.nitor

2023
Annual
Report

Constant .Change

Nitor Energy A/S
Klosterport 4X,4
8000 Aarhus C
Denmark
CVR No 38 68 07 81

Adopted at the general meeting:
24 of April 2024

Chairman of the General Meeting:
Patrick Krintel Nygaard Johansen

2023 .Performance Highlights

13.2 (EURb) Revenue

16.1 Pct. return on Equity

1,183 TWh traded volumes

62 Talented and dedicated people

9.49 (EURm) Tax

21 Actively traded markets across Power and Gas

33.2 (EURm) Earnings

.Content

.Management Review

Letter from the CEO

Laying the foundation for growth
2023 was a year where we laid the foundation for further growth – while adding new business areas and improving our current operation. While keeping to our core values, and our commitment to staying lean, we added 28 dedicated and talented employees increasing our capabilities and diversifying our culture.

With an employee headcount of more than 60 dedicated professionals, we have grown beyond our wildest expectations. But when we compare the size of the organization to the scale of our business operations, we still consider ourselves to have a very lean and efficient setup. This is possible due to the trading experience and technical knowledge of our talented employees, who have enabled the development of highly specialized proprietary systems. This foundation is the bedrock of our ability to scale operations both vertically and horizontally in a controlled and profitable manner. Maturing as a company comes
with necessary investment in both systems and people in front-, middle- and back-office operations. Having made substantial investments in 2023 we now have both the talent, the foundation, and the capital necessary to grow the company even further.

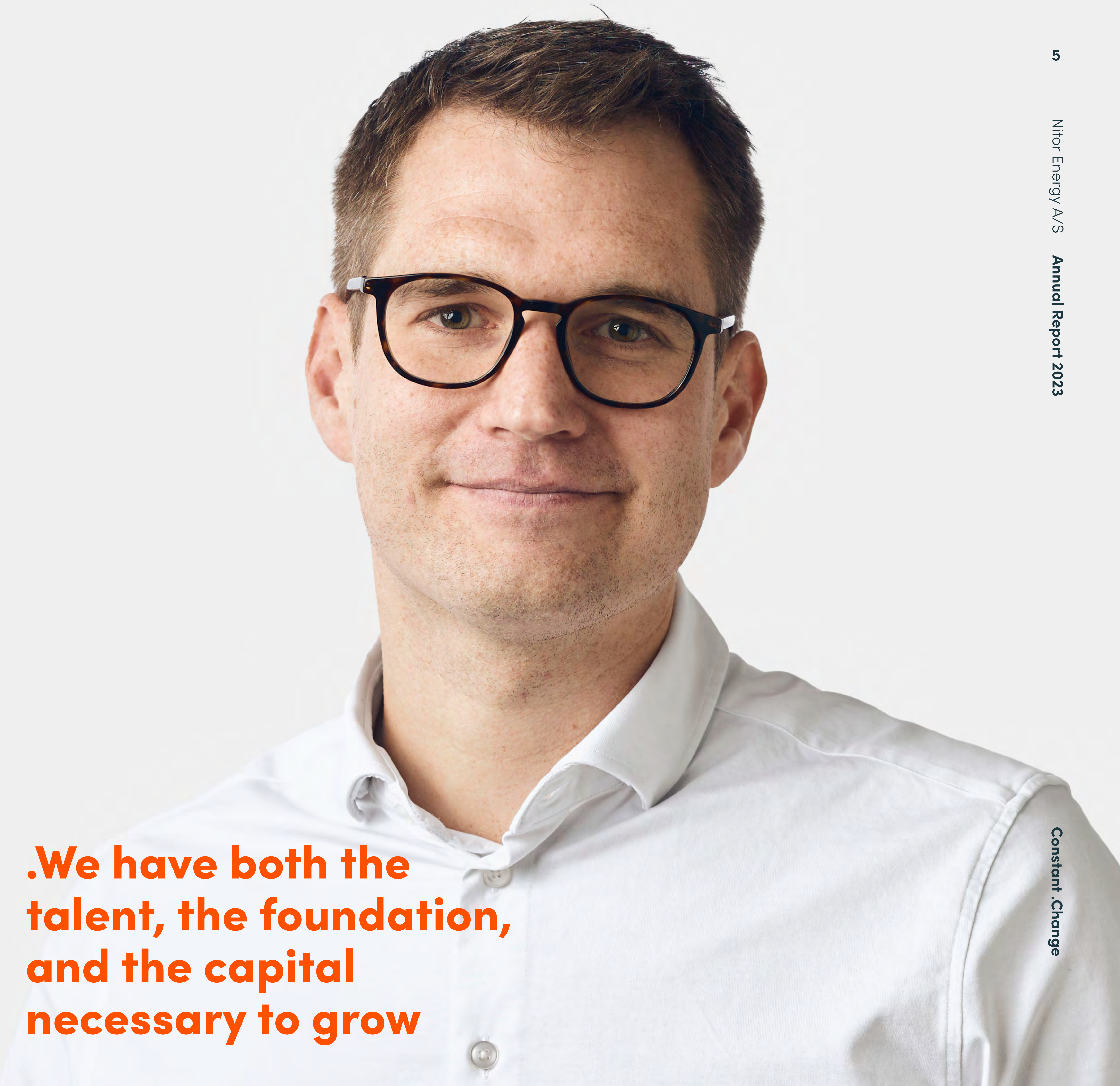
Lower price levels and increased trading volumes generated trading profits
The year started with high prices and high volatility which both dropped during the year as the supply situation proved stable. Our core business areas still performed well during the year profiting from the historical high volatility level while we from a risk perspective stayed conservative and kept liquidity buffers for extreme scenarios. Despite the conservative approach we were able to increase traded volumes in existing markets while adding both new markets and business areas – most predominantly forward power trading.

2024 will be a year of expansion
With the foundation laid in 2023 we are prepared for investigating potential opportunities in 2024. As part of our journey, we have clarified and formulized our mission and vision statements and we will implement a strategy process ensuring that we operate and grow in an effective and focused manner.

Following our value of challenging the status que we will be curious and look past the conventional approach to growth.

Simon B. Hansen

Simon Birch Hansen, CEO



.We have both the talent, the foundation, and the capital necessary to grow

Executive Summary

2023 proved to be a year where confidence in the supply situation of Europe slowly reverted to normal. With the aid of a relatively warm winter the depletion of storages was not as significant as initially feared. As a result, there was never a gas supply shortage which in turn helped stabilize the price levels. The situation was further alleviated by a steady LNG influx, an increase in French Nuclear production, increased renewable energy capacity, less gas consumption and strict storage filling requirements. All these elements meant that there were no major supply disturbances - and as a result prices kept falling throughout the year.

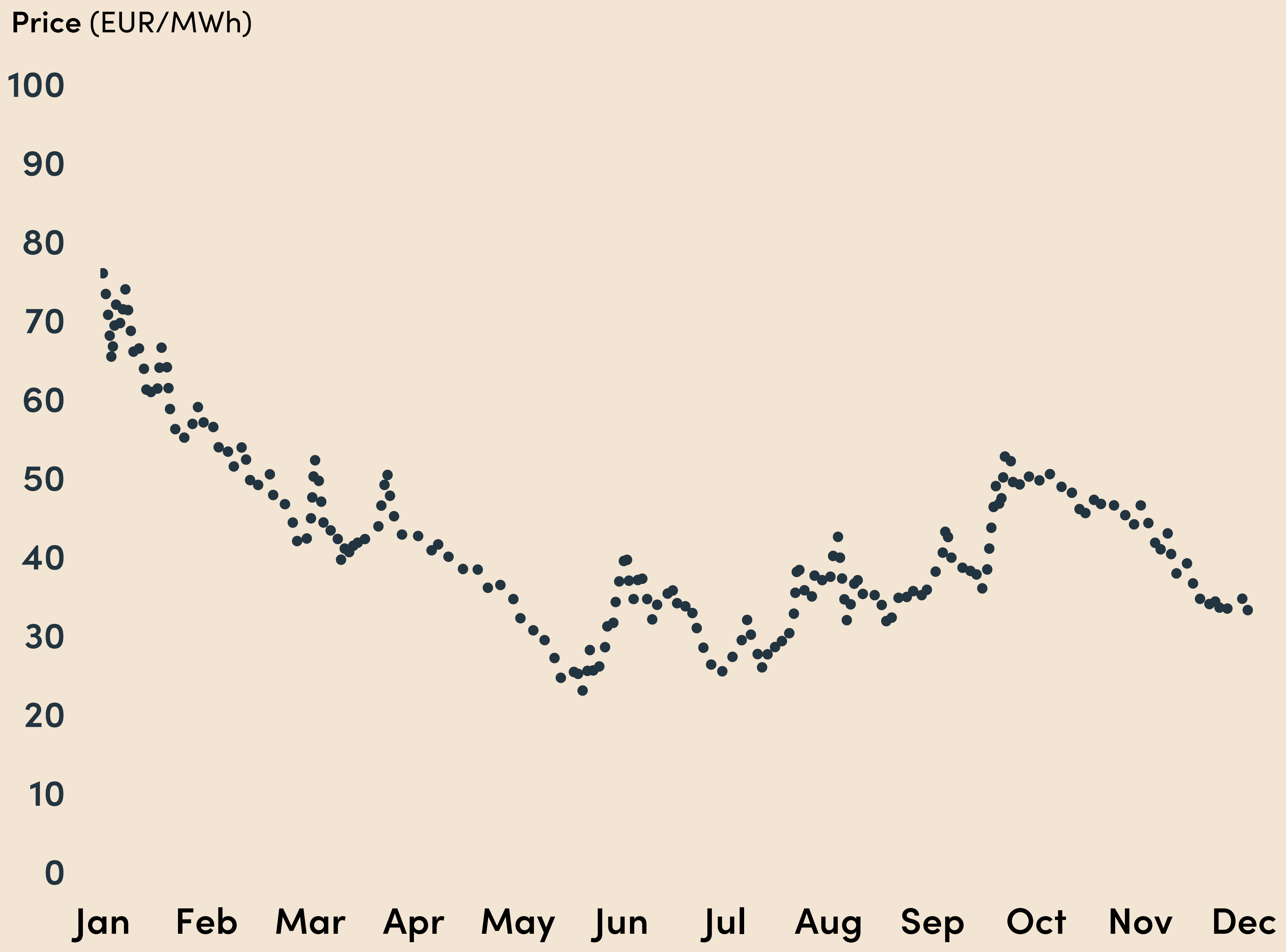
Despite all these positive elements the market still showed signs of occasional nervousness. Any indication of potential supply reductions caused sharp price increases. Still prices on TTF front Month dropped from above EUR/MWh 130 in December 2022 to EUR/MWh 30 in January 2024. With the sharp price decrease volatility also decreased substantially, as well as time and locational spreads.

Having the volatility of 2022 in mind Nitor kept a very cautious approach to both trading and hedging strategies. Managing the liquidity risk was and is still the foremost priority. Therefore, Nitor reserved ample capital to cover all scenarios of 2022 – and in certain situations we even covered for more extreme outcomes. Despite this cautious approach Nitor were able to increase traded volumes in both power (+500 %) and gas (+200 %).

The primary profit drivers in 2023 were still the core focus areas: short term gas and power trading in Central Western Europe. We were able to increase the profits of our power trading activities and on the gas side we were able to profit from the still high volatility in the markets.

The year ended with a turnover of EURm 13,203 and an EBT of EURm 42.6.

.2023 TTF Month-Ahead



Corporate Social Responsibility

Environmental impact
Nitor Energy doesn't have a production unit with physical environmental impact as all business activities are IT based. As a result, we have not established an explicit climate responsibility policy, but in our everyday business we strive to show environmental responsibility.

As an example, automatic lighting has been installed in the office to reduce unnecessary energy usage. Further, employees are encouraged to take home leftovers from office lunches, thereby reducing food waste. We have introduced waste management at the office.

One of the main risks for Nitor not having a sound and enforceable environmental policy is mainly in loss of goodwill and reputation to employees and counterparties, who also want to ensure they are collaborating with trustworthy and environmentally compliant companies.

We remain committed to already established initiatives and we will strive to implement additional improvements going forward. In 2024 we will introduce initiatives to further support the ESG agenda by executing a double materiality assessment, which ultimately will lead to a sharper and more elaborate environmental policy.

Social impact
Nitor continues to create highly specialized knowledge-based jobs for the benefit of both Aarhus municipality and Denmark. Last year we created 28 new jobs. Nitor strive to have an open and honest working environment. Hence, we have implemented structured feedback and evaluation, such that all employees know what is expected from them, and what they expect from Nitor. To facilitate this, we use frequent one-to-one sessions between leaders and employees. In the future these sessions will remain integral to the professional growth and personal welfare of each employee. Not focusing on employees' welfare endanger our capability to retain and attract talented employees which is the main risk in a highly competitive energy industry hungry for talented people.

We have an established whistleblower channel whereby employees are encouraged to report any suspicious matters independent of whether these concern violations of internal rules or criminal offences. Reports are handled promptly and in discretion. The whistleblower channel will be continued in 2024.

To ensure clear and accountable leadership Nitor will in 2024 introduce extensive leadership training. This will ensure that all mangers and leaders in the company are working towards a common goal and with a common language. The managers and leaders will be given the tools to support and develop both their direct reports and superiors.

As animal lovers we co-sponsored a new home for the Okapies at Copenhagen Zoo.

Respect for human rights
Nitor's business partners and counterparties are mainly located in the European Union, and we

run Know Your Customer (KYC) processes consistently which should rule out potential risk of collaboration with entities not respecting the human rights law, whether it being Danish or abroad.

Nitor upholds all acknowledged human rights. Every individual engaged with is treated with dignity and respect. We firmly condemn any form of verbal or physical harassment that may create an unwelcoming workplace atmosphere. This is clearly highlighted for each employee through our company handbook and reiterated in the mandatory onboarding process.

Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, we expect that all relationships among persons in the office will be business-like and free of explicit bias, prejudice and harassment.

Through one-to-one sessions, our whistleblower channel, and employee education we attempt to effectively fight even the slightest threat against human rights, as Nitor maintains a strict zero-tolerance policy against violations of human rights.

One of the primary risks associated with Nitor lacking a sound and enforceable human rights policy lies primarily in the loss of goodwill and reputation among employees and counterparts. They seek assurance that they are partnering with reputable and environmentally responsible companies.

All initiatives will be continued through 2024.

Conditions for employees
As a knowledge-based innovative company our employees are our greatest assets and are therefore highly valued. We work together to make a resilient, robust, and compliant business, but also to create a place that is fun to work at and that our employees pride themselves to be a part of.

We value both the physical and mental health of our employees. As a part of encouragement to do more physical activity, we have sponsored a padel tennis lane in Central Aarhus, giving the employees the option to play for free two times a week. We also encourage all employees to partake in the yearly free health check conducted by a well renowned provider.

To further mitigate risks regarding employee's mental and physical health, Nitor provides a flexible work environment to accommodate employees' diverse schedules, allowing them to work from home in coordination with their teams.

Similar to the Social impact, neglecting employee conditions poses a significant risk to the company, potentially leading to decreased retention rates and the loss of talented individuals in the hiring process.

All initiatives will be continued through 2024.

Anti-corruption and bribe
It is Nitor's official policy to conduct all our business in an honest and ethical manner. We take a zero- tolerance approach to bribery, terrorist financing and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and to implementing and enforcing effective systems to fight bribery and terror.

.We want the most qualified individuals to succeed in any position

We will comply with all laws relating to bribery, terrorist financing and corruption in all the jurisdictions in which we operate. Especially we are complying with the laws of Denmark and the EU and remain true to these standards wherever we operate.

Bribery, terror, and corruption are punishable for individuals by imprisonment and fines. If we would have taken part in corruption, we could face monetary fines, be excluded from tendering for public contracts and face reputational damage. We therefore take our legal responsibilities very seriously. We work with only trusted companies and are contemplating the supplier relationship in terms of possible risk of bribery. In 2023 we have not experienced any direct or indirect intent of bribery.

All relevant employees have been through REMIT training to prevent any risk of unintended market manipulation or abuse. We closely monitor all trading activities to ensure that all trading is conducted on market terms. This is done to adhere to both our strict risk management procedures and to fully comply with market regulations.

In 2024 Nitor will maintain an unwavering zero-tolerance policy towards anti-corruption and bribe. This is regardless of weather business operations will expand to other markets, geographical areas or products. Not enforcing this will could not only mean catastrophe in terms of reputation loss as well as being unwillingly engaged in illicit activities.

All initiatives will be continued through 2024.

Equality

We evaluate employees according to qualifications, responsibilities, and the type of assignments, regardless of gender, nationality, sexual orientation, political or religious beliefs or any other possible grouping. Nitor is purely merit based, which we must be to attract the best talents.

The energy trading industry has traditionally a low rate of female candidates which also impacts the management team and board. However, in 2023 we added a woman to our Senior Leadership Team as well as a female board member.

Gender diversity

In Nitor we want everyone to feel accepted, develop and strive for success. This is regardless of gender, sexual observation, political affiliation, religion etc. We want the most qualified individuals to succeed in any position. That is our day-to-day target. We evaluate employees according to qualifications, responsibilities and the type of assignments, regardless of gender, nationality, sexual orientation, political or religious beliefs or any other possible grouping. Nitor is purely merit based, which we must be to attract the brightest talents.

The matter of the fact is that the trading industry is characterized by a high male-to-female ratio. As much as we would like to see that skewness even out, this is a long haul. A very high ratio of our applicant for trading and technical positions are still male. Luckily, we also see application from talented females, and two of our highly technical student positions was female-employed in 2023.

In 2022 we had a target of at least one female bord member. We are proud to state that we succeeded by the appointment of Anne Boysen, bringing the female share of the board of directors to 25 %. As a result we reached even gender diversity in the Board of Directors at the balance date.

As we have onboarded a female COO in 2023, the Leadership Team now consists of 25 % females.

	Leadership and Management	Board of Directors
Women	3	1
Total	12	4
Ratio (%)	25	25
Target (%)	30	
Target deadline	2025	

Data ethics policy

Internal data is the data created as a function of business operations. In 2023 Nitor implemented new security standards on all internal systems, significantly improving the security and always ensuring the highest possible integrity level of our data. The rights to add or change data is now user specific, ensuring full transparency on roles and responsibilities.

External data is data purchased or otherwise legally acquired. As with internal data we have implemented high security standards, ensuring high data quality and avoiding manipulation of any kind.

Personal data is strictly governed by the GDPR rules. Therefore, all employees have performed mandatory Cyber Security and GDPR training ensuring a companywide awareness of the importance of data security and integrity. We don't keep personal data any longer than strictly necessary.

.People

Leadership

In Nitor we focus on close leadership. This includes everything from daily interactions between the leadership team and staff members and frequent one-to-one's to follow ups on the strategic direction of the company and the status on goals.

To strengthen the focus on our strategic direction and operational excellence, in 2023 Nitor included Pernille Westergaard in the leadership team as COO. Pernille comes with industry experience, and she will leverage that to improve the foundation for our strategy work and ensure the successful implementation of strategic goals and milestones.

Simon Birch Hansen
CEO

Pernille Westergaard
COO

Christian Friederich Harr
CBDO

Martin Busekist Kjerkegaard
CFO

Morten Mathiesen
Board Member Since
17.09.2020

Anne Boysen
Board Member Since
19.05.2023

John Emil Lyngfeldt Svenson
Board Member Since
19.05.2023

External Board

At Nitor we place great importance on having a highly competent board as a sounding board in our daily operations. As part of the maturation process of the company, we decided to professionalize our board in 2023. The focus was to include competences that would strengthen our governance and invite members into the board who would be able to contribute to our operations in the constantly changing world of energy trading.

We are proud to welcome the expertise of John Svenson, Law Firm Partner of DLA Piper, and Anne Sveistrup Boysen, Legal Director at Wrist Ship Supply, to our board of directors. John comes with vast experience in the M&A field, while Anne brings in valuable experience from her current position as well as her previous positions at Centrica Energy Trading.

28
Talented and dedicated employees onboarded in 2023

46
Pct. of onboarded talents are hired straight from university

62
Employees (head count) at the end of 2023

Best .idea wins

Developing Talents

Developing talent is a core theme in Nitor. Our approach is very junior-focused, in the sense that we aim to have a high ratio of young people, often straight out of school. We look for ambitious employees who are looking to challenge the status quo. We love working with young minds and helping them develop their unique talents.

During the last year we have added 28 new employees, mostly university graduates. Our goal is to support and at the same time challenge our employees in such a way that we grow together. Teams full of eager new employees, combined with a few experienced colleagues, give our employees the chance to take responsibility and grow in their roles.

When truly great talent is combined with the pressure cooker that is the everyday life of Nitor, people with the right mindset can grow quickly. As an example of how much people can develop at Nitor, our Head of Intraday Power, Tobias, has moved from junior trader to his current position in just two years. We are also open to the fact that when people develop, they sometimes develop interests outside of their current roles. Gustav is such an example, moving from software development to our quant team where he is now at the forefront of our increased focus on quantitative models and machine learning.

.We are motivated by people

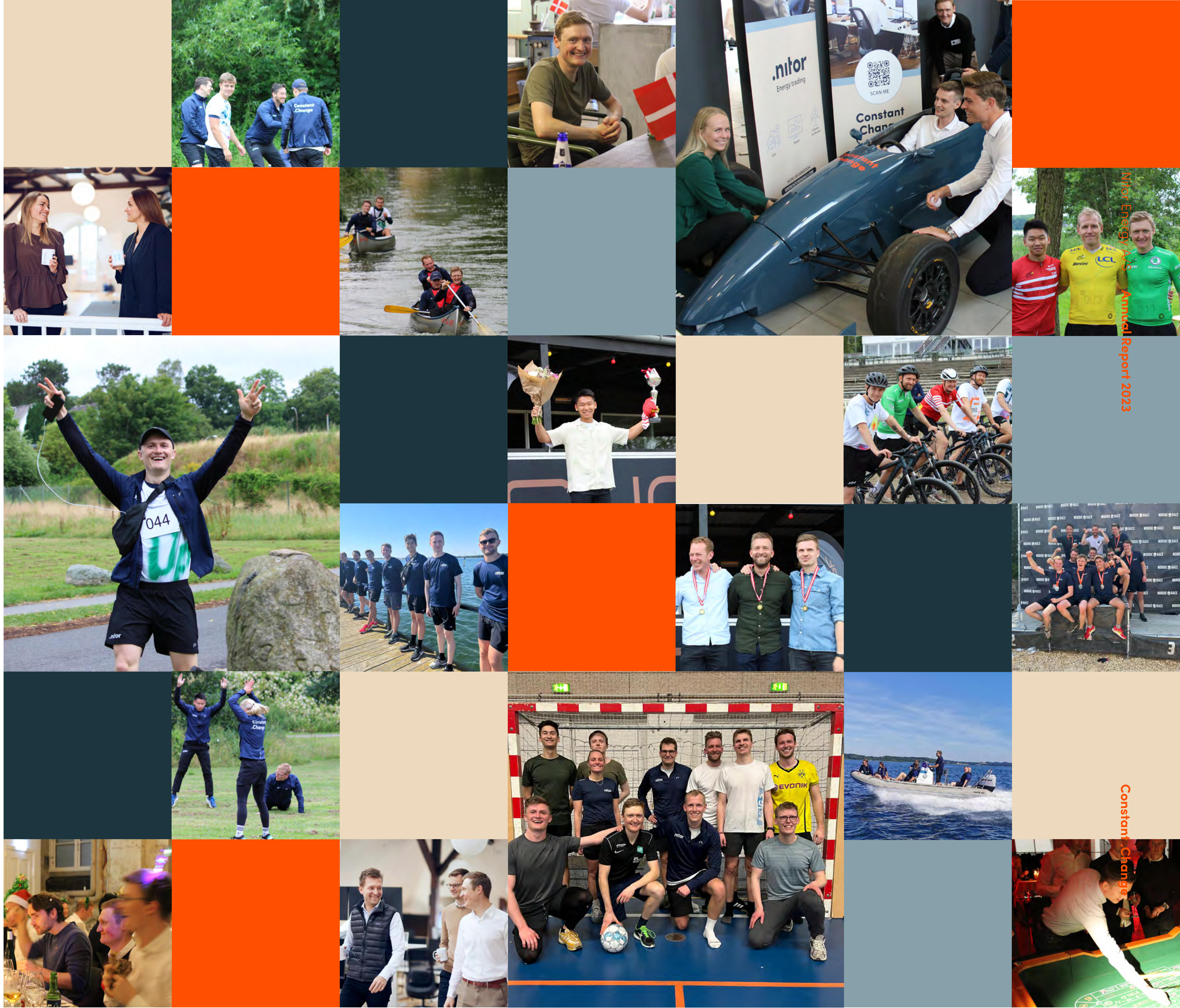
Having Fun
.For a Change

In Nitor having fun with our colleagues is a key element in strengthening our team spirit. Within our workforce, 64% of our employees fall within the age of 25 to 35 years old, which makes it an ideal place for young talents to socialize with fellow colleagues.
We know that the social aspect is important. This is why we invest heavily in social activities where we can get together and have some friendly competition.

Throughout 2023, our social calendar offered a diverse range of activities such as indoor football, bouldering, badminton, wine tasting and a counter strike tournament.

One of our highlights was our annual summer party. This year we held the summer party at 1st of July on the same day as the Tour de France Grand Départ. Throughout the day we had various activities which was recorded on time with the quickest overall finisher being celebrated wearing the yellow jersey in the end. The day was jam-packed with mind games, hill runs, push-ups, race-walking, building spaghetti towers, canoeing and bike racing. It was a tough, but fun day and we finished it off with a great party in the evening.

But it's not just about the day itself; we aim at building lasting relationships that make coming to work a joy. At Nitor, we're all about creating a welcoming atmosphere where everyone feels connected. We strongly believe that this eventually benefit our performance as a team.



.Company Development

Market .Overview

Gas
12 countries

Austria
Belgium
Czech Republic
Denmark
France
Germany
Italy
Luxembourg
Netherlands
Slovakia
Spain
United Kingdom

Power
9 countries

Austria
Belgium
Denmark
France
Germany
Netherlands
Ireland
Switzerland
United Kingdom

Code
.For a Change

In Nitor we build our own systems tailored to our needs. This means that software development is a core part of our business and competitive edge, as our software team builds and updates our internal system landscape to support the constantly changing world of energy trading.

Our success formula is a very close cooperation between software and the rest of the organization. The developers talk directly with the end users from day 1 of any project. In this way, communication is clear, misunderstandings are eliminated, and the impact of the solutions developed is visible for everyone. As a developer in Nitor, you will see and feel the direct impact of your work within days of joining the company.

This style of developing software enables us to deploy solutions which are robust while being able to adapt quickly to new requirements and needs from the organization due to changes in markets, products, and feature requests. We code for a change.

Trading

Gas

Satisfying year and new opportunities ahead
Overall 2023 was a satisfying year on our gas trading desk given the change in market dynamics and heavy investments that was made during 2022.

2024 will most likely continue the trend of the 2023, as winter is realizing relatively warm, meaning summer demand for storage injections will be low, due to gas being kept inside the storages in Europe. We will most likely continue to see a gas market tending more towards normalized market levels.

This will open other opportunities for us, as margin requirements are significantly reduced and it will be possible to expand our business into other areas, which was not feasible to enter during 2022 and 2023 as price fluctuations and market uncertainty was too high.

Power

Continue expansion in 2024
2023 proved to be another successful year, building upon the progress achieved in the previous year. We continued to invest a lot of time and effort in hiring and expansion of business areas to ensure that our team is equipped with the expertise and possibilities necessary to continue the good steam.

Although the volatility came down and more competitors entered the market, we were able to use our experience and competitive edge to still compete in the very top in the markets we operate in.

Building on the foundation created in 2023, we will carry the momentum forward into 2024 and continue focusing on expansion to new business areas. With our strong team and leading setup with focus on automation, we constantly strive to reach our full potential and look forward to the future opportunities.

Climate

Focus on new businesses
In its first operational year, the Climate division has broadened its ancillary Compliance carbon trading initiatives, Trading both EUA (European Union Allowances) and UKA (UK Allowances) markets.

Additionally, our team developed its own ETRM system for handling its trading activities in the carbon markets. Clean spark spreads were also added to the portfolio of trading activities which yielded positive outcomes for the year 2023.

The Climate team has undergone a strategic rebranding to Climate/Origination, reflecting its expanded role in supporting the Gas division with origination tasks. Looking ahead, Climate/Origination is committed to further advancing our trading capabilities within the carbon market and develop new markets for the Gas team.


.Change
the game

Risk Management

The markets were still uncertain about the supply situation going into 2023 which reflected in the prices and volatility. The year started with strong supply and a mild winter, causing storages levels to end higher than feared. Combined with healthy supplies over the summer prices and volatility dropped during the year.

However, the markets were still anxious, and any news related to security of supply caused prices to spike. Both the Australian LNG strike and the fires in the US LNG terminal caused short term price spikes but after the initial shocks' prices continued the downward slope.

During 2023 new business areas, countries and products were added. Most importantly Nitor began trading in forward power via power futures and long-term capacity auctions. Nitor expanded trading to several new European countries while also adding new products. All new business areas passed through our Business Approval Process which ends with Leadership approval and mandates from Risk Management.

The core of Nitor remains the short-term physical gas and power trading in Europe in combinations with asset-backed trading around storage (time spreads) and interconnector capacity (locational spreads). With our proprietary ETRM system we can trade and handle the logistics when moving gas and power physically without errors and with close monitoring. With the support from our systems we can react to sudden changes quickly while keeping operational risk low.

Liquidity Risk
Nitor continued with a very cautious approach in 2023. Liquidity buffers were kept covering all scenarios seen in 2022 plus even more extreme situations. The control of liquidity risk thus continued to be the primary focus area of 2023. As the supply situation improved, prices and volatility dropped, scenarios were adjusted to this new reality.

The situation was kept under strict daily surveillance resulting in frequent adjustments. As a result of this strict liquidity risk management, Nitor was able to increase forward positions and to start hedging new and existing long-term capacities while keeping the risk low to very low.

Market Risk
The core business model of Nitor is to take as many profitable uncorrelated positions as possible trading around physical assets. With the addition of forward power trading the trading mix is more diversified.

The business model proved itself again in 2023 in the still historically very volatile year. As prices and volatility decreased Nitor was able to increase the size of its positions while keeping market risk steady. The profits from the core operation stayed strong.

Operational Risk
Our in-house built ETRM system was further developed in 2023. Participation in auctions is carried out via our ETRM system using APIs allowing for systematic pre-checks of bids to ensure no errors and that resulting positions are within mandate.

Our ETRM system is 100% cloud based with geo redundancy. Furthermore, Nitor has both power and internet back-up that does not require connection with the local grid. In case of a local power outage Nitor is able to continue business operations with minimal interruption. The high system availability is necessary to provide the comfort needed to sustain a 24/7 trading setup 365 days a year.

In case of a local power outage we have set up redundancy systems both for power and internet supply. Hence, we can continue operations for a sustained period with minimal interruption in an extreme scenario.

Credit Risk
Overall, the credit risk of Nitor stayed low through 2023. Using primarily DMAs and exchanges to trade the exposure can be controlled and by our nature of not needing to hedge either production or consumption positions often net out.

Nitor did start trading OTC with a few selected very credit worthy counterparties and the expectation is that more OTC counterparties will be added. Nitor has strict monitoring in place and an active approach to keep exposure within mandates and a policy of only adding very credit worthy counterparties to the OTC portfolio.

.Financials

Statement by the Board of Directors and the Executive Board

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nitor Energy A/S for the financial year 1 January – 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations and cash flows for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus C, 24 April 2024

Executive Board:

Christian Friederich Harr

Martin Busekist Kjerkegaard

Simon Birch Hansen

Board of Directors:

Morten Mathiesen
Chair

Anne Boysen

John Emil Lyngfeldt Svenson

Christian Friederich Harr

Independent Auditor's Report

To the Shareholders of Nitor Energy A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company´s operations and cash flows for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nitor Energy A/S for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, cash flowstatement and notes, including a summary of significant accounting policies ("the Financial Statements").

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

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, 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 in Management's Review.

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

In preparing the Financial Statements, Management is responsible for assessing the 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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 C, 24 April 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Kragh
State Authorised Public Accountant
mne26783

Christine Tveteraas
State Authorised Public Accountant
mne34341

Company Information

The Company	Nitor Energy A/S Klosterport 4X,4 DK-8000 Aarhus C CVR No: 38 68 07 81 Municipality of reg. office: Aarhus
Financial Period	1 January – 31 December
Board of Directors	Morten Mathiesen, chair Anne Boysen John Emil Lyngfeldt Svenson Christian Friederich Harr
Executive Board	Christian Friederich Harr Martin Busekist Kjerkegaard Simon Birch Hansen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Executive Review

Business review
Nitor Energy is a data-driven energy trading house . Combining extensive market experience with state-of-the-art proprietary software, a lean organization and smart capital deployment, we aim to innovate energy trading. For the sake of the green transition as well as the consumers. Nitor was founded with a pioneering spirit and visionary arm, and we apply this mindset actively 24/7 in most gas and power markets across Central- and Western Europe. Having a strong team spirit as the core of the Company, we challenge, we execute, and we always strive to improve.

In 2023 the European energy market showed a trend back to normal conditions, meaning that both outright prices and volatility decreased. Our profit was mainly driven by physical short-term spot and logistics activities on gas and power across markets in Central Western Europe. As a consequence of the lower volatility and spreads between markets our profits were substantially lower in 2023 compared to 2022. In 2023 we expanded our trading presence to several more markets for both power and gas.

Financial review
The income statement for 2023 shows a profit of EURt 33,155 against a profit of EURt 301,761 last year, and the balance sheet at 31 December 2023 shows equity of EURt 161,988. Management considers the Company's financial performance in the year satisfactory. The result is in line with expectations given the return to normalization of conditions in the energy markets in 2023.

Events after the balance sheet date
No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial risks and use of financial instruments
The main risk categories are covered on page 20. Mitigation of risks are further elaborated upon on the same page.

Impact on external environment and CSR
The ESG and CSR are covered in detail on page 7, 8 and 9.

2024 outlook
The management expects both price and volatility levels at normal levels due to the normalization of conditions. We expect an EBT between EURm 20 and 50 for 2024.

Financial Highlights

EUR'000	2023	2022	2021	2020	2019
Profit/loss					
Revenue	13,202,921	26,509,231	4,171,715		
Profit/loss of ordinary primary operations	36,597	392,728	11,757	91	1,838
Profit/loss of financial income and expenses	6,046	-4,723	-102	-19	-52
Net profit/loss for the year	33,155	301,761	9,089	6	1,351
Balance sheet					
Balance sheet total	201,457	445,763	18,431	4,323	1,456
Investments in property, plant and equipment	0	18	287	1,354	0
Equity	161,988	249,671	12,883	3,794	1,417
Number of employees	46	31	19	3	0
Ratios					
Return on assets	18.2%	88.1%	63.8%	2.1%	126.2%
Solvency ratio	80.4%	56.0%	69.9%	87.8%	97.3%
Return on equity	16.1%	229.9%	109.0%	0.2%	93.3%
Return on adjusted equity	22.3%	229.9%	109.0%	0.2%	93.3%

In connection with the change in reporting class from B to C, revenue has not been disclosed for 2019 and 2020.

Income Statement

EUR'000	Note	2023	2022
Revenue	1	13,202,921	26,509,231
Direct expenses		-13,154,477	-26,065,683
Other external expenses		-3,903	-1,657
Gross profit		**44,541**	**441,891**
Staff expenses	2	-7,797	-49,012
Earnings Before Interest Taxes Depreciation and Amortization		**36,744**	**392,879**
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-147	-150
Profit/loss before financial income and expenses		**36,597**	**392,729**
Financial income		9,922	2,747
Financial expenses	3	-3,876	-7,471
Profit/loss before tax		**42,643**	**388,005**
Tax on profit/loss for the year	4	-9,488	-86,244
Net profit/loss for the year	5	**33,155**	**301,761**

Balance sheet

EUR'000	Note	2023	2022
Assets			
Completed development projects		79	190
Intangible assets	6	**79**	**190**
Other fixtures and fittings, tools and equipment		42	71
Property, plant and equipment	7	**42**	**71**
Deposits	8	79	75
Fixed assets investments		**79**	**75**
Fixed assets		**200**	**336**
Finished goods and goods for resale		25,635	11,830
Inventories		**25,635**	**11,830**
Trade receivables		19,011	20,788
Other receivables	9	20,094	42,100
Prepayments	10	171	570
Receivables		**39,276**	**63,458**
Current asset investments	11	**45,425**	**147,786**
Cash at bank and in hand		**90,921**	**222,353**
Current assets		**201,257**	**445,427**
Assets		**201,457**	**445,763**

Balance sheet

EUR'000	Note	2023	2022
Liabilities and equity			
Share Capital	12	54	54
Reserve for development costs		62	149
Reserve for exchange rate adjustment		188	188
Retained earnings		161,684	128,442
Proposed dividend for the year		0	120,838
Equity		**161,988**	**249,671**
Provisions for deferred tax	13	15	42
Provisions		**15**	**42**
Other payables		664	1,721
Long-term debt	14	**664**	**1,721**
Trade payables		11,129	21,575
Corporation tax		9,976	89,921
Other payables	9, 14	17,685	82,833
Short-term debt		**38,790**	**194,329**
Debt		**39,454**	**196,050**
Liabilities and equity		**201,457**	**445,763**

Statement of Changes in Equity

EUR'000	Share capital	Reserve for development costs	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January	54	149	188	128,442	120,838	249,671
Ordinary dividend paid	0	0	0	0	-120,838	-120,838
Development costs for the year	0	-87	0	87	0	0
Net profit/loss for the year	0	0	0	33,155	0	33,155
Equity at 31 Decembe	**54**	**62**	**188**	**161,684**	**0**	**161,988**

Cash Flow Statement 1 January - 31 December

EUR'000	Note	2023	2022
Result of the year		33,155	301,761
Adjustments	15	3,365	90,042
Change in working capital	16	-65,217	36,826
Cash flow from operations before financial items		**-28,697**	**428,629**
Financial income		9,814	2,747
Financial expenses		-3,551	-7,471
Cash flows from ordinary activities		**-22,434**	**423,905**
Corporation tax paid		-89,460	3,719
Cash flows from operating activities		**-111,894**	**427,624**
Purchase of property, plant and equipment		0	-18
Fixed asset investments made etc.		-4	-42
Current asset investments made		0	-147,786
Sale of current assets investments		102,361	0
Cash flow from investing activities		**102,357**	**-147,846**
Reduction of lease obligations		0	-10
Repayment of other long-term debt		-1,057	0
Dividend paid		-120,838	-65,135
Cash flows from financing activities		**-121,895**	**-65,145**
Change in cash and cash equivalents		**-131,432**	**214,633**
Cash and cash equivalents at 1 January		222,353	7,720
Cash and cash equivalents at 31 December		**90,921**	**222,353**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		90,921	222,353
Cash and cash equivalents at 31 December		**90,921**	**222,353**

Notes to the Financial Statements

Note 1

EUR'000	2023	2022
Revenue		
Geographical segments		
Europe	13,202,921	26,509,231
	13,202,921	**26,509,231**
Trading activities		
Power	404,979	326,416
Gas	12,355,733	26,160,703
Other	442,209	22,112
	13,202,921	**26,509,231**

Note 2

EUR'000	2023	2022
Staff Expenses		
Wages and salaries	7,305	48,779
Pensions	190	98
Other social security expenses	14	10
Other staff expenses	288	125
	7,797	**49,012**
Including remuneration to the Executive Board and Board of Directors	**415**	**339**
Average number of employees	**46**	**31**

Note 3

EUR'000	2023	2022
Financial expenses		
Other financial expenses	719	4,710
Exchange adjustments, expenses	64	362
Exchange loss	3,093	2,399
	3,876	**7,471**

Note 4

EUR'000	2023	2022
Income tax expense		
Current tax for the year	9,515	86,270
Adjustment of deferred tax concerning previous years	-27	-26
	9,488	**86,244**

Note 5

EUR'000	2023	2022
Profit allocation		
Proposed dividend for the year	0	117,251
Retained earnings	33,155	184.510
	33,155	**301,761**

Note 6

EUR'000	Completed development projects
Intangible fixed assets	
Cost at 1 January	363
Cost at 31 December	363
Impairment losses and depreciation at 1 January	167
Depreciation for the year	117
Impairment losses and depreciation at 31 December	284
Carrying amount at 31 December	**79**
Amortised over	3 years

Completed development projects include the Company's software system with a carrying amount of k.EUR 79. The recognition of the development projects has been made on the basis of sales forecast. Management expects significant growth further on.

Note 7

EUR'000	Other fixtures and fittings, tools and equipment
Property, plant and equipment	
Cost at 1 January	131
Cost at 31 December	131
Impairment losses and depreciation at 1 January	59
Depreciation for the year	30
Impairment losses and depreciation at 31 December	89
Carrying amount at 31 December	**42**
Amortised over	3 years

Note 8

EUR'000	Deposits
Other fixed asset investments	
Cost at 1 January	75
Additions for the year	4
Cost at 31 December	79
Carrying amount at 31 December	**79**

Note 9

Recognised fair value measurements at 31 December 2023 EUR'000	Level 1	Level 2	Level 3	Total
Derivatives assets and liabilities				
Financial assets				
Power derivatives	0	1,329	0	1,329
Gas derivatives	0	17,588	0	17,588
Foreign currency derivatives	115	0	0	115
	115	**18,917**	**0**	**19,032**
Financial liabilities				
Power derivatives	0	3,258	0	3,258
Gas derivatives	0	4,768	0	4,768
Foreign currency derivatives	89	0	0	89
	89	**8,026**	**0**	**8,115**

Note 9 continued

Recognised fair value measurements at 31 December 2022 EUR'000	Level 1	Level 2	Level 3	Total
Derivatives assets and liabilities				
Financial assets				
Power derivatives	0	0	0	0
Gas derivatives	0	1,919	0	1,919
Foreign currency derivatives	0	0	0	0
	0	**1,919**	**0**	**1,919**
Financial liabilities				
Power derivatives	0	0	0	0
Gas derivatives	0	4,568	0	4,568
Foreign currency derivatives	77	0	0	77
	77	**4,568**	**0**	**4,645**

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

The company's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-thecounter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Note 10

Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Note 11

EUR'000	Value adjustment, income statement	Fair value at 31 December
Fair values		
Securities	329	45,425

Note 12

Share capital

The share capital consists of 400 A shares of a nominal value of EUR 134. No share carry any special rights.

Note 13

EUR'000	2023	2022
Provisions for deferred tax		
Deferred tax liabilities at 1 January	42	68
Amounts recognised in the income statement for the year	-27	0
Amounts recognised in equity for the year	0	-26
Deferred tax liabilities at 31 December	**15**	**42**
Intangible assets	17	42
Property, plant and equipment	-2	0
	15	**42**

Note 14

Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt. The debt falls due for payment as specified below:

EUR'000	2023	2022
Other payables		
After 5 years	0	0
Between 1 and 5 years	664	1,721
Long-term part	**664**	**1,721**
Other short-term payables	17,685	82,833
	18,349	**84,554**

Note 15

EUR'000	2023	2022
Cash flow statement - Adjustments		
Financial income	-9,922	-2,747
Financial expenses	3,876	7,471
Depreciations, amortisation and impairment losses, including losses and gains on sales	147	150
Tax on profit/loss for the year	9,488	86,244
Other adjustments	-224	-1,076
	3,365	**90,042**

Note 16

EUR'000	2023	2022
Cash flow statement – Change in working capital		
Change in inventories	-13,805	-6,329
Change in receivables	24,182	-58,644
Change in trade payables, etc	-75,594	101,799
	-65,217	**36,826**

Note 17

EUR'000	2023	2022
Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year:	62	114
	62	**114**
Guarantee obligations		
The following assets are pledged as collateral for trading on power exchanges as well as balances with counterparties:		
Trading counterparties, other counterparties etc. deposited cash	12,530	64,546
Gurantees provided by a financial institute	53,175	4,325

Other contingent liabilities

Nitor Energy has entered into agreements for future purchase of gas capacities with an unrecognized obligation of 20,513k.EUR and unrecognized obligation for power capacities of 13,321k.EUR as per 31 December 2023

Note 18

Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's lenght basis in accordance with section 98(c)(7) of the Danish Financial Statement Act.

Note 19

EUR'000	2023	2022
Fee to auditors appointed at the general meeting		
PwC		
Audit fee	37	0
Other assurance engagements	8	0
Tax advisory services	4	0
Non-audit services	2	0
	51	**0**
EY		
Audit fee	0	47
Other assurance engagements	0	6
Tax advisory services	0	9
	0	**62**

Note 20

Subsequent events

No events materially affecting the assessment of the Annual Report have occured after the balance sheet date.

Note 21 - Accounting policies

The Annual Report of Nitor Energy A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Financial Statements for 2023 are presented in TEUR.

Changes in accounting policies
Nitor Energy has decided to change the presentation currency from DKK to EUR according to IAS 21 for 2023. The change of presentation currency has resulted in change of comparative information to the newly selected currency, besides this no further impact on either result or equity value. The new presentation currency is similar to the trade currency in all material aspect.

Consolidated financial statements
With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

Recognition and measurement
All expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities have been measured at fair value. These include contracts for sale and purchase of gas, power and capacities which are entered into for later trading and derivative financial instruments.

Leases
All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies
EUR is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates 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 and 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; however, see the section on hedge accounting.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Derivative financial instruments
Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Derivate financial instruments that has a positive fair value are offset with derivative financial instrument with negative fair values when settled on net basis.

Contracts for the delivery of power and gas are classified as derivative financial instrument when there is a practice of net settlement in respect of similar contracts, including offsetting contracts before delivery.

At the moment there is no derivative financial instrument that qualify as hedge accounting.

Market values based on quoted prices are derivatives that are traded in active markets. The market value of derivatives traded in an active market is often settled on a daily basis and thereby minimising the market value presented on the balance sheet. Market values based on observable inputs comprise derivatives wherevaluation models with observable inputs are used to measure.

Segment information on revenue
Information on business segments and geographical segments is based on the Company´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Income statement

Revenue
Revenue from the sale of power and gas is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

Revenue from sale contracts with psychical delivery is recognised when the power or gas is delivered. Revenue from capacity contracts for delivery of power or gas is recognised according to delivery.

Revenue from financial derivatives that are traded in an active market is valued based on observable inputs and recognized in the income statement.

Direct expenses
Direct expenses includes the purchase of power, gas and climate certificates for resale and transportation cost thereof where physical delivery takes place.

Other external expenses
Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Staff expenses
Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses
Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses
Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year
Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for 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.

Balance sheet

Intangible fixed assets
Development projects
Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3 year.

Other intangible fixed assets
Licences are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Software licences are amortised over the period of the agreements, which is 3 years.

Property, plant and equipment
Property, plant and equipment are 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.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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.
- The fixed assets' residual values are determined at nil.
- Depreciation period and residual value are reassessed annually.

Impairment of fixed assets
The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

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

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Other fixed asset investments
Other fixed asset investments consist of deposits from leasehold.

Inventories
Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

The net realisable value of inventories is calculated based on spot price for gas in the respective pricearea. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

Receivables
Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments
Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Current Asset Investments
Current Asset Investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Equity

Dividend
Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

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. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

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.

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. 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.

Financial liabilities
Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Transportation contracts are classified as own use contracts and recognised in profit and loss at delivery. For loss given contracts these are written down to the lower of net realisable value or cost, being the payments obligation to the transportation system operator.

Cash Flow Statement
The cash flow statement shows the Company´s cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company´s cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities
Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. 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 and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

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

Cash and cash equivalents
Cash and cash equivalents comprise "Overdraft facilities".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios
Return on assets

$$\frac{\text{Profit/loss of ordinary primary operations x 100}}{\text{Total assets at year end}}$$

Solvency ratio

$$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$$

Return on equity

$$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$

Return on adjusted equity

$$\frac{\text{Net profit for the year x 100}}{\text{Average equity at year end deducted dividend}}$$

Constant
.Change

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