recognised as income over a period of 30-40 years, corresponding to the average amortisation period for the current capital expenditure.

Construction grants received are measured at cost and recognised as income under revenue as the non-current assets are depreciated.

Interest-bearing payables

Interest-bearing payables are measured at cost at the date of borrowing, corresponding to the proceeds received less the transaction costs incurred. Subsequently, interest-bearing payables

are measured at amortised cost, corresponding to the capitalised value using the effective interest method.

Income tax and deferred tax

Current tax liabilities and receivables are recognised in the balance sheet as tax calculated on the taxable income for the year, adjusted for tax on previous years' taxable income and for tax paid on account.

Deferred tax is provided with 22% of all temporary differences between the carrying amount and the tax base of assets and liabilities, where the tax base is calculated based on the planned utilisation of the individual asset and liability, respectively.

Deferred tax assets, including the tax base of tax loss allowed for carryforward, are recognised in the balance sheet with the value at which the asset is expected to be realisable, either through reduction of deferred tax liabilities or as net tax assets. Deferred tax is measured based on the tax rules and tax rates which

will be in force under law at the balance sheet date when the deferred tax is expected to be released as current tax.

Deferred tax assets and liabilities are presented offset within the same legal tax entity.

Cash flow statement

The cash flow statement shows the group's cash flows for the year disaggregated on operating, investing and financing activities, changes in the cash and cash equivalents for the financial year and the group's cash and cash equivalents at the beginning and at the end of the year.

No cash flow statement has been prepared for the parent company, cf. ÅRL Section 86 (4), as the parent company's cash flows are included in the consolidated cash flow statement.

Cash flows from the operating activities are prepared using the indirect method, based on the net profit or loss for the year in the group, adjusted for non-cash operating items such as write-downs,

provisions and changes to working capital, interest received and paid, and income tax paid.

Cash flows from the investing activities include cash flows from the purchase and sale of tangible fixed assets and fixed asset investment, as well as purchase and sale of enterprises.

Cash flows from financing activities include cash flows from incurrence and repayment of long-term debt, as well as any dividend distribution.

Cash and cash equivalents include cash at bank and in hand and securities that can be turned into cash at bank and in hand without obstacle, and where only negligible risks for changes in value exist.

The cash flow statement cannot be deduced by only using the published accounting records.

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