Annual Report 2024

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EXECUTIVE REVIEW

SOLID EARNINGS AND BIGGEST RENEWABLES PORTFOLIO IN GROUP HISTORY

In 2024, Danske Commodities delivered a financial result of EUR 176 million in adjusted EBT (reported EUR 202 million according to IFRS Accounting Standards), while expanding its global presence and building the biggest renewables portfolio in the Group's history.

With adjusted gross profit of EUR 243 million (reported EUR 276 million according to IFRS Accounting Standards) and adjusted EBT of EUR 176 million (reported EUR 202 million according to IFRS Accounting Standards), Danske Commodities delivered a solid financial result within its guidance for the year of EUR 200-400 million in gross profit and EUR 150-350 million in EBT. The result was mainly driven by a strong performance in Danske Commodities' power business, while the gas business struggled due to a challenging environment for the gas storage portfolio and markets characterised by geopolitical risk.

With the market conditions in mind, Danske Commodities finds the earnings for the year satisfactory and is proud to say that while delivering these results, significant strategic progress was also made throughout the year. Strategic highlights included a strengthened position within management of renewables and flexible assets, an expanded global footprint, an enhanced algorithmic trading setup, the implementation of a new gas ETRM system landscape and the introduction of a new employee value proposition to make Danske Commodities an even better place to work.

RECORD PORTFOLIO OF RENEWABLES AND FLEXIBLE ASSETS

In 2024, Danske Commodities once again grew its portfolio of wind, solar and flexible assets, reaching a total of 14 GW under contract. This is an increase of almost 20% compared to 2023 and a new record for the Group.

Apart from the sheer growth in numbers, highlights of the year included signing the biggest renewables deal in Danske Commodities' history with a 1.4 GW balancing agreement for Polish offshore wind projects Bałtyk 2 and 3 and going live with the Group's first renewables asset in Brazil, the 531 MW solar park Mendubim.

Within the flexible asset space, Danske Commodities signed an agreement to optimise Kassø, the world's largest commercial Power-to-X facility, located in Southern Denmark, expanded its battery portfolio in the UK with the Welkin Mill battery storage asset and reached the milestone of optimising more than 100 combined heat and power plants in Denmark, making Danske Commodities the biggest participant in the Danish decentralised market.

Danske Commodities approaches asset management with a portfolio mindset, understanding that renewables and flexibility go hand in hand as renewable energy cannot stand alone.

NOW ACTIVE ON FIVE CONTINENTS

A cornerstone of Danske Commodities' current corporate strategy, 'Transition FWD', is the global expansion of its business model with the aim of being active on five continents by 2025. This target was reached when the Group successfully entered the Japanese power market in January 2024. In the coming strategy period, Danske Commodities will be looking into physical trading as part of gearing up to support the energy transition and the growing share of renewables in the country.

STRENGTHENED SETUP FOR ALGORITHMIC TRADING

Trading is at the core of Danske Commodities' business. The Group's trading engine and market presence enable balancing and optimisation services for wind farms, solar parks and flexible energy sources, and it is through trading that Danske Commodities brings energy from where it is plentiful to where it is needed most, thereby helping security of supply.

The number of trades conducted during a single day has risen tremendously over the past years, and in 2024, the number of average trades a day grew to more than 60,000. On peak days, daily trades can even surpass 100,000. Many of these trades are carried out by automated solutions overseen by traders. When it comes to algorithmic trading, speed is of the essence, which is why Danske Commodities strengthened its tech setup in 2024 to make algorithmic trading faster and more scalable.

SUSTAINABLE HIGH PERFORMANCE. TOGETHER.

Working in an energy trading company means working in a high-performance environment. The people of Danske Commodities may be a diverse group in terms of education, age, nationalities and cultural backgrounds, but they all have one thing in common: they are ambitious. They have joined Danske Commodities to make a difference.

Danske Commodities takes pride in fostering a workplace, where ambitious people thrive in a high-performance environment, now and for the years to come. In 2024, the Group introduced a new employee value proposition called 'Sustainable high performance. Together.', aiming at ensuring that the high-performance culture is sustainable over time. The employee value proposition outlines a range of initiatives to support this, including an increased budget for people development, employee-driven donations to charities of their choosing, a new health strategy and, not least, the so-called 'Fuel Fridays' – an extra monthly day off that employees can use on any activity that fuels their energy.

EXECUTIVE REVIEW – CONTINUED

OUTLOOK: CHALLENGING MARKET CONDITIONS AHEAD

In 2025, Danske Commodities expects market conditions to be impacted by geopolitical uncertainty and ongoing challenges in the renewables market. Based on this outlook, the anticipated EBT for 2025 is within the EUR 100-200 million range. Though the energy transition is challenged, companies like Danske Commodities, who can optimise energy markets and help balance supply and demand on a global scale, will only become more relevant as the world's need for energy continues to grow.

Despite challenging market conditions ahead, Danske Commodities' strategic ambitions are high, and the commitment to contributing to the energy transition remains as strong as ever.

THE GROUP'S MAIN ACTIVITY

Danske Commodities is a tech-driven energy trading company that trades power and gas on a global scale. The Group's trading activities cover time-delimited markets from forward to day-ahead and intraday. Using comprehensive data sets, analytical capabilities, automation and deep market knowledge, Danske Commodities brings renewables to the market, provides flexibility, helps create balance and ensures that energy flows smoothly to meet changing demands. Every day, the Group uses its market expertise, broad market footprint and 24-hour trading setup to connect energy producers and large-scale consumers to wholesale markets through tailor-made services.

FINANCIAL HIGHLIGHTS AND RATIOS

GROUP FIGURES

EUR '000	2024	2023	2022	2021	2020
Income statement					
Trading income and revenue from contracts with customers	2,425,514	3,070,581	6,555,371	2,451,083	791,683
Gross profit	276,239	410,103	2,178,526	475,666	126,402
Profit before financial income	162,670	322,767	2,068,955	394,127	54,312
Net financials	39,360	130,432	-77,775	-6,922	-2,959
Profit before tax (EBT)	202,030	453,199	1,991,180	387,205	51,353
Profit for the year	149,303	357,120	1,555,794	302,909	40,207
Balance sheet					
Balance sheet total	3,324,973	4,360,737	14,843,202	7,488,231	1,231,814
Equity	2,185,576	2,795,018	5,688,472	634,498	332,393
Cash flow statement					
Cash flow from operating activities	837,277	3,568,964	-2,222,907	-198,975	143,031
Cash flow from investing activities	3,138	-61,189	-6,203	-3,332	-20,928
- hereof investments in intangible assets	-3,658	-4,598	-3,078	-2,513	-21,725
- hereof investments in property, plant and equipment	-1,379	-2,590	-3,125	-819	-915
Free cash flow	840,415	3,507,775	-2,229,110	-202,307	122,103
Cash flow from financing activities	-759,142	-4,758,087	-2,294,669	1,404,048	-1,050
Change in cash and cash equivalents for the year	79,929	-1,253,850	39,836	1,204,523	119,397
Cash and cash equivalents	250,580	170,651	1,424,501	1,384,665	180,142
Ratios in %					
Cost to income	41.1%	21.3%	5.0%	17.1%	57.0%
Return on capital employed	16.1%	9.1%	60.6%	58.7%	24.3%
Equity ratio	65.7%	64.1%	38.3%	8.5%	27.0%
Average number of employees	551	446	374	338	319
Number of employees end of year	572	487	412	370	355

The ratios have been prepared in accordance with the definitions set out in note 8.5 in the financial statements.

ADJUSTED PERFORMANCE MEASURES

EUR '000	2024	2023	2022	2021	2020
Gross turnover	19,509,510	40,459,738	67,014,434	32,311,321	11,844,042
Adjusted gross profit	242,538	307,636	2,405,560	325,472	96,292
Adjusted EBT	176,047	359,077	2,226,558	248,849	41,363
Adjusted equity	2,155,289	2,784,998	5,751,868	514,299	320,112
Ratios in %					
Adjusted cost to income	43.6%	25.7%	4.2%	21.4%	54.0%
Adjusted return on capital employed	13.8%	6.4%	68.0%	42.3%	20.6%

Further explanation of adjusted performance measures is outlined on page 5.

ADJUSTED PERFORMANCE MEASURES

Gross turnover, adjusted gross profit and adjusted EBT are used as alternatives to the financial figures reported in accordance with IFRS Accounting Standards (as defined in note 8.5). These adjusted performance measures are used as the primary performance measure internally in Danske Commodities based on the assessment that adjusted performance measures better reflect the business performance.

GROSS TURNOVER

Revenue from trading activities is presented net under IFRS Accounting Standards. To provide readers of the financial statements with an insight into Danske Commodities' gross trading and revenue activities, a gross turnover presentation is included as a part of the adjusted performance measures. Gross turnover reflects sales contracts for physical delivery of non-financial items consisting of power, gas and certificates, whether or not it is considered to be a part of trading activities. The gross turnover amounts to EUR 19,510 million in 2024 compared to the reported trading income and revenue from contracts with customers of EUR 2,426 million according to IFRS Accounting Standards.

The calculation of the adjusted gross profit and adjusted EBT is based on the corresponding reported figures according to IFRS Accounting Standards. These are adjusted for the three components, market value of gas storages, market value of gas flow capacities and reclassification of amortisations.

MARKET VALUE OF GAS STORAGES

IFRS Accounting Standards requires that trading inventories measured at fair value use period-end spot prices. In the way the Group manages and monitors its storages, the value will not be realised at the spot price but at the most favourable forward market price. In the internal performance measurement reporting Danske Commodities therefore measures gas storages at an approximated market value. The market value of the gas storages is valuated using a storage planning model with multiple inputs, which are mainly related to storage capacity and physical restrictions from the underlying gas storage contract, forward prices and gas volume in storage. The difference between the gas storage market value and the reported gas inventory value is reflected in the adjustment to reported gross profit and reported EBT according to IFRS Accounting Standards.

MARKET VALUE OF GAS FLOW CAPACITIES

Gas flow capacities are considered a part of the trading portfolio in Danske Commodities on the same terms as gas forward trades. As Danske Commodities does not have a practice of net settlement of the gas flow capacities, IFRS Accounting Standards do not allow gas flow capacities to be included in the fair value measurement. However, for performance measures in Danske Commodities, gas flow capacities are fair valued at their intrinsic value like the gas forward trades that they can be utilised together with, which is reflected in the adjustment to reported gross profit and reported EBT according to IFRS Accounting Standards.

RECLASSIFICATION OF AMORTISATIONS

In 2019 and 2020, Danske Commodities entered into several PPAs and gas storage contracts which were already in operation and favourable, given current market terms. These contracts were recognised as intangible assets and amortised over the duration of each contract. As the amortisations are considered an important part of the performance of these contracts, the amortisations are reclassified from the financial statement line item 'depreciation and amortisation' to 'gross profit'.

REPORTED FIGURES VS. ADJUSTED PERFORMANCE MEASURES

2024

EURm	As reported	Reclassification	Gas storage	Gas flow capacities	Adjusted
Gross profit	**276.2**	**-7.7**	**-42.0**	**16.0**	**242.5**
Other operating income	7.8				7.8
External expenses	-26.9				-26.9
Staff costs	-81.3				-81.3
Amortisations	-13.1	7.7			-5.4
EBIT	**162.7**	**0.0**	**-42.0**	**16.0**	**136.7**
Net financials	39.4				39.4
EBT	**202.1**	**0.0**	**-42.0**	**16.0**	**176.1**

2023

EURm	As reported	Reclassification	Gas storage	Gas flow capacities	Adjusted
Gross profit	**410.1**	**-8.3**	**-194.1**	**100.0**	**307.7**
Other operating income	0.1				0.1
External expenses	-13.0				-13.0
Staff costs	-62.4				-62.4
Amortisations	-12.0	8.3			-3.7
EBIT	**322.8**	**0.0**	**-194.1**	**100.0**	**228.7**
Net financials	130.4				130.4
EBT	**453.2**	**0.0**	**-194.1**	**100.0**	**359.1**

As shown in the tables, reported gross profit amounted to EUR 276 million in 2024 according to IFRS Accounting Standards and is adjusted upwards by EUR 16 million in relation to gas flow capacities and downward by EUR 50 million in relation to gas storages and reclassification of amortisations, bringing the adjusted gross profit to EUR 243 million.

Reported EBT is EUR 202 million according to IFRS Accounting Standards and adjusted by the EUR 16 million flow capacities upward adjustment and EUR 42 million gas storage downward adjustment, the adjusted EBT is EUR 176 million.

Adjusted equity is reported equity according to IFRS Accounting Standards adjusted for the accumulated after-tax income statement effect of the gas flow capacity and gas storage adjustment specified in the table above. With reported equity of EUR 2,186 million in 2024 according to IFRS Accounting Standards, an accumulated gas flow capacity and gas storage adjustment of EUR 39 million minus 22% tax, the adjustment amounts to EUR 31 million and an adjusted equity of EUR 2,155 million.

STATUTORY REPORTING ON CORPORATE GOVERNANCE

CORPORATE SOCIAL RESPONSIBILITY

Danske Commodities' commitment to ethical standards and corporate social responsibility is a focus area in the Group's activities.

Danske Commodities conducts its business consistently with the Corporate Social Responsibility Directive and supports the Paris Agreement and a net-zero future. Focusing particularly on advancing the Sustainable Development Goal (SDG) 7, Danske Commodities' business model is guided by the energy transition, and the Group wishes to play an active role in the expansion of a renewables-driven energy system. Danske Commodities believes that real value lies in the work carried out by its people, anchored by four main sustainability themes: ethics, equality, people and planet.

ETHICS

POLICY

Ethics and compliance remain a top priority in all of Danske Commodities' activities. The Group is committed to conducting business in an ethical and transparent manner, recognising that this approach is not only the right way to work, but the only way to work. The approach is reflected in the Groups compliance program and Code of conduct.

HOW THE POLICIES ARE PUT INTO ACTION

Compliance culture

At Danske Commodities, compliance and ethics are integral to the culture and play a vital role in all business activities. Danske Commodities is committed to maintaining and fostering a strong compliance culture rooted in its core values of bringing passion, building trust and creating value. The Code of Conduct and Compliance Programme reflects these values and demonstrates the commitment to conducting business in full compliance with applicable laws and regulations, while establishing clear expectations and responsibilities for all employees.

Compliance training

Danske Commodities values the importance of ongoing and effective training to ensure compliance and ethical conduct. Comprehensive training is provided on various compliance topics, including introductory sessions and annual programmes tailored to the specific needs of each business team. These programmes cover essential areas such as trading compliance and business ethics, fostering a culture of responsibility and accountability.

Document governance

To ensure compliance and consistency across the organisation, Danske Commodities has standardised its approach for managing organisational documents, introducing a robust document governance framework across the organisations. The governance provides a structured approach, including a centralised document library, to ensure that all group documents are accurate, consistent, and aligned with group, legal and regulatory standards and requirements.

Speak up, reach out

Danske Commodities has a robust and well-established whistleblower scheme that fosters a 'speak up, reach out' culture, enabling employees to report concerns about unethical conduct through internal reporting channels without fear of retaliation. Additionally, an Ethics Helpline is available, providing the option for anonymous reporting of any concerns regarding unethical behaviour.

RISKS

Failing to comply with relevant laws and regulations may expose Danske Commodities to legal liability, business losses, fines, sanctions, reputational damage, as well as impacting individuals or groups of employees.

RESULTS IN 2024

- Delivered targeted training for relevant teams on various aspects of business ethics, including GDPR and whistleblowing
- Established a formal document governance framework to provide a structured and standardised approach for managing organisational documents, ensuring compliance and consistency across the organisation
- Implemented a centralised document library to support document governance, consolidate organisational documents, and enhance accessibility and transparency
- Fostered increased collaboration across risk functions and compliance disciplines within Danske Commodities, ensuring a holistic approach across the organisation

PRIORITIES FOR 2025

- Focus on Anti-Bribery and Corruption ('ABC'), Anti-Money Laundering ('AML'), Sanctions and Human Rights, including revising and developing programmes and policies, updating necessary documentation, enhancing awareness and updating training materials
- Implement a new Learning Management System ('LMS') to enhance employee development and ensure continuous improvement in compliance training. The LMS enables the expansion of training offerings, allows targeted training for specific employees and supports their individual development needs
- Prioritise the integration and responsible use of AI technologies, navigating rapid advancements and challenges while aligning with the EU AI Act. Focus will be on leveraging AI's potential to its fullest, ensuring ethical practices and compliance with legislation

CORPORATE SOCIAL RESPONSIBILITY – CONTINUED

EQUALITY

POLICY

Danske Commodities respects all human rights and is committed to creating and maintaining an inclusive environment. The Group values people diversity and is committed to providing an environment recognised for its equality, inclusion and diversity.

Danske Commodities treats everyone with fairness, respect and dignity, and does not tolerate discrimination of colleagues or others affected by its work. Discrimination includes all unequal treatment, exclusion or preference based on race, gender, age, disability, sexual orientation, religion, political views, national or ethnic origin or any other characteristic that results in compromising the principle of equality.

This means that employees treat everyone with fairness, respect and dignity, and that the Group bases work- related decisions on merit and not on other characteristics that result in compromising the principle of equality.

HOW THE POLICY IS PUT INTO ACTION

Respecting human rights

Danske Commodities respects all internationally recognised human rights, which include the right to freedom of association, collective bargaining and rights not to be subject to forced labour or child labour.

Anti-discrimination and harassment

Danske Commodities treats everyone it engages with, through work or work-related activities, in a respectful manner. The Group does not tolerate any verbal or physical conduct that harasses others, disrupts others' work performance or creates a hostile work environment.

This means that:

- Danske Commodities' employees take steps to create and maintain a good working environment
- Danske Commodities' employees never engage in harassment, bullying, workplace violence or other behaviour that colleagues or business partners may regard as threatening or degrading
- Offensive messages, derogatory remarks and inappropriate jokes are never acceptable
- Danske Commodities' employees respect the customs and cultures of those the Group engages with

Danske Commodities has a zero-tolerance policy for harassment.

RISKS

Risks of breach of human rights or the principle of equality are mitigated by leadership, strong values, clear policies and the opportunity to report any concerns to various internal channels, alternatively an external anonymous Ethics Helpline.

RESULTS IN 2024

- No violations of human rights cases were reported
- Implementation of bias blockers in talent promotion and career development processes
- Scoping of allyship implementation across the organisation
- Successful completion of DE&I awareness week across the organisation, including specific leadership training on bias awareness in recruitment
- Redesign of New in DC Leadership training to ensure that leaders are equipped to treat employees fairly and inclusively

PRIORITIES FOR 2025

- Continue to develop and activate bias blockers in core people processes
- Implement active allyship across the organisation
- Implement job architecture to facilitate increased pay transparency and equality
- Implement new recruitment system that supports fully blind recruitment
- Equip leaders to facilitate psychological safety training within own team or unit

PEOPLE

POLICY

The primary policy within the people area is the People Handbook which ensures that all employees are introduced to and are aware of the Group's history, culture and values. Furthermore, the People Handbook provides information about all the practicalities employees need to be aware of as well as overall information on the IT security policy, processing of personal data and other relevant policies.

HOW THE POLICY IS PUT INTO ACTION

Security and privacy

Danske Commodities protects data confidentiality and integrity related to all internal and external stakeholders. The Group continues to update and put policies in place to define and direct the rules or guidelines for the organisation and employees.

Cyber security

Cyber security has become an increasingly important topic and Danske Commodities continuously assesses and addresses a wide range of possible cyber threats, including but not limited to ransomware and DDoS attacks, financial fraud using phishing and account takeover to transfer money out of the Group. Protecting and reacting to cyber security threats continue to be a group priority. Cyber security awareness training and campaigns are key controls to reduce the risk of human risk and technologies are put in place and optimised to reduce the risk surface.

CORPORATE SOCIAL RESPONSIBILITY – CONTINUED

Hybrid work

Danske Commodities offers a flexible work environment, where employees have the opportunity to work from home up to two days a week, in alignment with their leader and their team. Focus remains on how to best facilitate hybrid work, as this is important in ensuring the safety and well-being of employees.

RISKS

With the continued focus on energy markets putting pressure on all actors in the industry, the focus will remain on people's safety, integrity and motivation.

RESULTS IN 2024

- Employee satisfaction score in the annual people survey reached an acceptable level of 77
- An updated Employee Value Proposition (EVP) was activated under the headline 'Sustainable high performance. Together.' with a clear focus on making high performance sustainable in the long run for instance by working actively with life balance

PRIORITIES FOR 2025

- Maintain a continued focus on employee satisfaction and motivation in a steady recruitment scenario
- Anchor the EVP to position Danske Commodities and attract and retain talented employees
- Move to new headquarter which will significantly improve physical working conditions

PLANET

POLICY

Danske Commodities' sustainability focus follows the ESG-dimensions (Environmental, Social and Governance) and addresses a variety of internal and external societal and environmental challenges and strives for constant improvement of the Group's business practices.

HOW THE POLICY IS PUT INTO ACTION

The Greenhouse Gas Protocol

Danske Commodities applies the Greenhous Gas Protocol to measure and account for the Group's scope 1 and 2 emissions. Danske Commodities promotes environment-friendly transportation, offers remote working flexibility, sorts waste and sources electricity from Danish wind turbines.

Supporting SDGs

Danske Commodities supports the Sustainable Development Goals (SDGs) and focuses particularly on advancing SDG 7, 'Ensure access to affordable, reliable, sustainable and modern energy for all'.

Local and global engagement

Danske Commodities supports the local community, e.g. by participating in Climate Alliance Aarhus to actively support the transition to climate-friendly workplaces in Aarhus as well as supporting the vulnerable citizens of Aarhus through engagement with local NGOs and the local homeless shelter.

RISKS

Succeeding with the sustainability policy requires an effort from all employees and other stakeholders to drive change both inside and outside the Group.

RESULTS IN 2024

- Sustainability and responsibility initiatives in 2024 included participating in Football Shirt Friday to support the Danish Childhood Cancer Foundation, Aarhus Pride, the World Clean-up Day and the 'Vi-cykler-til-arbejde' campaign (in May and November)
- The Group has further encouraged volunteering by arranging for employees to be guest chefs at a homeless shelter and offering booths at a local flea market to promote circular economy
- Donations were made to local charities in Aarhus, where Danske Commodities were founded and are headquartered. This included a total donation commitment of EUR 0.7 million for a new homeless shelter and EUR 0.1 million for the NGO High5Girls to support female students pursuing STEM education. Approximately half of these amounts were paid out in 2024, and the remaining funds will be paid out in 2025. Additionally, our 2023 donation of EUR 0.3 million to Aarhus Kommune's Section 18 Funds for social organisations came into effect in 2024.
- An internal policy on electrical vehicles was adopted resulting in that future leasing of cars must only be electrical cars

PRIORITIES FOR 2025

- Launch an employee-driven donations programme to support the local communities in which Danske Commodities operates
- Promote employee volunteering through sustainability events both
- Ensure compliance with the EU Corporate Sustainability Reporting Directive (CSRD) if applicable

DATA ETHICS POLICY

Danske Commodities recognises data as a cornerstone of its value chain and a critical element in its competitive strategy. As a data-driven company, Danske Commodities transforms data into knowledge to craft profitable trading strategies. The commitment extends beyond the operational use of market and asset data, incorporating the meticulous handling of personal data. The data used consist of personal data as well as market data and asset data used for the operations of the Group.

Danske Commodities is dedicated to upholding and continuously improving data ethics. By integrating these principles into every facet of its operations, Danske Commodities aims to foster trust and demonstrate its commitment to ethical data stewardship.

THE EVOLVING ROLE OF DATA

In the digital era, the strategic importance of data is paramount. Investment in data capabilities is not just about harvesting value; it is about wielding data and analytics as competitive devices in an ethical way. Danske Commodities commits to a responsible data power approach, ensuring its actions reflect the highest ethical standards and respect section 99 d of the Danish Financial Statements Act. This policy codifies Danske Commodities' data ethics principles, guiding the Group's endeavours in trading, innovation and business processes.

2024 IN REVIEW: DATA ETHICS IN ACTION

The past year's focus has been on internal guidelines and compliance for treating data as an asset as well as adapting to Danske Commodities' new reality as a global company with a greatly increased number of colleagues and a global presence.

DANSKE COMMODITIES' THREE DATA ETHIC PRINCIPLES

Security and privacy by design

Danske Commodities treats official market data as a trust, with stringent compliance to data access, sharing, and usage boundaries. Privacy by design is embedded in the Group's culture and processes, upheld by mandatory conduct training that includes data ethics, personal data handling and its implications in financial and business reporting.

Integrity and consistent governance

Integrity at Danske Commodities means managing data in alignment with robust internal governance principles. This also means ensuring and enforcing the respect of the rules set by the Sarbanes-Oxley Act (hereafter SOX) for significant processes and systems supporting the Equinor Group reporting as well as staying strictly within the bounds of all applicable legal principles. Effective data governance assures consistency and trust, preventing misuse. Integral to this is risk management and data quality as core governance tenets.

Responsibility and impact assessment

As custodians of data integral to Danske Commodities' value chain, the Group leverages data in the best interest of its counterparties, the markets and society. This entails responsible deployment of advanced analytics and machine learning, ensuring fair and unbiased algorithms, and transparency in automated trading activities.

ENHANCING THE DATA ETHICS FRAMEWORK

To align with best practices, the Group is taking additional steps:

Stakeholder engagement

Stakeholder feedback is integral to Danske Commodities' policy development, ensuring a diverse range of perspectives from a technical, business and legal point of view.

Extended training programmes

Danske Commodities has developed and constantly improve on comprehensive data training, emphasising real-world applications, design philosophies, data handling best practices, as well as security and ethical decision-making in its data ecosystem.

Global standards alignment

The Group's policies reflect international standards, adapting to global best practices and legal requirements.

Review and update mechanisms

Danske Commodities commits to an annual review of its Data Ethics Policy, ensuring the policy evolves with technological advancements and societal expectations.

RISK MANAGEMENT

MARKET RISK

Market risk is the risk of the value of open positions changing as a result of fluctuating market conditions.

Danske Commodities' market risk arises in both commodity and financial markets with fluctuating energy prices, production and consumption balancing and foreign exchange rates constituting key risk factors. Due to the potential impact on the Group's earnings, Danske Commodities continuously monitors and stress tests volatility and commodity price developments.

Market risk is governed by the framework outlined in the Market Risk Policy and Market Risk Manual. The Market Risk Policy establishes permissible products, regions, and commodities, while the Market Risk Manual specifies detailed mandates within the overarching market risk appetite. Danske Commodities' market risk appetite defines the overall risk limits, determined by allocated risk capital, ensuring that the aggregation of individual mandates remains within these boundaries. This framework enables continuous monitoring of the Group's risk profile. Open positions are permitted only within established mandates, and all trading positions are independently monitored by the Risk Management team as the second line of defence.

All mandates across the business are subject to regular review and updates to ensure alignment with the defined risk appetite and adaptability to evolving market conditions. As part of the oversight framework, Danske Commodities employs tiered warning levels and stop-loss thresholds to facilitate prompt intervention in case of mandate breaches. Robust risk management practices include structured product controls, model validations, and enhanced stress testing, complemented by additional risk measures, ensuring comprehensive oversight of relevant products and activities.

Foreign exchange risk, to which the daily commercial business is exposed, is mitigated and hedged on a daily basis. As foreign exchange risk is not a core business for Danske Commodities, a hedging strategy anchored in the Treasury team is pursued to mitigate the foreign exchange risk. Hence, currency risk is an insignificant component of the overall risk appetite at Danske Commodities.

CREDIT RISK

Credit risk is the risk of financial loss resulting from a counterparty failing to meet contractual obligations.

Danske Commodities manages credit risk through a clearly defined framework of policies and procedures approved by the Board of Directors and defined by the Risk Management team.

The financial strength and creditworthiness of a potential counterparty is assessed before the Group enters any contract and subsequently the allowed credit line is monitored daily. If required, security is requested before or during the contract lifespan.

Thorough Know Your Customer (KYC) and sanctions screening processes are performed according to the agreed policy. The KYC process is reviewed regularly, and sanctions screening is done on a continual basis.

OPERATIONAL AND IT RISK

Danske Commodities is exposed to operational and IT risks with possible impact on license to operate or financial losses. Operational and IT risks can broadly be defined as risks of inadequate or failed internal processes, human errors, system failures or from external events.

Danske Commodities continues to enhance its organisational and technical measures to ensure secure and resilient operations. Additionally, IT risk management is matured to be an integral part of the Group's efforts to reduce the overall risk exposure.

Organisational measures

Strong crisis management and business continuity frameworks are maintained, regularly updated and tested on both a monthly and biannual basis across critical functions. These efforts are actively supported by IT to ensure operational readiness. To reinforce a culture of security, all employees are required to review and acknowledge the standard for acceptable use of IT in Danske Commodities, with annual cybersecurity training mandated for all staff.

Technical measures

Internal security capabilities are continuously improved to prevent IT security incidents, detect potential threats, and respond promptly to events. This is achieved through the efforts of in-house IT security engineers, complemented by a robust external 24/7 Security Operations Centre (SOC) that includes an incident response retainer. Danske Commodities' services are delivered through multiple data centres, ensuring redundancy and operational reliability.

Compliance and Oversight

The Danish Energy Agency conducts an annual evaluation of DC's crisis management and business continuity planning, alongside its obligations as a balancing responsible party in the energy market. Additionally, Danske Commodities adheres to the requirements of the SWIFT security framework as well as SOX with regards to the Equinor Group reporting.

RISK MANAGEMENT – CONTINUED

LIQUIDITY RISK

Liquidity risk is the risk of Danske Commodities not being able to meet its liabilities towards counterparties.

Danske Commodities is considered to have low liquidity risk, being under the ownership of Equinor and given its solid capital structure. Cash flows from operations, cash reserves, capital injections and credit facilities are key aspects that for several years have ensured stable and adequate liquidity.

Danske Commodities measures its overall liquidity, consisting of free liquidity, including cash collateral, other deposits and forecasted cash flows, on a daily basis. In addition, different liquidity outcomes are simulated through various stress tests. The stress testing process estimates expected daily and monthly margin calls and is used in the calculation of a minimum liquidity level, enabling the Group to better manage liquidity reserves and withstand market movements at all times.

LEGAL RISK

Contractual relationships with counterparties and business partners bear the potential for legal risks.

Danske Commodities' Legal team is focused on proactive legal work and contributes in a structured way to identifying, prioritising and managing legal risks and opportunities in consultation with teams across the entire organisation.

The Group has established a cross functional Market Design Working group. This group supports the business on new legislation and follows the market situation in cases of energy crisis and changes in the geopolitical situation.

The Legal team engages in the ongoing business activities and decision-making processes at an early stage and takes part in the approval process for new products. By drafting and negotiating well-balanced contracts in accordance with the legal risk tolerance defined by the Board of Directors in line with local legislation and practice in the markets in which Danske Commodities operates, the Group conducts risk assessment on an ongoing basis. As such, the overall level of claims and disputes can be held at a minimum. The legal counsels of Danske Commodities work closely with professional external advisers when expert knowledge is required.

COMPLIANCE RISK

Compliance risk is the risk posed to Danske Commodities' financial, organisational, operational or reputational standing that could result from a failure to act in accordance with relevant laws, regulations and prescribed standards.

High ethical standards and compliance with relevant laws and regulations are fundamental to Danske Commodities. Danske Commodities' Compliance Programme sets out the framework for operating the Company's activities in an ethical and compliant manner and ensures that compliance is embedded with all employees and throughout the organisation, creating a strong culture of compliance.

The Compliance Programme focuses on preventing, detecting, and handling non-compliant behaviour and is managed by the Compliance Officer.

Danske Commodities' policies, standards, procedures and Code of Conduct are the foundation for the Compliance Programme as they lay out the requirements and expectations of the Group's employees and they apply to all employees. Annual compliance risk assessments are another important part of the Compliance Programme.

Training and education also play a vital role in the Compliance Programme, ensuring that Danske Commodities' employees are regularly provided with up-to-date information and knowledge of compliance issues. Further, relevant employees also take part in face-to-face training sessions conducted by the Compliance team. In 2024, these training sessions related to the market abuse prohibitions that apply to many of the jurisdictions that Danske Commodities operates in.

Monitoring and trade surveillance are also important parts of the Compliance Programme and ensure compliance with relevant regulations and allow Danske Commodities to monitor that its activities are carried out in a compliant manner.

In 2024, the compliance function has focused on the implementation of the requirements related to REMIT II and EMIR ReFIT.

Oversight of the Compliance Programme is ensured through regular reporting to Senior Leadership, the Risk Committee, and the Board of Directors.

MANAGEMENT'S STATEMENT ON THE ANNUAL REPORT

The Board of Directors and the Executive Board have today considered and approved the Annual Report of Danske Commodities A/S for the financial year 1 January – 31 December 2024.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Group and the Parent Company and of the results of the Group and the Parent Company operations as well as the cash flows for 2024.

In our opinion, the Management's Review includes a true and fair view of the development of the Group's and the Parent Company's operations and financial circumstances, of the Group's and the Parent Company's results for the year and of the financial position.

Furthermore, the Management's Review provides a description of the most significant risks and elements of uncertainty facing the Group.

We recommend the Annual Report for adoption at the Annual General Meeting.

Aarhus, 4 April 2025

Executive Board

Helle Østergaard Kristiansen CEO	Jakob Sørensen CFO

Board of Directors

Helge Haugane Chair	Rune Karlsen Board member	Olav Kolbeinstveit Board member
Torbjørn Folgerø Board member	Molly Moris Board member	Trine Borum Bojsen Board member

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Danske Commodities A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Danske Commodities A/S for the financial year 1 January – 31 December 2024, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the 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 and cash flows for the financial year 1 January – 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

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

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

Based on our procedures, we conclude that the Management's review is in accordance with the 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's review.

Management's responsibilities for the financial statements

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 IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit.

INDEPENDENT AUDITOR'S REPORT – CONTINUED

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 note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

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

Aarhus, 4 April 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Steen Skorstengaard
State Authorised Public Accountant
mne19709

Tinne Kruse
State Authorised Public Accountant
mne49068

STATEMENT OF COMPREHENSIVE INCOME

1 JANUARY – 31 DECEMBER

INCOME STATEMENT

		Group		Parent	
EUR '000	Note	2024	2023	2024	2023
Trading income and revenue from contracts with customers	2.1	2,425,514	3,070,581	2,425,209	3,046,453
Cost of sales	2.1	-2,149,275	-2,660,478	-2,148,477	-2,660,358
Gross profit		**276,239**	**410,103**	**276,732**	**386,095**
Other operating income		7,754	146	9,613	145
Other external expenses	4.1	-26,925	-13,064	-27,017	-13,086
Staff costs	4.1	-81,331	-62,404	-77,239	-57,607
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	6.1, 6.2	-13,067	-12,014	-12,875	-11,925
Operating profit (EBIT)		**162,670**	**322,767**	**169,214**	**303,622**
Share of profit in subsidiaries after tax	6.4	0	0	-4,776	16,885
Financial income	4.3	76,950	184,513	71,393	181,215
Financial expenses	4.3	-37,590	-54,081	-35,737	-53,457
Profit before tax (EBT)		**202,030**	**453,199**	**200,094**	**448,265**
Tax on profit for the year	7.1	-52,727	-96,079	-50,791	-91,145
Profit for the year		**149,303**	**357,120**	**149,303**	**357,120**

STATEMENT OF OTHER COMPREHENSIVE INCOME

	Group		Parent	
EUR '000	2024	2023	2024	2023
Profit for the year	**149,303**	**357,120**	**149,303**	**357,120**
Items that may subsequently be reclassified to the income statement:				
Exchange rate adjustment on translation of foreign operations	-8,745	-573	-8,745	-573
Other comprehensive income (net of tax)	**-8,745**	**-573**	**-8,745**	**-573**
Total comprehensive income (net of tax)	**140,558**	**356,547**	**140,558**	**356,547**

BALANCE SHEET

AT 31 DECEMBER

ASSETS

EUR '000	Note	Group 2024	Group 2023	Parent 2024	Parent 2023
Contractual rights		50,535	58,254	50,535	58,254
Software		12,806	11,622	12,738	11,622
Intangible assets	6.1	**63,341**	**69,876**	**63,273**	**69,876**
Other fixtures and fittings, tools and equipment		3,121	3,463	3,022	3,337
Right-of-use assets		1,808	3,159	731	1,777
Leasehold improvements		128	199	0	7
Property, plant and equipment	6.2	**5,057**	**6,821**	**3,753**	**5,121**
Investments in subsidiaries	6.4	0	0	75,859	130,406
Deferred tax	7.2	10,338	14,376	10,107	14,376
Deposits		1,333	424	1,327	419
Other non-current assets		**11,671**	**14,800**	**87,293**	**145,201**
Non-current assets		**80,069**	**91,497**	**154,319**	**220,198**
Inventories	5.1	396,695	766,711	396,695	766,711
Trade receivables	5.2	770,352	693,361	769,029	690,087
Other receivables	5.3	55,648	45,407	26,345	34,503
Deposits related to trading	5.5	44,717	46,288	44,398	45,081
Receivables from group enterprises	4.2	1,379,725	1,532,700	1,421,485	1,550,581
Corporation tax receivables	7.2	1,296	1,730	0	0
Prepayments		19,253	8,348	19,253	5,346
Derivative financial instruments	3.5	280,812	950,043	254,108	945,836
Current asset investments	6.5	45,826	54,001	0	0
Cash and cash equivalents	5.8	250,580	170,651	209,233	94,560
Current assets		**3,244,904**	**4,269,240**	**3,140,546**	**4,132,705**
Assets		**3,324,973**	**4,360,737**	**3,294,865**	**4,352,903**

BALANCE SHEET

AT 31 DECEMBER

LIABILITIES AND EQUITY

		Group		Parent	
EUR '000	Note	2024	2023	2024	2023
Share capital		175,000	175,000	175,000	175,000
Share premium		1,750,000	1,750,000	1,750,000	1,750,000
Reserve for currency translation		-12,683	-3,938	0	0
Reserve for net revaluation under the equity method		0	0	0	58,738
Reserve for development costs		0	0	9,656	8,956
Proposed dividend	4.4	150,000	750,000	150,000	750,000
Retained earnings		123,259	123,956	100,920	52,324
Equity		**2,185,576**	**2,795,018**	**2,185,576**	**2,795,018**
Deferred tax liabilities	7.2	0	105	0	0
Provisions	5.6	98	293	98	293
Lease liabilites	6.3	1,193	2,058	84	676
Non-current liabilities		**1,291**	**2,456**	**182**	**969**
Trade payables	5.7	476,389	411,813	474,443	409,121
Payables to group enterprises	4.2	103,939	217,743	107,967	226,436
Corporation tax payables	7.2	6,910	38,812	6,313	37,960
Provisions	5.6	8,686	1,628	8,686	1,628
Other payables	5.4	27,387	30,303	23,441	25,356
Deposits related to trading	5.5	157,750	294,660	157,750	294,660
Prepayments		3,802	4,508	3,801	1,672
Derivative financial instruments	3.5	352,445	562,465	325,999	558,845
Lease liabilities	6.3	798	1,331	707	1,238
Current liabilities		**1,138,106**	**1,563,263**	**1,109,107**	**1,556,916**
Liabilities		**1,139,397**	**1,565,719**	**1,109,289**	**1,557,885**
Liabilities and equity		**3,324,973**	**4,360,737**	**3,294,865**	**4,352,903**

STATEMENT OF CHANGES IN EQUITY

2024	Group					
EUR '000	Share capital	Share premium	Reserve for currency translation	Proposed dividend	Retained earnings	**Total**
Equity at 1 January	175,000	1,750,000	-3,938	750,000	123,956	2,795,018
Net profit for the year	0	0	0	0	149,303	149,303
Other comprehensive income for the year	0	0	-8,745	0	0	-8,745
Total comprehensive income for the year	**0**	**0**	**-8,745**	**0**	**149,303**	**140,558**
Proposed capital distribution	0	0	0	150,000	-150,000	0
Dividend paid	0	0	0	-750,000	0	-750,000
Equity at 31 December	**175,000**	**1,750,000**	**-12,683**	**150,000**	**123,259**	**2,185,576**

2023	Group					
EUR '000	Share capital	Share premium	Reserve for currency translation	Proposed dividend	Retained earnings	**Total**
Equity at 1 January	3,679,762	0	-3,365	0	1,923,487	5,599,884
Restatement effect in prior year	0	0	0	0	88,588	88,588
Restated equity at 1 Janaury	**3,679,762**	**0**	**-3,365**	**0**	**2,012,075**	**5,688,472**
Net profit for the year as restated	0	0	0	0	357,120	357,120
Other comprehensive income for the year	0	0	-573	0	0	-573
Total comprehensive income for the year	**0**	**0**	**-573**	**0**	**357,120**	**356,547**
Capital decrease	-3,679,762	0	0	0	0	-3,679,762
Capital increase	175,000	1,750,000	0	0	0	1,925,000
Proposted capital distribution	0	0	0	750,000	-750,000	0
Dividend paid	0	0	0	0	-1,495,239	-1,495,239
Equity at 31 December	**175,000**	**1,750,000**	**-3,938**	**750,000**	**123,956**	**2,795,018**

STATEMENT OF CHANGES IN EQUITY – CONTINUED

2024	Parent						
EUR '000	Share capital	Share premium	Reserve for net revaluation under the equity method	Reserve for development costs	Proposed dividend	Retained earnings	**Total**
Equity at 1 January	175,000	1,750,000	58,738	8,956	750,000	52,324	2,795,018
Net profit for the year	0	0	-4,776	0	0	154,079	149,303
Development costs for the year	0	0	0	700	0	-700	0
Other adjustments	0	0	-45,217	0	0	45,217	0
Other comprehensive income for the year	0	0	-8,745	0	0	0	-8,745
Total comprehensive income for the year	**0**	**0**	**-58,738**	**700**	**0**	**198,596**	**140,558**
Proposed capital distribution	0	0	0	0	150,000	-150,000	0
Dividend paid	0	0	0	0	-750,000	0	-750,000
Equity at 31 December	**175,000**	**1,750,000**	**0**	**9,656**	**150,000**	**100,920**	**2,185,576**

2023	Parent						
EUR '000	Share capital	Share premium	Reserve for net revaluation under the equity method	Reserve for development costs	Proposed dividend	Retained earnings	**Total**
Equity at 1 January	3,679,762	0	72,608	6,375	0	1,841,139	5,599,884
Restatement effect in prior year	0	0	0	0	0	88,588	88,588
Restated equity at 1 Janaury	**3,679,762**	**0**	**72,608**	**6,375**	**0**	**1,929,727**	**5,688,472**
Net profit for the year	0	0	16,885	0	0	340,235	357,120
Development costs for the year	0	0	0	2,581	0	-2,581	0
Other adjustments	0	0	-30,182	0	0	30,182	0
Other comprehensive income for the year	0	0	-573	0	0	0	-573
Total comprehensive income for the year	**0**	**0**	**-13,870**	**2,581**	**0**	**367,836**	**356,547**
Capital decrease	-3,679,762	0	0	0	0	0	-3,679,762
Capital increase	175,000	1,750,000	0	0	0		1,925,000
Proposed capital distribution	0	0	0	0	750,000	-750,000	0
Dividend paid	0	0	0	0	0	-1,495,239	-1,495,239
Equity at 31 December	**175,000**	**1,750,000**	**58,738**	**8,956**	**750,000**	**52,324**	**2,795,018**

The share capital consists of 175,000,000 shares of a nominal value of EUR 1 per share. All shares rank equally.

The share premium amounts to EUR 1,750,000,000 in total, and the shares were subscribed for at a subscription rate of 1,100. The amount is equal to the excess capital that has been paid in at the rate of subscription. The amount has been presented as a separate reserve under equity and can be used for capital distribution to the equity holder of the parent.

STATEMENT OF CASH FLOWS

		Group		Parent	
EUR '000	Note	2024	2023	2024	2023
Profit for the year		149,303	357,120	149,303	357,120
Non-cash adjustments	5.8	17,958	-22,894	32,786	-41,563
Change in working capital	5.8	709,574	3,135,507	697,842	3,088,605
Cash flow from operating activities before financial income and expenses		**876,835**	**3,469,733**	**879,931**	**3,404,162**
Financial income, received	4.3	76,950	184,513	71,393	181,215
Financial expenses, paid	4.3	-36,246	-50,543	-35,942	-49,735
Cash flow from ordinary activities		**917,539**	**3,603,703**	**915,382**	**3,535,642**
Corporation tax paid		-85,069	-55,287	-82,976	-47,041
Corporation tax received		4,807	20,548	4,807	20,237
Cash flow from operating activities		**837,277**	**3,568,964**	**837,213**	**3,508,838**
Purchase of intangible assets	6.1	-3,658	-4,598	-3,589	-4,598
Purchase of property, plant and equipment	6.2	-1,379	-2,590	-1,315	-839
Capital increase in subsidiaries	6.4	0	0	-6,000	-62,387
Dividends received		0	0	47,026	30,173
Disposal of subsidiaries		0	0	0	9
Placement in time deposits		-45,826	-54,001	0	0
Cash released from time deposits		54,001	0	0	0
Cash flow from investing activities		**3,138**	**-61,189**	**36,122**	**-37,642**
Proceeds from borrowings		-1,398	1,993	-1,123	457
Repayment of borrowings		0	-3,014,636	0	-3,014,636
Movement in group enterprise cash pool		-7,744	1,506,179	-7,744	1,506,179
Capital increase		0	1,925,000	0	1,925,000
Capital decrease		0	-3,679,762	0	-3,679,762
Dividend payment		-750,000	-1,495,239	-750,000	-1,495,239
Payment of principal portion of lease liabilities		0	-1,622	0	-1,561
Cash flow from financing activities		**-759,142**	**-4,758,087**	**-758,867**	**-4,759,562**
Net foreign exchange difference on cash and cash equivalents		-1,344	-3,538	205	-3,722
Change in cash and cash equivalents		**79,929**	**-1,253,850**	**114,673**	**-1,292,088**
Cash and cash equivalents at 1 January		170,651	1,424,501	94,560	1,386,648
Cash and cash equivalents at 31 December		**250,580**	**170,651**	**209,233**	**94,560**
Cash and cash equivalents are specified as follows:					
Cash at bank and in hand without restrictions		240,540	164,676	205,835	91,044
Restricted cash *		10,040	5,975	3,398	3,516
Cash and cash equivalents at 31 December		**250,580**	**170,651**	**209,233**	**94,560**

* Restricted cash is relating to initial margin coverage held at clearing banks.

NOTES TO FINANCIAL STATEMENTS

BASIS OF REPORTING

1.1 BASIS OF PREPARATION

The consolidated and parent financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards, as defined in note 8.5) as adopted by the EU and further requirements in the Danish Financial Statements Act applying to large enterprises of reporting class C.

The consolidated and parent financial statements have been prepared on a going concern basis and under the historical cost convention, with the exception of derivatives and gas trading inventories, which are measured at fair value as disclosed in notes 3.5, 3.6 and 5.1 and with the exception of investments in subsidiaries, which are measured under the equity method as disclosed in note 6.4.

The consolidated financial statements are presented in euros, which is also the Parent Company's functional currency. All values are rounded to the nearest thousand (EUR'000), except if otherwise indicated.

Accounting policies related to specific line items are described in the notes to which they relate. The description of accounting policies in the notes form part of the overall description of accounting policies. Accounting policies not directly related to a specific line item covered by a note are presented below.

BASIS FOR CONSOLIDATION

The consolidated financial statements incorporate the financial information of Danske Commodities A/S, the Parent Company, and its subsidiaries, together the Group. Control is achieved where the Group is exposed, or has rights, to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity.

The consolidated financial statements are prepared by combining items of a uniform nature and subsequently eliminating intercompany transactions and balances and unrealised intercompany profits and losses.

TRANSLATION OF FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rates prevailing at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income or financial expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Foreign subsidiaries are considered separate entities. The income statements are translated at the average exchange rate for the period, and the balance sheet items are translated at the exchange rates at the balance sheet date.

Foreign exchange differences arising on translation of the opening equity of foreign entities at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised in other comprehensive income.

CURRENT / NON-CURRENT

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in the normal operating cycle
- held primarily for the purpose of trading
- due to be settled within twelve months after the reporting period
- without unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.2 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated and parent financial statements requires management to make estimates and assumptions that can have a significant effect on the application of policies and reported amounts of assets, liabilities, income, expenses and related disclosures.

ESTIMATES

The estimates and underlying assumptions are based on historical experience and various other factors. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates may be necessary if there are changes in the circumstances on which the estimate was based or more detailed information becomes available. Such changes are recognised in the period in which the estimate is revised.

Estimates used in the preparation of these consolidated financial statements are prepared based on customised models, while the assumptions on which the estimates are based rely on historical experience, external sources of information and various other factors that management assesses to be reasonable under the current conditions and circumstances. These estimates and assumptions form the basis of the carrying values of assets and liabilities when these are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis considering the current and expected future set of conditions.

The most important matters in understanding the key sources of estimation uncertainty are described in note 3.6 Fair value measurements.

JUDGEMENTS

The main areas where the Group has made significant judgements when applying the accounting policies and that have the most material effect on the amounts presented in the consolidated financial statements have been described in the following notes:

- 2.1 Trading income and revenue from contracts with customers

EARNINGS

2.1 TRADING INCOME AND REVENUE FROM CONTRACTS WITH CUSTOMERS

	Group		Parent	
EUR '000	2024	2023	2024	2023
Trading income				
Net trading income	773,018	313,707	771,024	288,188
Net change in fair value of commodity derivatives held for trading	-811,466	-871,816	-809,777	-870,425
Net change in fair value of inventory held for trading	248,751	904,205	248,751	904,205
Revenue from contracts with customers				
Sales of climate certificates	502,443	771,668	502,443	771,668
Sales of power and energy-related services	1,712,768	1,952,817	1,712,768	1,952,817
Total trading income and revenue from contracts with customers	**2,425,514**	**3,070,581**	**2,425,209**	**3,046,453**

SIGNIFICANT ACCOUNTING JUDGEMENTS

The Group has contracts for the purchase of power with physical delivery and pay-as-produced features (power purchase agreements). The Group applies judgement in assessing whether the contracts are in scope of IFRS 15. Judgement is applied in assessing the performance obligations in the contracts and the nature of the business.

The Group follows current industry practice for these types of contracts, ensuring that the accounting methods align with established standards and practices within the energy sector. Furthermore, amendments to IFRS 9 are being implemented as per note 8.3, which will be considered in the ongoing assessment to ensure compliance with the latest regulatory requirements and standards.

Whether to account for transactions from contracts with customers gross or net under IFRS 15 involves the use of significant accounting judgement. In making the judgement the Group has considered whether it controls the power volumes prior to onwards sales to the counterparty. When the Group directs the use of the volumes, holds the balancing risk and the Group receives all benefits from the sales of power, the Group is considered the principal in the sale of power and energy-related services, why the revenue is presented gross.

For some contracts, the Group has concluded that ownership of the power volumes has not been transferred to the Group. Although the Group has been granted the ability to direct the use of the volumes, the asset owner receives all the benefits from the sales of these volumes and holds the related balancing risk, since the Group only acts as an intermediary between the asset owner and the market. On that basis, the Group is not considered the principal in the sale of these power and energy related services, why the revenue and related cost of sales is presented net.

2.1 TRADING INCOME AND REVENUE FROM CONTRACTS WITH CUSTOMERS – CONTINUED

ACCOUNTING POLICIES

Trading income
Trading income comprises realised and unrealised fair value changes as well as realised gains and losses on commodity derivatives and inventory held for trading. Net trading income comprises net realised fair value changes, gains and losses arising from trading within energy commodity derivatives. The energy commodity derivatives make up the Group's trading portfolio which includes futures, options, swaps, power transport capacities and certain forward sales and forward purchases commodity contracts that are either financially or physically settled. As the physically settled contracts are managed on a portfolio basis, a practice of net settlement is present, and the contracts are considered in scope of IFRS 9 and treated as derivatives. Net changes in fair value of commodity derivatives and net changes in fair value of inventory held for trading represents changes in the unrealised part of fair value of commodity derivatives held for trading and inventory held for trading at the balance sheet date.

Revenue from contracts with customers
Revenue is measured at the contractually agreed price exclusive of VAT and taxes charged on behalf of third parties.

Sales agreements are divided into individually identifiable performance obligations when applicable. If a sales agreement includes several performance obligations, the sales agreement's transaction price is allocated to each performance obligation.

The sales agreements are transacted under EFET terms and typically settled within 20-30 days from delivery.

Sales of power and energy-related services
Revenue from the sale of power and energy-related services comprises consumption balancing as well as the sale of power sourced from energy producers and related services in terms of e.g. production management and balancing. The Group considers whether it is acting as principal or agent, based on whether it holds the main risks and controls the power and services delivered before transferring it to the counterparty. Revenue is recognised when control of the power is transferred to the buyer simultaneously with fulfilment of the related services, that being when the power is delivered. Agreements for the sale of power and energy-related services are considered a series of identical goods and services that are transferred over time and revenue is recognised at the amount to which the Group is entitled.

Sales of climate certificates
Revenue from the sale of climate certificates comprises the sale of climate certificates sourced from producers. As the Group controls the climate certificates before transferring them to the counterparty, the Group has concluded that it is acting as principal in these agreements. Revenue is recognised when control of the climate certificate is transferred to the buyer being when the certificate is delivered to the buyer. Agreements for the sale of climate certificates are fulfilled at a point in time.

Cost of sales
Cost of sales includes the purchase of power and certificates for resale and transportation thereof incurred to achieve revenue from contracts with customers for the year.

RISK MANAGEMENT

3.1 MARKET RISK

Danske Commodities' market risk arises in both commodity and financial markets, in which changing commodity prices and volumes are key risk factors.

The sensitivity analysis in the following sections relates to open positions at 31 December 2024 and 31 December 2023. The sensitivity is calculated by adjusting the market price used on each individual trade.

The sensitivity shown is based on reasonably possible changes in the current observable market environment. The effect of the assumed changes in respective market risks is prepared on an 'all else being equal' basis. The analysis is based on the financial assets and financial liabilities held at 31 December 2024 and 31 December 2023.

Danske Commodities' business is focused on short-term trading, which is reflected in the maturity of the financial instruments that primarily fall due within 12 months. For more information, refer to note 3.3.

RISK MANAGEMENT PROCEDURES
Danske Commodities' Board of Directors has developed and enacted a risk management strategy for commodity price risk and its mitigation. The risk management strategy also includes limits on foreign currency exposure.

COMMODITY PRICE RISK
Commodity price risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in underlying commodity prices. The Group's exposure to the risk of changes in commodity prices relates primarily to the trading performed at Danske Commodities.

3.1 MARKET RISK – CONTINUED

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Danske Commodities' exposure to the risk of changes in foreign exchange rates derives primarily from those of the Group's operating activities in which trade receivables, accounts payables and derivatives held for trading are denominated in a currency other than the functional currency.

The foreign currency risk is mitigated and hedged via economic hedges by the Treasury function on a daily basis in accordance with the mandates, policies and hedging strategy approved by the Board of Directors.

The risk relates to a wide range of currencies to which the daily commercial business is exposed. The main underlying currency of the Group's cash flow is Euro as the majority of Danske Commodities' activities are performed in market areas where commodity products are priced in EUR.

Next to EUR, GBP is the most significant currency to which Danske Commodities is exposed. The analysis shows the profit and loss effect from movements in the GBP/EUR ratio with all other variables held constant. The assumed percentage is based on what is found to be a reasonable probable change within a 12-month time frame.

INTEREST RATE RISK

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of change in market interest rates. Danske Commodities' exposure to the risk of changes in market interest rates relates primarily to interest-bearing floating rate liabilities and assets. The estimated effect is considering an effect of one year in profit and loss.

SENSITIVITY		Group		Parent	
		2024	2023	2024	2023
EUR '000	+/- in %	Effect on profit before tax	Effect on profit before tax	Effect on profit before tax	Effect on profit before tax
	30%	-72,805	-205,998	-72,805	-205,998
Gas price risk (financial instruments)	-30%	125,512	252,334	125,512	252,334
	30%	112,859	219,785	112,859	219,785
Gas price risk (inventory)	-30%	-112,859	-219,785	-112,859	-219,785
	30%	-36,688	15,587	-3,752	10,798
Power price risk	-30%	100,604	56,709	67,667	61,521
	30%	5,560	4,748	5,560	4,748
Certificate price risk	-30%	-2,725	2,802	-2,725	2,802
	5 % (2023: 6%)	-14,121	-7,166	-14,124	-7,571
EUR/GBP currency risk	-5 % (2023: -6%)	14,121	7,166	14,124	7,571
	1%	1,210	2,519	1,210	2,519
Interest rate risk	-1%	-1,210	-2,519	-1,210	-2,519

The table is calculated on an 'all else being equal' basis. The sensitivity calculation does not account for the correlation between products. For some products, the value is affected by multiple commodities.

3.2 CREDIT RISK MANAGEMENT

Exposure to credit risk may arise in Danske Commodities' trading and treasury operations. Exposure can be split into exchange and OTC. OTC trading is generally performed under standard agreements such as EFET and ISDA, which feature netting provisions. The Group manages credit risk through a clear framework of policies and procedures defined by the Board of Directors, Senior Leadership and the Risk Management function. Responsibilities are divided between different business teams, Risk Management, Senior Leadership and the Board of Directors. A thorough KYC process is carried out for all counterparties with whom the Group engages in transactions.

As commodity exchanges generally require variation margin settlement equal to the fair value, the Group considers its credit exposure to commodity exchanges to be insignificant. The margin is handled through clearing banks, which are trusted to ensure a safe process for all parties.

The credit risk affecting the derivative financial instruments measured at fair value is considered limited based on the individual counterparty's ratings with public rating agencies. Danske Commodities sets a credit risk appetite for all counterparties directly dependent on their credit worthiness. In addition to this, the Group accepts collateral in the form of cash deposits, prepayment and guarantees to mitigate credit risk. This can allow for trading to continue with e.g. CSA counterparties when the agreed threshold for credit exposure is reached.

3.2 CREDIT RISK MANAGEMENT – CONTINUED

The majority of the Group's financial instruments are towards counterparties rated AA, for which the credit risk is considered low.

Credit risk from the Company's financial assets primarily concerns derivatives, trade receivables and receivables from group enterprises. For more information of credit risk related to receivables, refer to note 5.2.

CREDIT QUALITY OF THE GROUP'S COUNTERPARTIES

	Group		Parent	
EUR '000	2024	2023	2024	2023
AA rating	1,796,178	2,192,866	1,709,008	2,087,079
A rating	370,903	375,191	369,822	363,459
BBB rating	298,613	680,639	288,924	679,408
BB rating and lower	187,561	85,532	173,244	82,556
Not rated	140,402	118,129	158,582	116,863
Total at 31 December	**2,793,657**	**3,452,357**	**2,699,580**	**3,329,365**

3.3 LIQUIDITY RISK

Liquidity management is executed on an ongoing daily basis in Danske Commodities' Treasury function. Daily cash flow forecasts are produced, ensuring availability of required liquidity of the Group by appropriate cash management, and maintaining adequate liquidity reserves at any time through a combination of readily available cash and committed credit facilities provided by Equinor ASA.

The table below shows Danske Commodities' financial liabilities divided into relevant maturity buckets based on their contractual maturities for all financial liabilities and derivative financial instruments. The amounts disclosed in the table are the contractual undiscounted cash flows.

The Group and Parent Company's committed credit facilities provided by Equinor ASA comprise a revolving credit facility and a cash pool overdraft.

The revolving credit facility amounted to EUR 500 million at 31 December 2024 (2023: EUR 500 million) and terminates in 2026. At 31 December 2024, the cash pool arrangement with Equinor ASA has an overdraft limit of EUR 3,000 million, (2023: EUR 3,000 million). The revolving credit facility and the cash pool overdraft ensures liquidity for the years to come.

As per 31 December 2024, the Group has drawn EUR 0 million (2023: EUR 0 million) of the total available facilities in the amount of EUR 3,500 million (2023: EUR 3,500 million).

For overview of available cash comprising 'cash and cash equivalents' and 'group cash pool' refer to note 3.4.

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

	Group		Parent	
EUR '000	2024	2023	2024	2023
Financial instruments, maturity <1 year				
Trade payables	476,389	411,813	474,443	409,121
Lease liabilities	798	1,331	707	1,238
Payables to group enterprises	103,939	217,743	107,967	226,436
Deposits related to trading	157,750	294,660	157,750	294,660
Other payables	27,328	28,565	23,441	25,356
Financial instruments, maturity 1-5 years				
Lease liabilities	562	1,170	84	676
Financial instruments, maturity >5 years				
Lease liabilities	631	888	0	0
Derivative financial instruments, maturity <1 year	290,381	419,439	267,569	418,879
Derivative financial instruments, maturity 1-5 years	64,225	149,548	60,320	146,397
Derivative financial instruments, maturity >5 years	374	0	374	0
Total financial liabilities	**1,122,377**	**1,525,157**	**1,092,655**	**1,522,763**

3.4 CAPITAL RISK MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holder of the parent.

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt and equity of the Group as disclosed in the statement of equity.

The Group is not subject to any externally imposed capital requirements. Negative net debt at 31 December 2024 and 2023 are primarily related to excess cash, related to inflow derived from the extraordinary market conditions and prices in 2022, deposited in the group cash pool.

GEARING RATIO

	Group		Parent	
EUR '000	2024	2023	2024	2023
Debt *	771,258	962,416	768,193	959,159
Less:				
Group cash pool (part of 'receivables from group enterprises')	1,285,681	1,272,696	1,285,681	1,272,696
Cash and cash equivalents	250,580	170,651	209,233	94,560
Net debt	**-765,003**	**-480,931**	**-726,721**	**-408,097**
Equity **	**2,185,576**	**2,795,018**	**2,185,576**	**2,795,018**
Net debt to equity ratio (%)	**-35%**	**-17%**	**-33%**	**-15%**

* Debt is defined as lease liabilities, trade and other payables (excluding derivatives and financial gurantee contracts), prepayments, deposits related to trading and payables to group enterprises.

** Equity includes share capital, share premium and other equity reserves of the Group.

3.5 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments in Danske Commodities mainly consist of commodity derivatives that are traded as part of the Group's ordinary business activities as well as foreign exchange derivatives used for managing currency risk exposure. Trading activities are undertaken by using a range of contract types in combination to create incremental gains by arbitraging prices between markets, locations and time periods. Foreign currency derivatives are traded to mitigate the exposure to currencies denominated in a currency other than EUR. Financial risks relating to the financial instruments are managed on a portfolio basis. The net of these exposures is monitored daily through risk reporting. The credit risk is assessed separately and presented in a table in note 3.2. For further information about offsetting of financial assets and liabilities, refer to note 5.7.

For information about the methods and assumptions used in determining the fair value of derivatives, refer to note 3.6.

ACCOUNTING POLICIES

Derivatives are primarily classified as 'held for trading' for accounting purpose and initially recognised and subsequently measured at fair value through profit and loss and recognised in the balance sheet as 'derivative financial instruments'. Derivative financial instruments that are held for trading are classified as current assets and liabilities regardless of their maturity date. Derivative financial instruments are categorised by means of shared risk and underlying commodity.

Danske Commodities routinely enters into sale and purchase transactions for physical delivery of energy commodities. A considerable part of these transactions for physical delivery of a non-financial item is considered within the scope of IFRS 9 since the contracts are capable of being net settled, and they are consequently accounted for as derivative financial instruments measured at fair value through profit and loss. The contracts held for trading are not entered into for the Group's own use.

A derivative embedded in a hybrid contract, with a non-financial host contract, is separated from the host contract and accounted for as a separate derivative if:

- the economic characteristics and risks are not closely related to the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- and the hybrid contract is not measured at fair value through profit or loss.

Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss.

3.5 DERIVATIVE FINANCIAL INSTRUMENTS – CONTINUED

A portion of the sale and purchase transactions for physical delivery of energy commodities takes the form of contracts that were entered into and continue to be held for the purpose of receipt or delivery of the physical commodity in accordance with the Group's expected sale, purchase or usage requirements ('own use') and are not within the scope of IFRS 9. The assessment of whether a contract is deemed to be 'own use' is based on the nature of the promise within the contract as well as facts and circumstances of how the contract is included in Danske Commodities' business activity.

3.6 FAIR VALUE MEASUREMENTS

Determining the fair value of the financial instruments recognised and measured at fair value through profit and loss in the financial statements may require the use of estimates. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels.

LEVEL 1

Exchange-traded derivatives are valued using closing prices provided by the exchanges at the balance sheet date. These derivatives are categorised within level 1 of the fair value hierarchy.

LEVEL 2

Derivatives designated to level 2 include both power, gas and certificate trades with a typical contract length < 1 year. Over-the-counter (OTC) financial swaps and physical commodity sale and purchase contracts including commodity forwards and options are generally valued using readily available information in the public markets and if necessary, quotations provided by brokers and price index developers.

Power capacities and foreign exchange contracts within Danske Commodities are measured using internal models. Internal models refer to standard valuation models that use market forward levels on standard instruments, as well as incorporating inputs for the volatility of the underlying indices, markets or commodities.

LEVEL 3

Derivatives within level 3 of the fair value hierarchy includes derivatives where the unobservable inputs used in the valuation is significant. These inputs include prices risk premiums, volatility as well as prices established through consensus pricing information.

For some markets, there are only observable prices available for a maximum of three years ahead, after which there is no active market. Danske Commodities holds power forward contracts up to a 10-year time horizon. For OTC commodity derivatives in this time horizon, the market price used in areas with no observable prices is calculated based on latest observable spreads to neighbouring markets with observable prices.

The valuation of power contracts with a variable delivery profile incorporates a risk premium based on observable market activity for the contracts while accounting for the relationship to the observable base prices. For the valuation of clean spark spread options products, the fair value is estimated using simulation valuation techniques using assumptions developed internally based on observable market activity. The volatility factor used in the simulation model ranges from 0.35 to 0.53 (2023: 0.40 to 0.78).

Based on the unobservable input parameters above a reasonable alternative possible assumption is considered a movement of the unobservable input of 5%.

The effect of using unobservable prices far out in time is mainly relating to contracts within Danske Commodities Comercializadora de Energia Ltda. An increase in the unobservable prices used of 5% will decrease the fair value by EUR 3,804 thousand. A decrease of 5% will increase the fair value by 3,804 thousand.

An increase of the volatility factor used in simulation models of 5% will increase the fair value by EUR 370 thousand (2023: EUR 2,105 thousand). A decrease of 5% decreases fair value by EUR 371 thousand (2023: EUR 2,100 thousand).

VALUATION PROCESSES

The valuation process of the derivatives includes input from relevant stakeholders of Danske Commodities, and the final valuation is verified and approved by the Risk Management function. To minimise the use of subjective estimates or modifications of parameters and calculation models, it is Danske Commodities' policy to determine fair values based on the external information that most accurately reflects the market values. The Group uses pricing services and benchmark services to increase the data quality. Danske Commodities' policy is to recognise transfers into and out of fair value hierarchy levels at the end of each reporting period.

Transfers in fair value hierarchy

The transfer from level 2 to level 3 relates to financial instruments whose measurement is now using significant unobservable input.

3.6 FAIR VALUE MEASUREMENTS – CONTINUED

2024		Group			
		Quoted prices in active markets	Significant observable inputs	Unobservable inputs	
EUR '000	Note	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Gas trading derivatives		1,449	129,913	359	**131,721**
Power trading derivatives		543	72,285	26,065	**98,893**
Trading certificates		0	48,275	0	**48,275**
Foreign exchange derivatives		0	1,923	0	**1,923**
Non-financial assets					
Gas trading inventories	5.1	0	376,195	0	**376,195**
Certificate trading inventories	5.1	0	19,207	0	**19,207**
Total financial and non-financial assets		**1,992**	**647,798**	**26,424**	**676,214**
Liabilities					
Gas trading derivatives		286	154,833	55,905	**211,024**
Power trading derivatives		42	65,700	27,987	**93,729**
Trading certificates		0	40,789	0	**40,789**
Foreign exchange derivatives		0	6,903	0	**6,903**
Total financial liabilities		**328**	**268,225**	**83,892**	**352,445**

2023		Group			
		Quoted prices in active markets	Significant observable inputs	Unobservable inputs	
EUR '000	Note	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Gas trading derivatives		968	716,637	396	**718,001**
Power trading derivatives		2,609	176,064	24,986	**203,659**
Trading certificates		2,077	22,014	0	**24,091**
Foreign exchange derivatives		0	4,292	0	**4,292**
Non-financial assets					
Gas trading inventories	5.1	0	732,615	0	**732,615**
Certificate trading inventories	5.1	0	19,106	0	**19,106**
Total financial and non-financial assets		**5,654**	**1,670,728**	**25,382**	**1,701,764**
Liabilities					
Gas trading derivatives		0	341,638	134,522	**476,160**
Power trading derivatives		122	70,497	4,289	**74,908**
Trading certificates		0	10,953	0	**10,953**
Foreign exchange derivatives		0	444	0	**444**
Total financial liabilities		**122**	**423,532**	**138,811**	**562,465**

3.6 FAIR VALUE MEASUREMENTS – CONTINUED

2024		Parent			
EUR '000	Note	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Unobservable inputs Level 3	Total
Financial assets					
Gas trading derivatives		1,625	130,009	359	**131,993**
Power trading derivatives		364	50,238	21,315	**71,917**
Trading certificates		0	48,275	0	**48,275**
Foreign exchange derivatives		0	1,923	0	**1,923**
Non-financial assets					
Gas trading inventories	5.1	0	376,195	0	**376,195**
Certificate trading inventories	5.1	0	19,207	0	**19,207**
Total financial and non-financial assets		**1,989**	**625,847**	**21,674**	**649,510**
Liabilities					
Gas trading derivatives		269	154,838	55,905	**211,012**
Power trading derivatives		23	39,653	27,619	**67,295**
Trading certificates		0	40,789	0	**40,789**
Foreign exchange derivatives		0	6,903	0	**6,903**
Total financial liabilities		**292**	**242,183**	**83,524**	**325,999**

2023		Parent			
EUR '000	Note	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Unobservable inputs Level 3	Total
Financial assets					
Gas trading derivatives		968	716,638	396	**718,002**
Power trading derivatives		2,609	171,856	24,986	**199,451**
Trading certificates		2,077	22,014	0	**24,091**
Foreign exchange derivatives		0	4,292	0	**4,292**
Non-financial assets					
Gas trading inventories	5.1	0	732,615	0	**732,615**
Certificate trading inventories	5.1	0	19,106	0	**19,106**
Total financial and non-financial assets		**5,654**	**1,666,521**	**25,382**	**1,697,557**
Liabilities					
Gas trading derivatives		0	341,638	134,522	**476,160**
Power trading derivatives		122	10,953	4,289	**15,364**
Trading certificates		0	66,877	0	**66,877**
Foreign exchange derivatives		0	444	0	**444**
Total financial liabilities		**122**	**419,912**	**138,811**	**558,845**

LEVEL 3 DERIVATIVES

	Group		Parent	
EUR '000	2024	2023	2024	2023
Fair value contracts at 1 January	-113,429	77,885	-113,429	77,885
Transfers into level 3	276	0	0	0
Settlements	92,933	53,689	92,933	53,689
Gains (losses) recognised in the income statement	-14,670	-197,311	-14,670	-197,311
Purchases	-26,123	-48,114	-25,993	-48,114
Sales	3,545	422	-691	422
Net fair value of contracts at 31 December	**-57,468**	**-113,429**	**-61,850**	**-113,429**

3.6 FAIR VALUE MEASUREMENTS – CONTINUED

SIGNIFICANT ACCOUNTING ESTIMATES

In some cases, the fair values of derivatives are estimated using internal models due to the absence of quoted prices or other observable, market-corroborated data. This primarily applies to the Group's longer-term, structured derivative contracts or contracts in illiquid markets. Most of these contracts are valued using models with inputs that include price curves for each of the different products. These price curves are built up from available active market pricing data, including volatility and correlation, and modelled using the maximum available market-derived information. Additionally, when limited data exist for certain products or market areas, prices are determined using historical and long-term pricing relationships. The use of alternative estimates or valuation methodologies may result in significantly different values for these derivatives.

ACCOUNTING POLICIES

The Group measures financial instruments, such as derivatives, at fair value at each balance sheet date. Fair value is the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

- level 1 – quoted and unadjusted market prices in active markets for identical assets or liabilities
- level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each period in which the reassessment is based on the lowest level input that is significant to the fair value measurement as a whole.

Danske Commodities' Risk Management function determines the policies and procedures for recurring fair value measurement for unquoted financial assets and liabilities.

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

3.7 FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Financial assets measured at fair value through profit or loss				
Derivatives held for trading *	278,889	945,751	252,185	941,544
Derivatives in economic hedges **	1,923	4,292	1,923	4,292
Financial assets measured at amortised cost				
Trade receivables	770,352	693,361	769,029	690,087
Other receivables	20,312	4,889	0	2,801
Receivables from group enterprises	1,379,725	1,532,700	1,421,485	1,550,581
Deposits related to trading	46,050	46,712	45,725	45,500
Current asset investments	45,826	54,001	0	0
Cash and cash equivalents	250,580	170,651	209,233	94,560
Financial assets	**2,793,657**	**3,452,357**	**2,699,580**	**3,329,365**
Financial liabilities measured at fair value through profit or loss				
Derivatives held for trading *	345,542	562,021	319,096	558,401
Derivatives in economic hedges **	6,903	444	6,903	444
Financial liabilities measured at amortised cost				
Trade payables	476,389	411,813	474,443	409,121
Payables to group enterprises	103,939	217,743	107,967	226,436
Other payables	27,328	28,565	23,441	25,356
Deposits related to trading	157,750	294,660	157,750	294,660
Lease liabilities	1,991	3,389	791	1,914
Financial liabilities	**1,119,842**	**1,518,635**	**1,090,391**	**1,516,332**

* Derivative financial instruments consist of swaps, futures, forwards and options related to commodity trading derivatives.
** Derivatives in economic hedges consist of foreign exchange derivatives.

The carrying amount of financial assets and liabilities measured at amortised cost is considered a reasonable approximation of fair value.

3.8 DEFERRED DAY-1 PROFIT OR LOSS

EUR '000	Group and Parent 2024	Group and Parent 2023
Balance at 1 January	124,022	162,196
Profit/loss deferred on new transactions	18,007	50,179
Profit/loss recognised in the income statement	-83,086	-88,353
Balance at 31 December	**58,943**	**124,022**

Refer to note 3.6 for information regarding fair value measurements.

ACCOUNTING POLICIES

The Group uses various valuation techniques to measure the fair value of financial instruments that are not traded in an active market. Differences may arise between the fair value at initial recognition and the amount determined at initial recognition using the valuation techniques. Any such gains or losses are deferred and recognised in the income statement over the delivery period of underlying contracts.

OTHER FINANCIAL NOTES

4.1 STAFF COSTS

	Group		Parent	
EUR '000	2024	2023	2024	2023
Wages and salaries	72,392	54,731	69,335	50,648
Pensions	5,009	3,976	4,895	3,878
Other staff costs	3,930	3,697	3,009	3,081
Staff costs	**81,331**	**62,404**	**77,239**	**57,607**
Average number of employees	551	446	526	427
Number of employees, end of the year	572	487	541	469

Refer to note 4.2 for further information regarding the Group's share savings programme.

ACCOUNTING POLICIES

Staff costs

Wages, salaries, pension contributions, social security contributions, sick leave and bonuses are recognised in the year in which the associated services are rendered by employees of the Group.

Other external expenses

Other external expenses comprise other operating expenses, including expenses for premises, consultancy, marketing and office expenses, etc.

4.2 RELATED PARTIES

Danske Commodities A/S is controlled by Equinor Refining Norway AS, 5954 Mongstad, 1263 Lindås, Norway. The ownership is registered in the Company's register of shareholders as holding 100% of the votes and shares.

The Group is included in the consolidated financial statements of its ultimate Parent Company, Equinor ASA.

The Group is controlled by the following entities:

Name	Type	Place of incoporation	Ownership interest
Equinor ASA *	Ultimate parent entity	Norway	100%
Equinor refining Norway AS **	Immediate parent entity	Norway	100%

* The Norwegian State is the majority shareholder of Equinor ASA.
** Equinor ASA holds 100% of the issued ordinary shares of Equinor refining Norway AS.

The consolidated financial statements of Equinor ASA can be obtained on request to:
Equinor ASA, Forusbeen 50, 4035 Stavanger, Norway.

OTHER RELATED PARTIES

Other related parties comprise the management of Equinor Refining Norway AS and Equinor ASA as well as the Board of Directors and the Executive Board, together with their immediate families. Furthermore, other related parties include companies in which Equinor ASA and the aforementioned individuals have significant influence, joint control or control.

The majority of the agreements related to these transactions are renegotiated on a regular basis. There were no transactions with members of the Board of Directors and the Executive Board, other than remuneration.

4.2 RELATED PARTIES – CONTINUED

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Transactions with related parties				
Transactions included in 'trading income and revenue from contracts with customers':				
Sales of energy commodities to related parties	746,208	5,550,688	835,314	5,630,765
Sales of energy commodities to other related parties	747,555	1,149,690	747,555	1,149,654
Purchases of energy commodities from related parties	982,412	3,469,891	1,050,757	3,553,170
Purchases of energy commodities from other related parties	25,567	19,320	25,567	19,320
Change in value of derivatives from related parties	1,154	-1,479,235	1,154	-1,479,235
Change in value of derivatives from other related parties	139	-10	139	-10
Transactions included in 'cost of sales':				
Purchases of energy commodities from other related parties	381,502	378,048	381,502	378,048
Other transactions:				
Other purchases from related parties	9,996	9,232	11,994	11,973
Other purchases from other related parties	1,329	1,147	1,328	958
Other sales to related parties	9,714	10,600	9,087	10,514
Other sales to other related parties	4,394	3,129	4,394	3,129
Finance expenses to related parties	934	24,144	934	24,146
Finance income from related parties	55,986	126,485	57,548	128,698
Finance income from other related parties	352	260	352	260
Capital injection from related parties	0	1,925,000	0	1,925,000
Capital injection to related parties	0	0	6,000	62,387
Capital withdrawal to related parties	0	3,679,762	0	3,679,762
Dividend paid to related parties	750,000	1,495,238	750,000	1,495,238
Dividend received from related parties	0	0	47,026	30,173
Related party balances at 31 December				
Payables to related parties	39,413	150,108	43,579	158,948
Receivables from related parties	90,707	247,130	132,713	265,929
Payables to other related parties	64,526	67,635	64,388	67,488
Receivables from other related parties	8,578	12,874	8,332	11,956
Fair value of derivatives with related parties, asset	16,513	258,690	16,513	258,690
Fair value of derivatives with related parties, liability	93,332	336,663	93,332	336,663
Fair value of derivatives with other related parties, asset	168	25	168	25
Fair value of derivatives with other related parties, liability	4	0	4	0
Loans to other related parties	1,280,440	1,272,696	1,280,440	1,272,696

The Group holds a Parent Company Guarantee issued by Equinor ASA of EUR 225 million (2023: EUR 300 million) to cover ongoing trading commitments.

KEY MANAGEMENT REMUNERATION

During the year, key management personnel consisted of the CEO and the CFO.

Remuneration to six members of the Board of Directors is paid by the ultimate parent, Equinor ASA. Remuneration to the Board of Directors paid by Danske Commodities A/S amounted to EUR 0 thousand for 2024 (2023: one member, EUR 26 thousand).

Remuneration of the Executive Board comprises a base salary, pension contribution, share-based incentive programmes and other benefits (car, cash bonus, etc.)

REMUNERATION OF THE EXECUTIVE BOARD

EUR '000	Group and Parent 2024	Group and Parent 2023
Base salary	1,090	981
Other benefits	769	723
Pensions contributions	110	98
Shared-based payments	167	184
Total remuneration	**2,136**	**1,986**

SHARE SAVINGS PROGRAMME

The share savings programme provides employees with the opportunity to purchase Equinor shares through monthly salary deductions. If shares are kept for two full calendar years of continued employment following the year of purchase, the employees will be allocated one bonus share for each share purchased. The latest vesting date for the granted bonus warrants is 2025. The amount expensed for the Executive Board amounted to EUR 32 thousand in 2024 (2023: EUR 50 thousand).

4.2 RELATED PARTIES – CONTINUED

LONG-TERM INCENTIVE PROGRAMME ('LTI')

The LTI is calculated as a portion of the CEO's fixed remuneration. On behalf of the CEO, Danske Commodities A/S acquires shares equivalent to the net annual grant amount. The shares are subject to a three-year lock-in period and then released for the CEO's disposal. If the lock-in obligations are not fulfilled, the CEO must pay back the gross value of the locked-in shares limited to the gross value of the grant amount.

The level of the annual LTI reward is in the range of 20-30% of the annual base salary for the participant on the condition the CEO is invited to participate in in the LTI programme. The latest vesting date for granted LTI-programmes is 2025. The amount expensed for the LTI programme amounted to EUR 134 thousand in 2024 (2023: EUR 134 thousand).

The total recognised expense for the Executive Board amounts to EUR 167 thousand in 2024 (2023: EUR 184 thousand) and was expensed in the period incurred.

ACCOUNTING POLICIES

Equinor ASA has established share-based incentive programmes which are equity-settled and in which the Executive Board and employees in the Group can participate. Danske Commodities compensates its parent entity for the cost of both the LTI and the share savings programme through intra-group recharges. The recharges are linked to the fair value of the programmes and the vesting period. Recharged costs from the parent entity are expensed in the period incurred. Costs relating to the share-based programmes are recognised in the income statement within staff costs.

4.3 FINANCIAL INCOME AND EXPENSES

FINANCIAL INCOME

	Group		Parent	
EUR '000	2024	2023	2024	2023
Interest income, group enterprises	56,338	126,745	57,900	128,958
Currency exchange gains	1,217	932	1,179	0
Other financial income	19,395	56,836	12,314	52,257
Total	**76,950**	**184,513**	**71,393**	**181,215**

FINANCIAL EXPENSES

EUR '000	2024	2023	2024	2023
Interest expense, group enterprises	934	24,144	934	24,146
Other financial expenses	35,947	24,060	34,774	23,523
Currency exchange losses	534	5,749	0	5,741
Interst on lease liabilities	175	128	29	47
Total	**37,590**	**54,081**	**35,737**	**53,457**

ACCOUNTING POLICIES

Financial income and expenses comprise interest income and interest expenses, the interest element of lease liabilities, realised and unrealised exchange rate adjustments as well as surcharges and refunds under the Tax Prepayment Scheme, etc. Other financial income and expenses primarily comprise realised gains and losses on exchange forward derivatives.

4.4 DISTRIBUTIONS MADE AND PROPOSED

	Group		Parent	
EUR '000	2024	2023	2024	2023
Cash dividends on ordinary shares declared and paid:				
Final dividend for 2023: 4.29 EUR per share (2022: 8.54 EUR per share)	750,000	1,495,239	750,000	1,495,239
Proposed dividends on ordinary shares:				
Final cash dividend for 2024: 0.86 EUR per share (2023: 4.29 EUR per share)	150,000	750,000	150,000	750,000

Proposed dividends on ordinary shares are subject to approval at the Annual General Meeting and are not recognised as a liability as of 31 December 2024.

WORKING CAPITAL

5.1 INVENTORIES

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Gas trading inventories	376,195	732,615	376,195	732,615
Certificate trading inventories	19,207	19,106	19,207	19,106
Other certificates	1,293	14,990	1,293	14,990
Total inventories	**396,695**	**766,711**	**396,695**	**766,711**

Inventories comprise gas and certificates for resale. Expenses relating to the gas trading inventories and certificates trading inventories are recognised as 'trading income'. Expenses relating to other certificates are recognised as 'cost of sales'.

Costs related to certificate inventories expensed in the income statement amounts to EUR 491,176 thousand (2023: EUR 762,742 thousand).

There have been no write-downs on inventory at 31 December 2024.

ACCOUNTING POLICIES

The trading inventories are acquired with the purpose of selling in the near future and generating a profit from fluctuations in price or margin. Therefore, the Group meets the criteria in IAS 2 for broker-traders.

As a result, trading inventories are measured at fair value less cost to sell. Changes in fair value are recognised in the income statement within 'trading income and revenue from contracts with customers'. The inventories are valuated using the benchmark prices from the appropriate gas hubs and categorised within level 2 of the fair value hierarchy.

Certificate inventories, that are not held for trading, are measured at the lower of cost according to FIFO and net realisable value. The net realisable value of certificate inventories is calculated at the amount expected to be generated by sales during normal operations less-selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales.

In the event of a write-down of certificate inventories to net realisable value, the write-down is expensed in the period when the loss occurs. Any subsequent reversal of a write-down, as a result of an increase in the net realisable value, will be recognised as a reduction in the amount of inventory costs recognised in the period when the increase has occurred.

5.2 TRADE RECEIVABLES

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Trade receivables	770,669	693,874	769,346	690,600
Loss allowance	-317	-513	-317	-513
Total receivables	**770,352**	**693,361**	**769,029**	**690,087**

LOSS ALLOWANCE

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Loss allowance at 1 January	513	5,453	513	5,453
Loss allowance recognised in profit or loss during the year	317	513	317	513
Unused amount reversed	-513	-5,453	-513	-5,453
Loss allowance at 31 December	**317**	**513**	**317**	**513**

5.2 TRADE RECEIVABLES – CONTINUED

AGING OF TRADE RECEIVABLES, GROSS

2024

EUR '000	Group			
	Current	Between 30 and 60 days	More than 60 days	**Total**
Expected loss rate	0%	4%	0%	
Carrying amount - trade receivables	1,406,113	2,003	2,432	**1,410,548**
Loss allowance	**236**	**73**	**8**	**317**

2023

EUR '000	Group			
	Current	Between 30 and 60 days	More than 60 days	**Total**
Expected loss rate	0%	0%	0%	
Carrying amount - trade receivables	1,951,652	0	701	**1,952,353**
Loss allowance	**513**	**0**	**0**	**513**

2024

EUR '000	Parent			
	Current	Between 30 and 60 days	More than 60 days	**Total**
Expected loss rate	0%	4%	0%	
Carrying amount - trade receivables	1,404,790	2,003	2,432	**1,409,225**
Loss allowance	**236**	**73**	**8**	**317**

2023

EUR '000	Parent			
	Current	Between 30 and 60 days	More than 60 days	**Total**
Expected loss rate	0%	0%	0%	
Carrying amount - trade receivables	1,948,378	0	701	**1,949,079**
Loss allowance	**513**	**0**	**0**	**513**

Information about the Group's exposure to credit risk and foreign currency risk can be found in notes 3.2 and 3.1. Information about the Group's gross trade receivables balances at 31 December can be found in note 5.7.

ACCOUNTING POLICIES

Trade receivables are amounts due from counterparties for goods sold or services performed in the ordinary course of business. Trade receivables are measured at amortised cost less allowance for lifetime expected credit losses. They are generally due for settlement within 30 days and are therefore all classified as current.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date.

The Group has established a provision matrix that is based on its historical credit loss experience, taking forward-looking factors into account. The expected loss rates are updated at each reporting date. There have been no significant changes in the estimation techniques and assumptions during the year.

In addition to the lifetime expected credit loss allowance on trade receivables, the Group may also recognise an impairment on a specific debtor if there is any internal or external information indicating that a loss will incur. When receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Recoveries made are recognised in profit or loss.

Impairment losses on trade receivables are presented as other external expenses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

5.3 OTHER RECEIVABLES

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
VAT receivables	35,336	40,518	26,345	31,702
Other receivables	20,312	4,889	0	2,801
Total	**55,648**	**45,407**	**26,345**	**34,503**

ACCOUNTING POLICIES

Other receivables are measured at amortised cost. They are generally due for settlement within one year and are therefore all classified as current.

In certain cases, the Group may consider a receivable to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group. A receivable is written off when there is no reasonable expectation of recovering the contractual cash flows.

5.4 OTHER PAYABLES

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Staff obligations	23,431	22,883	22,813	22,883
Other payables	3,897	5,682	628	2,473
VAT payables	59	1,738	0	0
Total	**27,387**	**30,303**	**23,441**	**25,356**

ACCOUNTING POLICIES

Other payables are measured at amortised cost and are unsecured. They are generally due for settlement within one year and are therefore all classified as current.

5.5 DEPOSITS RELATED TO TRADING

Deposits relating to trading activities within the Group are the amounts of cash required to maintain or open a trading position with certain counterparties. Deposits related to trading consists of margin calls and cash deposits.

Margin calls are a collateral payment to/from OTC counterparties to cover changes in the value of underlying assets used in futures/forward contracts. Cash deposits are used as collateral in order for the Group to open a new position for certain counterparties.

Margin calls are monitored daily by management and increases/decreases in margin calls are transferred at a daily basis to ensure credit risk is minimised to the greatest extent possible under the applicable agreements.

An obligation exists between the parties to repay the deposit to the counterparty upon settlement of the contracts. There are no other significant terms and conditions associated with the use of collateral.

ACCOUNTING POLICIES

Deposits related to trading are measured at amortised cost and are unsecured. They are generally due for settlement within one year and are therefore all classified as current.

5.6 PROVISIONS

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Onerous contracts				
At 1 January	621	1,083	621	1,083
Utilised amounts	-328	-462	-328	-462
Litigation and claims				
At 1 January	1,300	6,300	1,300	6,300
Arising during the year	7,191	0	7,191	0
Reversal of unused amounts	0	-5,000	0	-5,000
Total	**8,784**	**1,921**	**8,784**	**1,921**
Current	8,686	1,628	8,686	1,628
Non-current	98	293	98	293
Total	**8,784**	**1,921**	**8,784**	**1,921**

ONEROUS CONTRACTS

Onerous contracts comprise contracts with delivery from 2024 to 2026. The onerous contracts comprise contracts for which the unavoidable costs for purchase of commodities exceed the economic benefits for the same commodities.

LITIGATION AND CLAIMS

Decision from French Energy Regulatory Commission (CRE)

Danske Commodities has received a decision in January 2025 from the French Energy Regulatory Commission (CRE) where the Group has been ordered to pay financial penalties of EUR 8 million as a result of alleged market manipulation regarding two bids for gas capacities on the Pirineos (PIR) interconnection point – one in 2019 and one in 2020.

The Group remains firm in its belief that the decision is incorrect. This is the basis for Danske Commodities' appeal to the Higher Administrative Court, which is the ultimate authority on this matter. Danske Commodities has provided for its best estimate in the matter.

Other claims

The Group is party to a limited number of minor court cases and legal disputes. In the Group's assessment, none of these will significantly impact the Danske Commodities' financial position, neither individually nor collectively. The outcome of the claims may depend on future events which are uncertain by nature.

ACCOUNTING POLICIES

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. An onerous contract is a contract under which the unavoidable costs (i.e. the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

5.7 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

2024	Group				
				Related amounts not set off in the balance sheet	
EUR '000	Gross amounts of recognised financial asset/liability	Gross amounts offset in the balance sheet	**Net amounts presented in the balance sheet**	Cash collateral (received/pledged)	**Net amount**
Financial assets					
Trade receivables	1,410,548	640,196	**770,352**	136,218	**634,134**
Derivative financial instruments	1,597,747	1,316,935	**280,812**	21,532	**259,280**
Deposits related to trading	731,953	687,236	**44,717**	0	**44,717**
Total	**3,740,248**	**2,644,367**	**1,095,881**	**157,750**	**938,131**
Financial liabilities					
Trade payables	1,116,585	640,196	**476,389**	26,820	**449,569**
Derivative financial instruments	1,693,858	1,341,413	**352,445**	3,760	**348,685**
Deposits related to trading	820,508	662,758	**157,750**	0	**157,750**
Total	**3,630,951**	**2,644,367**	**986,584**	**30,580**	**956,004**

2023	Group				
				Related amounts not set off in the balance sheet	
EUR '000	Gross amounts of recognised financial asset/liability	Gross amounts offset in the balance sheet	**Net amounts presented in the balance sheet**	Cash collateral (received/pledged)	**Net amount**
Financial assets					
Trade receivables	1,952,353	1,258,992	**693,361**	160,507	**532,854**
Derivative financial instruments	4,337,928	3,387,885	**950,043**	134,153	**815,890**
Deposits related to trading	1,886,883	1,840,595	**46,288**	0	**46,288**
Total	**8,177,164**	**6,487,472**	**1,689,692**	**294,660**	**1,395,032**
Financial liabilities					
Trade payables	1,670,805	1,258,992	**411,813**	23,670	**388,143**
Derivative financial instruments	3,843,175	3,280,710	**562,465**	3,610	**558,855**
Deposits related to trading	2,242,430	1,947,770	**294,660**	0	**294,660**
Total	**7,756,410**	**6,487,472**	**1,268,938**	**27,280**	**1,241,658**

2024	Parent				
				Related amounts not set off in the balance sheet	
EUR '000	Gross amounts of recognised financial asset/liability	Gross amounts offset in the balance sheet	**Net amounts presented in the balance sheet**	Cash collateral (received/pledged)	**Net amount**
Financial assets					
Trade receivables	1,409,225	640,196	**769,029**	136,218	**632,811**
Derivative financial instruments	1,551,389	1,297,281	**254,108**	21,532	**232,576**
Deposits related to trading	717,374	672,976	**44,398**	0	**44,398**
Total	**3,677,988**	**2,610,453**	**1,067,535**	**157,750**	**909,785**
Financial liabilities					
Trade payables	1,114,639	640,196	**474,443**	26,820	**447,623**
Derivative financial instruments	1,647,751	1,321,752	**325,999**	3,760	**322,239**
Deposits related to trading	806,255	648,505	**157,750**	0	**157,750**
Total	**3,568,645**	**2,610,453**	**958,192**	**30,580**	**927,612**

5.7 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES – CONTINUED

2023	Parent			Related amounts not set off in the balance sheet	
EUR '000	Gross amounts of recognised financial asset/liability	Gross amounts offset in the balance sheet	**Net amounts presented in the balance sheet**	Cash collateral (received/pledged)	**Net amount**
Financial assets					
Trade receivables	1,949,079	1,258,992	**690,087**	160,507	**529,580**
Derivative financial instruments	4,324,048	3,378,212	**945,836**	134,153	**811,683**
Deposits related to trading	1,877,104	1,832,023	**45,081**	0	**45,081**
Total	**8,150,231**	**6,469,227**	**1,681,004**	**294,660**	**1,386,344**
Financial liabilities					
Trade payables	1,668,113	1,258,992	**409,121**	23,670	**385,451**
Derivative financial instruments	3,830,984	3,272,139	**558,845**	3,610	**555,235**
Deposits related to trading	2,232,756	1,938,096	**294,660**	0	**294,660**
Total	**7,731,853**	**6,469,227**	**1,262,626**	**27,280**	**1,235,346**

ACCOUNTING POLICIES

The Group assesses financial assets and liabilities on an individual basis and uses that assessment as the unit of account. Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The Group enters into master netting agreements with counterparties to manage the credit risks associated primarily with over-the-counter commodity trading. These master netting agreements enable the Group and its counterparties to set off financial liabilities against financial assets in the ordinary course of business as well as in case of default. In addition, exchange-traded commodity derivatives are offset towards collateral receipts/payments as a result of day-to-day cash settlements based on change in fair value of open derivative positions.

Amounts which cannot be offset under IFRS Accounting Standards, but which could be offset if certain conditions arise such as collateral received or pledged, are presented in the table to show the total net exposure of the Group.

5.8 CASH FLOW

CASH FLOW STATEMENT - NON-CASH ADJUSTMENTS

	Group		Parent	
EUR '000	2024	2023	2024	2023
Financial income	-76,950	-184,513	-71,393	-181,215
Financial expenses	37,590	54,081	35,737	53,457
Share of profit in subsidiaries after tax	0	0	4,776	-16,885
Amortisation, depreciation, disposals and impairment losses	13,067	12,024	12,875	11,935
Tax on profit for the year	52,727	96,079	50,791	91,145
Exchange rate adjustments	-8,476	-565	0	0
Total	**17,958**	**-22,894**	**32,786**	**-41,563**

CASH FLOW STATEMENT - CHANGE IN WORKING CAPITAL

	Group		Parent	
EUR '000	2024	2023	2024	2023
Change in inventories	370,016	1,147,764	370,016	1,147,764
Change in trade and other receivables	63,244	2,198,654	51,924	2,212,073
Change in fair value of derivatives	459,211	1,841,466	458,882	1,843,426
Change in trade and other payables	-182,897	-2,052,377	-182,980	-2,114,658
Total	**709,574**	**3,135,507**	**697,842**	**3,088,605**

ACCOUNTING POLICIES

Cash flow statement

The statement of cash flows is compiled using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year for the Group and the Parent Company, respectively.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses and provisions.

Cash payments for short-term leases, leases of low value assets and variable lease payments, which are not included in the measurement of the lease liability within operating activities, are classified as cash flows from operating activities.

Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions, disposals and other adjustments of intangible assets, property, plant and equipment as well as investments in subsidiaries and current asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt, repayment of lease liabilities, payments to and from shareholders as well as payments to group cash pool.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with a maturity of three months or less. The short-term deposits are highly liquid, readily convertible to known amounts of cash and subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

Demand deposits held in clearing bank accounts are included as restricted cash if the deposits provided as part of the Group's operating activities and therefore is deemed as held for the purpose of meeting short-term cash commitments, and the deposits can be released from the account without undue expenses.

CAPITAL EMPLOYED

6.1 INTANGIBLE ASSETS

2024	Group		
EUR '000	Contractual rights	Software	Software development projects in progress
Cost at 1 January	94,618	31,945	2,506
Additions - internally developed	0	0	1,419
Additions	0	2,069	170
Disposals	0	-6,062	0
Transfers	0	2,714	-2,714
Cost at 31 December	**94,618**	**30,666**	**1,381**
Amortisation and impairment losses at 1 January	36,364	22,829	0
Amortisation for the year	7,719	2,474	0
Reversal of amortisations on disposals for the year	0	-6,062	0
Amortisation and impairment losses at 31 December	**44,083**	**19,241**	**0**
Carrying amount at 31 December	**50,535**	**11,425**	**1,381**

2024	Parent		
EUR '000	Contractual rights	Software	Software development projects in progress
Cost at 1 January	94,618	31,945	2,506
Additions - internally developed	0	0	1,419
Additions	0	2,000	170
Disposals	0	-6,062	0
Transfers	0	2,714	-2,714
Cost at 31 December	**94,618**	**30,597**	**1,381**
Amortisation and impairment losses at 1 January	36,364	22,829	0
Amortisation for the year	7,719	2,473	0
Reversal of amortisations on disposals for the year	0	-6,062	0
Amortisation and impairment losses at 31 December	**44,083**	**19,240**	**0**
Carrying amount at 31 December	**50,535**	**11,357**	**1,381**

2023	Group and Parent		
EUR '000	Contractual rights	Software	Software development projects in progress
Cost at 1 January	94,618	28,754	1,167
Additions - internally developed	0	0	1,428
Additions	0	3,170	0
Disposals	0	-68	0
Transfers	0	89	-89
Cost at 31 December	**94,618**	**31,945**	**2,506**
Amortisation and impairment losses at 1 January	28,021	21,563	0
Amortisation for the year	8,343	1,326	0
Reversal of amortisation of disposals for the year	0	-60	0
Amortisation and impairment losses at 31 December	**36,364**	**22,829**	**0**
Carrying amount at 31 December	**58,254**	**9,116**	**2,506**

Contractual rights consist of power purchase agreements (PPAs) and gas storage contracts which were acquired in 2019 and 2020 from the ultimate Parent Company Equinor ASA. All the contracts were in operation at the time of purchase by the Group. All contracts have been acquired at a price reflecting fair value in the market at the date of acquisition.

6.1 INTANGIBLE ASSETS – CONTINUED

ACCOUNTING POLICIES

Intangible assets are measured at cost less accumulated amortisation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Software projects containing significant development aspects are identified as intangible assets when they are clearly defined, identifiable, provide a development opportunity for the Group and future use is intended. Costs related to projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Development costs that are directly attributable to the design and testing of identifiable and unique projects, including software products controlled by the Group, are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software and it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources needed to complete the development and to use or sell the software are available
- the expenditure attributable to the software during its development can be reliably measured

Costs associated with maintaining the assets are recognised as an expense as and when incurred. Directly attributable costs that are capitalised as part of the assets include employee costs.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Amortisation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:
Contractual rights: 4-18 years
Software: 3-5 years

For the parent entity, a reserve is recognised in equity for software projects that meet the criteria as development projects. The amount recognised corresponds to the amount capitalised as intangible assets for these projects since 1 January 2016. The reserve is reduced concurrently with amortisation of the software projects and presented after tax.

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The key assumptions used by management to determine whether external or internal indicators of impairment on intangible assets exist are commodity prices, market outlook and secondary foreign exchange rates.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Intangible assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Management assesses the risk of impairment of the Group's intangible assets. This requires judgement in relation to the identification of cash-generating units (CGUs) and other underlying assumptions used.

6.2 PROPERTY, PLANT AND EQUIPMENT

2024	Group		
EUR '000	Other fixtures and fittings, tools and equipment	Right-of-use assets	Leasehold improvements
Cost at 1 January	7,757	8,451	2,206
Additions	1,174	205	0
Disposals	-1,199	-79	0
Exchange rate adjustments	-20	-246	-34
Cost at 31 December	**7,712**	**8,331**	**2,172**
Depreciation and impairment losses at 1 January	4,294	5,292	2,007
Depreciation for the year	1,499	1,333	42
Exchange rate adjustments	-3	-23	-5
Reversal of depreciation on disposals for the year	-1,199	-79	0
Depreciation and impairment losses at 31 December	**4,591**	**6,523**	**2,044**
Carrying amount at 31 December	**3,121**	**1,808**	**128**

2023	Group		
EUR '000	Other fixtures and fittings, tools and equipment	Right-of-use assets	Leasehold improvements
Cost at 1 January	6,951	6,957	2,034
Additions	810	1,593	187
Disposals	-4	-99	0
Exchange rate adjustments	0	0	-15
Cost at 31 December	**7,757**	**8,451**	**2,206**
Depreciation and impairment losses at 1 January	3,271	4,122	1,963
Depreciation for the year	1,027	1,267	51
Exchange rate adjustments	0	0	-7
Reversal of depreciation on disposals for the year	-4	-97	0
Depreciation and impairment losses at 31 December	**4,294**	**5,292**	**2,007**
Carrying amount at 31 December	**3,463**	**3,159**	**199**

6.2 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

2024

EUR '000	Parent Other fixtures and fittings, tools and equipment	Right-of-use assets	Leasehold improvements
Cost at 1 January	7,597	6,994	1,996
Additions	1,164	151	0
Disposals	-1,199	-79	0
Cost at 31 December	**7,562**	**7,066**	**1,996**
Depreciation and impairment losses at 1 January	4,260	5,217	1,989
Depreciation for the year	1,479	1,197	7
Reversal of depreciation on disposals for the year	-1,199	-79	0
Depreciation and impairment losses at 31 December	**4,540**	**6,335**	**1,996**
Carrying amount at 31 December	**3,022**	**731**	**0**

2023

EUR '000	Parent Other fixtures and fittings, tools and equipment	Right-of-use assets	Leasehold improvements
Cost at 1 January	6,895	6,956	1,996
Additions	702	137	0
Disposals	0	-99	0
Cost at 31 December	**7,597**	**6,994**	**1,996**
Depreciation and impairment losses at 1 January	3,240	4,121	1,946
Depreciation for the year	1,020	1,193	43
Reversal of depreciation on disposals for the year	0	-97	0
Depreciation and impairment losses at 31 December	**4,260**	**5,217**	**1,989**
Carrying amount at 31 December	**3,337**	**1,777**	**7**

ACCOUNTING POLICIES

Individual components of property, plant and equipment that have different useful lives are accounted for as separate items, which are depreciated separately.

Property, plant and equipment is measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:
Other fixtures and fittings, tools and equipment: 3-5 years
Leasehold improvements: 2-5 years
Right-of-use assets: 2-10 years

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates if the amount is material.

Carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. When a recoverable amount cannot be determined for the individual asset, assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on an overall assessment.

6.3 LEASES

The Group has lease contracts for various items of office spaces, vehicles and other equipment used in its operations. Leases of office spaces generally have lease terms between five and ten years, while motor vehicles and other equipment generally have lease terms between one and four years.

The total cash outflows for leases amounted to EUR 1.7 million for the Group and the Parent in 2024 (2023: EUR 1.6 million for the Group and for the Parent).

The Group has signed agreements for the lease of office buildings which have not yet commenced. The future cash outflows for these leases can be found in note 8.2.

CARRYING AMOUNT OF RIGHT-OF-USE ASSETS

	Group		Parent	
EUR '000	2024	2023	2024	2023
Land and buildings	1,615	2,996	538	1,614
Motor vehicles	193	163	193	163
Total	**1,808**	**3,159**	**731**	**1,777**

AMOUNTS RECOGNISED IN THE INCOME STATEMENT

	Group		Parent	
EUR '000	2024	2023	2024	2023
Depreciation of right-of-use assets	1,333	1,267	1,197	1,193
Interest on lease liabilities	175	128	29	47
Expenses relating to low-value leases	45	46	45	46
Total	**1,553**	**1,441**	**1,271**	**1,286**

ACCOUNTING POLICIES

The Group leases various offices, warehouses, equipment and vehicles.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Lease liabilities are initially recognised at the present value of future lease payments including payments from extension or purchase options that are considered reasonably certain to be exercised.

The lease liability is measured using the implicit borrowing rate in the contracts or, when this is not available, the Group's average incremental borrowing rate at the date of inception. Lease assets are depreciated over a 2-10-year period.

Short-term leases and leases of low value of EUR five thousand and below are accounted for as low-value-assets and recognised as expenses in the income statement on a straight-line basis over the lease term.

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date

The lease assets are depreciated using the straight-line method over the shorter of the expected lease term and the useful life of the underlying asset. The lease assets are tested for impairment whenever there is an indication that the assets may be impaired. No impairment indicators were identified at 31 December 2024.

6.4 INVESTMENTS IN SUBSIDIARIES

EUR '000	Parent 2024	Parent 2023
Cost at 1 January	71,668	9,281
Additions	6,000	62,387
Cost at 31 December	**77,668**	**71,668**
Value adjustments at 1 January	58,738	72,608
Exchange rate adjustments	-8,745	-573
Net profit for the year	-4,776	16,885
Dividend paid	-47,026	-30,173
Disposal for the year	0	-5
Adjustments	0	-4
Value adjustments at 31 December	**-1,809**	**58,738**
Carrying amount at 31 December	**75,859**	**130,406**

The financial statements of the Parent Company include:

Name	Place of registered office	Share capital	Votes and ownership
Danske Commodities Albania Sh.p.k.	Albania	tALL 877,805	100%
Danske Commodities APAC Pte. Ltd.	Singapore	tSGD 2,000	100%
Danske Commodities Australia Pty Limited	Australia	tAUD 0	100%
Danske Commodities BH d.o.o.	Bosnia and Herzegovina	tBAM 20,561	100%
Danske Commodities Comercializadora de Energia Ltda	Brazil	tBRL 288,000	100%
Danske Commodities Deutschland Gmbh	Germany	tEUR 25	100%
Danske Commodities Kosovo SH.P.K.	Kosovo	tEUR 1	100%
Danske Commodities DOOEL Skopje	North Macedonia	tMKD 55,822	100%
Danske Commodities Sweden AB	Sweden	tSEK 50	100%
Danske Commodities Turkey Enerji Ticaret A.Ş.	Turkey	tTRY 61,700	100%
Danske Commodities Ukraine LLC	Ukraine	tUAH 229	100%
Danske Commodities UK Limited	United Kingdom	tGBP 0	100%

ACCOUNTING POLICIES

Share of profit in subsidiaries after tax

The separate line item 'share of profit in subsidiaries after tax' in the income statement includes the proportionate share of the underlying entities' profit after tax for the year.

Investments in subsidiaries

The Parent Company has chosen to apply the equity method as the measurement method, and investments in subsidiaries are measured accordingly.

On initial recognition, investments in subsidiaries are measured at cost plus transaction costs and included in the line item 'investments in subsidiaries' in the balance sheet.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to 'reserve under the equity method' in equity. The reserve is reduced by dividends distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at EUR 0 and any receivables from them are written down by the Parent Company's share of the negative net asset value. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

6.5 CURRENT ASSET INVESTMENTS

Current asset investment consists of time deposits. The investments are made for the purpose of receiving cash flows consisting solely of payments of principal and interest to optimise the return of surplus liquidity and are measured at amortised cost.

TAX

7.1 TAX ON PROFIT FOR THE YEAR

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Current tax for the year	43,676	95,484	41,969	91,596
Deferred tax for the year	3,545	3,943	3,659	2,828
Adjustment of tax relating to prior years	5,118	-69	4,553	0
Adjustment of deferred tax relating to prior years	388	-3,279	610	-3,279
Total tax for the year	**52,727**	**96,079**	**50,791**	**91,145**
The total contribution for the year is specified as follows:				
Profit for the year before tax	202,030	453,199	200,094	448,265
Adjustments (non-deductible)	11,038	-2,198	7,305	-19,059
Tax on profit for the year	47,221	99,427	45,628	94,424
Effective tax rate	**23.4%**	**21.9%**	**22.8%**	**21.1%**
Tax on profit for the year can be explained as follows:				
Calculated tax (22%)	44,447	99,704	44,021	98,618
Calculated tax in foreign subsidiaries in relation to 22%	346	207	0	0
Non-deductible costs and non-taxable income	2,428	-484	1,607	-4,194
Effective tax for the year	**47,221**	**99,427**	**45,628**	**94,424**

ACCOUNTING POLICIES

Tax for the year consists of current tax for the year and deferred tax for the year as well as adjustments of tax and deferred tax relating to prior years. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises showing profit or loss in proportion to their taxable incomes. The jointly taxed enterprises have adopted the on-account taxation scheme.

7.2 DEFERRED TAX

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Deferred tax at 1 January	-14,271	-14,935	-14,376	-13,925
Deferred tax recognised in profit for the year	3,933	664	4,269	-451
Deferred tax 31 December	**-10,338**	**-14,271**	**-10,107**	**-14,376**
The items are recognised in the balance sheet as follows:				
Deferred tax asset	-10,338	-14,376	-10,107	-14,376
Deferred tax liability	0	105	0	0
Total	**-10,338**	**-14,271**	**-10,107**	**-14,376**
Deferred tax can be explained as follows:				
Property, plant and equipment	-417	-384	-417	-384
Intangible assets	2,582	2,558	2,802	2,558
Current liabilities	-2,977	-3,128	-2,977	-3,128
Derivative financial instruments	-9,214	-13,308	-9,214	-13,413
Losses available for offsetting against future taxable income	0	0	0	0
Other	-312	-9	-301	-9
Total	**-10,338**	**-14,271**	**-10,107**	**-14,376**

Deferred tax and provision for deferred tax comprise all temporary differences between the carrying amount and the tax base of intangible assets, property, plant and equipment, receivables and short-term debt.

7.2 DEFERRED TAX – CONTINUED

ACCOUNTING POLICIES

Current tax receivables and liabilities
Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax assets and liabilities
Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

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

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

OTHER NOTES

8.1 AUDITORS' FEES

EUR '000	Group 2024	Group 2023	Parent 2024	Parent 2023
Statutory audit	1,252	1,273	1,252	1,273
Assurance engagements	188	177	188	177
Total	**1,440**	**1,450**	**1,440**	**1,450**

Fees to statutory auditors comprise fees to auditors appointed by the Company at the Annual General Meeting. Assurance engagements comprise of services related to other reporting requirements to group auditors.

8.2 OTHER COMMITMENTS AND CONTINGENT LIABILITIES

GAS STORAGES AND GAS CAPACITIES
The Group has entered into various long-term agreements for storage of gas and gas capacities. The agreements ensure the rights to the capacity or volumes in question but also impose on the Group the obligation to pay for the agreed-upon service, irrespective of actual use.

The terms of the contracts vary, with durations of up to six years.

MATURITY OF GAS STORAGE AND GAS CAPACITY AGREEMENTS

EUR '000	Group and Parent
2025	63,828
2026	37,296
2027	22,020
2028	16,435
2029	4,878

GUARANTEES
The Parent Company has provided guarantees and securities for related parties to third parties with a carrying amount of EUR 47,064 thousand (2023: EUR 27,341 thousand).

OTHER COMMITMENTS
The Group has a lease contract relating to a new office building that has not yet commenced as of 31 December 2024. The future lease payments for the non-cancellable lease contract are EUR 1,046 million within one year, EUR 13,320 million within five years and EUR 14,251 million thereafter.

The Danish group enterprises are jointly and severally liable for tax on the taxable income, etc. in the joint taxation. Danske Commodities A/S is the administration company of the jointly taxed companies. Furthermore, the Danish group enterprises are jointly and severally liable for Danish withholding taxes such as tax on dividend, royalty and interests. Any subsequent adjustments to corporation tax and withholding taxes may increase the Company's obligations.

8.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18: PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19: SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have a material impact on the Group's financial statements.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS: AMENDMENTS TO IFRS 9 AND IFRS 7

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7.

The amendments clarify that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments will become effective for reporting periods beginning on or after 1 January 2026, with early application permitted.

The amendments are not expected to have a material impact on the Group's financial statements.

CONTRACTS REFERENCING NATURE-DEPENDENT ELECTRICITY: AMENDMENTS TO IFRS 9 AND IFRS 7

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7, to help companies better report the financial effects of power purchase agreements (PPAs).

To allow companies to better reflect these contracts in the financial statements, the IASB has made amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

The amendments include:

- clarifying the application of the 'own-use' requirements;
- permitting hedge accounting if these contracts are used as hedging instruments; and
- adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will become effective for reporting periods beginning on or after 1 January 2026, with early application permitted.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

8.4 EVENTS AFTER THE BALANCE SHEET DATE

On 20 January 2025, the Group received a decision from the French Energy Regulatory Commission (CRE) regarding an ongoing legal matter. A provision of EUR 8 million has been made as of 31 December 2024. For more information, refer to note 5.6.

8.5 DEFINITIONS

DEFINITIONS OF FINANCIAL RATIOS

Cost to income = $\dfrac{\text{(Gross profit - EBIT) x 100}}{\text{Gross profit}}$

Return on capital employed = $\dfrac{\text{EBIT x 100}}{\text{Average total equity plus net interest bearing debt}}$

Equity ratio = $\dfrac{\text{Equity x 100}}{\text{Total assets}}$

Average number of employees: calculated as average number of full-time employees.

Number of employees, end of year: calculated as number of employees at end of year.

OTHER DEFINITIONS

Danske Commodities refers to the Group.

Danske Commodities A/S refers to the Parent Company.

IFRS Accounting Standards is used synonymously with IFRS® Accounting Standards.