

# Norlys Annual Report 2025

**NORLYS**



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**Published by:**  
Norlys a.m.b.a.

**Editor:**  
Pernille Printz

**Layout:**  
Norlys Creative  
Brandhouse

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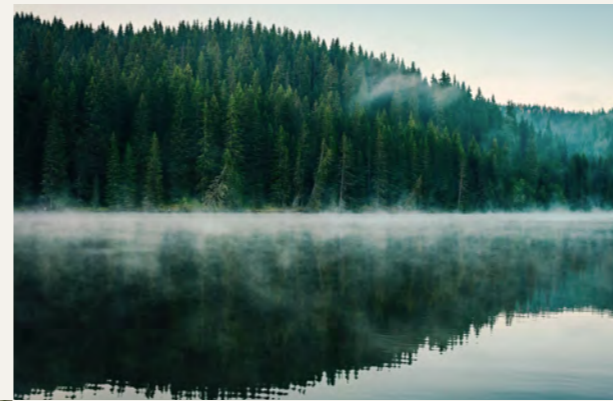
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# Norlys in brief

Number of fibre addresses

**910,000**



Employees\*\*

**4,650**



Public charging points\*

**9,419**



Investments in 2025

**4.4** billion DKK



Mobile network was expanded with

**170** new sites

Norlys is Denmark's largest integrated energy and telecommunications group. We are owned by our 805,000 members, and supply energy, EV charging stations, internet, TV and mobile services to more than 3.5 million households and businesses.

We own the country's largest electricity grid and fibre network, half of the country's largest mobile network, and we have Denmark's second-largest public EV charging network. In addition, we own a majority stake in Norlys Energy Trading and the green and circular industrial park Greenlab, and half of Eurowind Energy, a leading developer of solar and wind farms.

Our 4,650 employees in Silkeborg, Aarhus, Aalborg, Esbjerg, Sønderborg and Copenhagen work for a sustainable and digital Denmark.

Customer relationships

**3,500,000**



Electricity grid reliability

**99.997%**



Members on the Board of Representatives

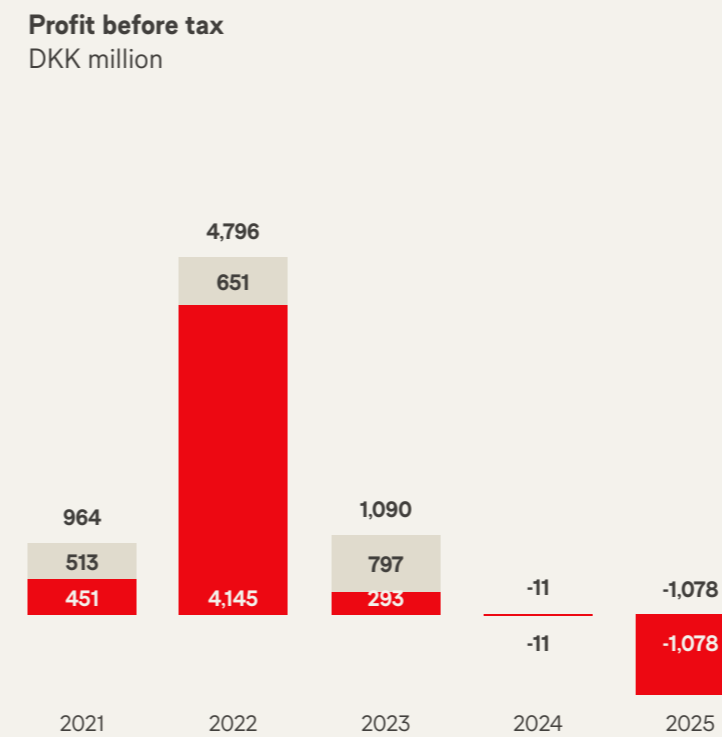
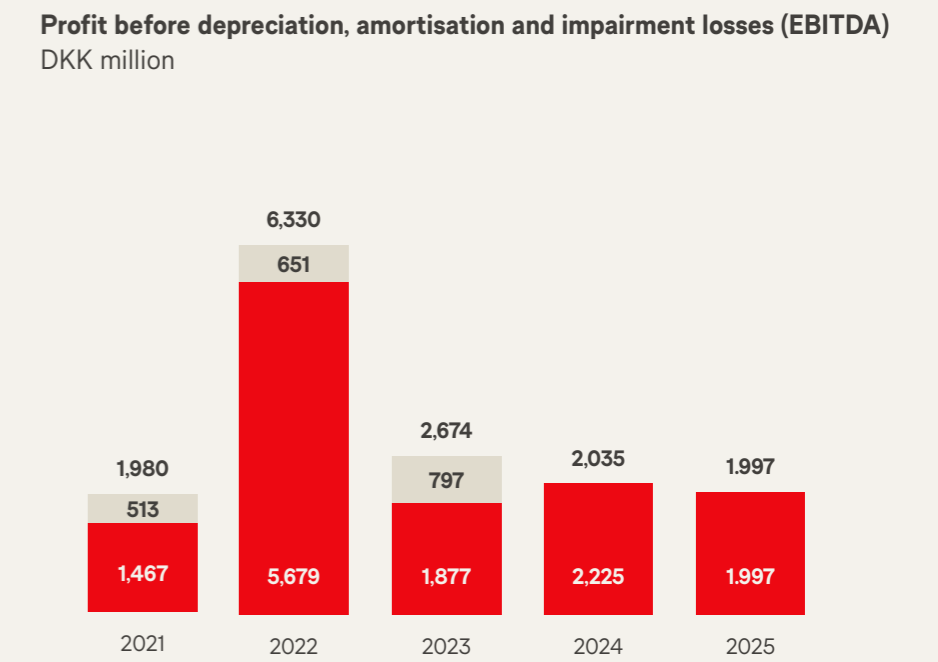
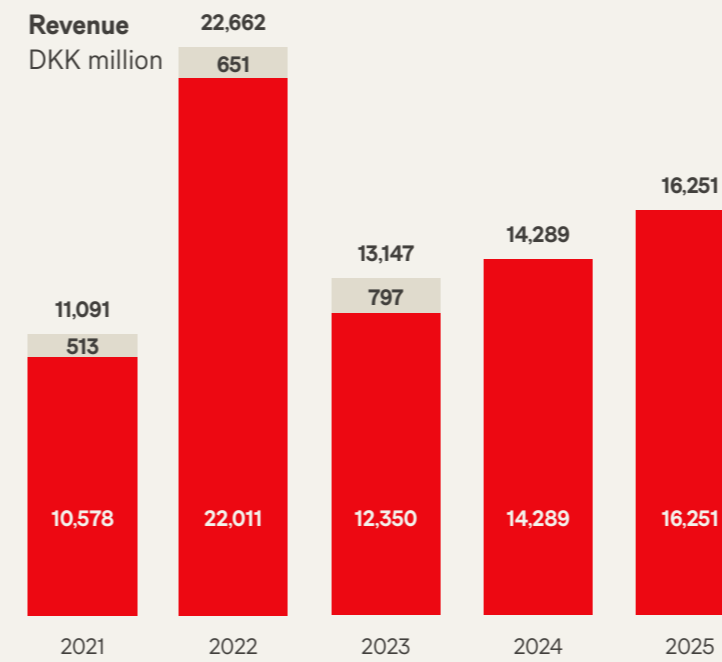
**662\***



Members

**805,000\***

\* By the of 2025  
\*\*Number of employees is based on headcount by the of 2025



**Grid tariff discounts**  
Grid tariff discounts for Norlys members are recognised in revenue, with effect on key figures and financial ratios for the 2021-2023 period.



Dear reader,

In 2025, the threat to critical infrastructure became very real, with drones spotted flying over Danish airports and an unpredictable geopolitical landscape. Critical infrastructure, security of supply and energy independence have become central to our daily lives, and these are issues that are of great concern to the Danish public.

As owners of critical infrastructure, security and emergency preparedness are among Norlys' core responsibilities, but we are also seeing a shift in how we view security today compared to earlier. Historically, we have built for peacetime, but today we are building infrastructure designed to cope with (hybrid) warfare and to protect us from those who wish us harm. As a Danish cooperative, we take responsibility for ensuring that Denmark's critical infrastructure remains strong and stable, so that the power keeps flowing, the internet works, mobile phones ring, and electric cars charge – even in a more uncertain world.

Over the past few years, the Norlys Group has implemented a number of major transformations to realise Norlys' full potential. We have introduced a new corporate and management structure, acquired Telia Mobil Danmark and brought together all customer-facing activities in Norlys' customer business. Last autumn, an organisational change in Norlys' customer business was implemented to reduce

complexity and strengthen business processes with a view to improving profitability and raising the challenged customer experience. We have worked hard to turn the customer experience around and have seen improvements over the year.

2025 also saw the realisation of a number of our important initiatives and changes. Telia Mobil Danmark has officially become Norlys, and with a mobile business under the Norlys brand, we can now offer our customers the full range of telecommunications and energy solutions. It was also the year when we opened our new office at the waterfront in Aalborg, bringing together nearly 900 employees from across the Norlys Group under one roof.

When it comes to the expansion of Norlys' nationwide EV charging network, our contribution to the green transition continued. In 2025, we established even more charging points across Denmark, adding more than 2,700 charging points and opening nine new charging hubs for electric cars. This also goes for heavy goods vehicles. A few years ago, the electrification of HGVs was seen as a thing of the distant future, but developments have moved quickly. In 2025, Norlys opened five HGV charging hubs, contributing to a charging network that now covers most of Denmark.

“

As a Danish cooperative, we take responsibility for ensuring that Denmark's critical infrastructure is strong, stable and prepared for a more unpredictable world.





At Norlys, we take active responsibility by investing in keeping critical infrastructure strong, stable and prepared for an increasingly uncertain world. Sinal invested tens of millions in securing the fibre network. Elnetselskabet N1 has made substantial investments in emergency preparedness and in future-proofing the electricity grid, ensuring it is resilient to a growing number of physical and digital threats. A well-functioning electricity grid is essential for much of our other infrastructure to work properly. At the same time, Norlys has invested in improving mobile coverage throughout Denmark to support fast and stable mobile connections, which is crucial for the digitalised society we live in.

In the fibre market, we continued our focused efforts in 2025 to strengthen our position through increased use of the fibre network and consolidation. Scale is crucial to being able to operate and invest in a stable and secure digital infrastructure. Sinal entered into an agreement to acquire EWII's fibre network in 2024 and received conditional approval of the acquisition from the Danish Competition Council in 2025. The deal was finalised in early 2026, and Sinal now serves more than one million Danish households with access to its fibre-optic network.

Financially, the Norlys Group is delivering solid growth in gross profit, and further positive development for several of the group's business areas. 2025 was characterised by Norlys being in a defining transformation phase with major planned investments and associated depreciation and integration costs affecting the profit for the year. We have made a number of strategic choices that are affecting our finances here and now, but they have been made to create a stronger and more competitive Norlys in the long run.

Our strong presence across the energy value chain continues to contribute to Norlys' resilience at a time of change in the energy markets. Despite lower production in several European markets and political uncertainty in several countries, Eurowind Energy has maintained a high

level of investment, but does not meet its financial targets in 2025. However, the company holds great potential for the future. At the same time, Norlys Energy Trading has continued to adapt to new market conditions and expanded its activities in several international markets. Through our commitment to the development of the energy systems of the future in GreenLab in Skive, we are also strengthening the foundation for the green transition and a more flexible and coherent energy system.

In 2025, the Norlys Growth Pool granted DKK 63.1 million to 984 local initiatives, small and large. As a Danish cooperatively owned group, it is natural for Norlys to reinvest in society, and we do this by supporting initiatives that support communities, digital development and the green transition. Since the Growth Pool was established, we have granted a total of DKK 298 million.

We look back at a 2025 that was characterised by continued transformation and implementation. We are at a pivotal moment for Norlys, where, guided by our corporate strategy, we are fully focused on creating value and building a future-proof Norlys – for the benefit of our owners, customers, and the community of which we are a part.

We would like to thank all companies, managers and employees for their excellent and dedicated efforts in 2025.

Jens Erik Platz  
Chairman of the Norlys a.m.b.a. Board of Directors

Gert Vinther Jørgensen  
Group CEO in Norlys

**EBITDA margin**

Realised 2025	<b>12.3%</b>
Result 2024	15.6%

**Comment**  
The EBITDA margin decreased by 3.3 percentage points compared to 2024 and remains below the group target of at least 20%. In 2025, EBITDA was impacted by integration costs related to previous acquisitions.

**Group's 2025 target**  
>20%

**Calculation**  
Profit before depreciation, amortisation and impairment losses relative to revenue.

**EBT margin**

Realised 2025	<b>-6.6%</b>
Result 2024	-0.1%

**Comment**  
The metric is down 6.5 percentage points compared to 2024 and is significantly below the group target. Norlys Digital, in particular, has driven the negative development due to high integration costs and weak performance in a highly competitive market.

**Group's 2025 target**  
>5%

**Calculation**  
Profit before tax relative to revenue.

**Equity ratio**

Realised 2025	<b>51.3%</b>
Result 2024	55.5%

**Comment**  
The group's equity ratio is down 4.2 percentage points and now falls short of the group target of a minimum equity ratio of 55. This is explained by significant investments across the Group – including large investments in the electricity grid and eMobility, which has increased the balance sheet total.

**Group's 2025 target**  
>55%

**Calculation**  
Equity relative to balance sheet total.

**Debt leverage**

Realised 2025	<b>2.4</b>
Result 2024	1.0

**Comment**  
The Group's leverage remains satisfactory relative to the financial target. In 2025, leverage increased due to significant investments resulting in a greater need for foreign capital. The Norlys Group remains very strong although the need for foreign capital increased in 2025.

**Group's 2025 target**  
<3.0

**Calculation**  
Net interest-bearing debt relative to profit before depreciation, amortisation and impairment losses.

**Cash conversion**

Realised 2025	<b>-1.8</b>
Result 2024	-1.9

**Comment**  
The ratio is below target and has declined by 0.1 percentage points compared to 2024. The decrease is primarily due to a negative free cash flow due to high investments, high integration costs and lending to Norlys' associate Eurowind Energy.

**Group's 2025 target**  
>0.25%

**Calculation**  
Free cash flow relative to profit before depreciation, amortisation and impairment losses.

**ROIC**

Realised 2025	<b>-3.0%</b>
Result 2024	-1.8%

**Comment**  
This ratio is at a low level relative to the financial target of at least 3% and has declined further since 2024. The development is primarily due to a negative result, affected by high integration costs and increased depreciation as a consequence of the large investments made in recent years.

**Group's 2025 target**  
>3%

**Calculation**  
Profit from ordinary operating activities (EBIT) relative to equity plus net interest-bearing debt.

High electricity grid supply reliability	Net Promoter Score (NPS)	CO <sub>2</sub> e emissions in Norlys Group	Norlys brand awareness (unaided)	Fibre network stability	Job satisfaction in Norlys	An active ownership democracy
<p>In 2025, we again delivered an uptime in our electricity grid of 99.997%. This means that, on average, our members were without power for a total of 14.67 minutes during the year.</p>	<p>The Net Promoter Score (NPS) indicates the likelihood that our customers would recommend Norlys to others. Our NPS score for 2025 was -6, which is below our target. The system restructuring in the TV and internet business has led to unintentional errors and periods of long customer service response times, which has negatively impacted the customer experience and resulted in several media reports about poor customer experiences. A strengthened customer experience remains a high-priority focus area in 2026.</p>	<p>In 2025, Norlys reduced CO<sub>2</sub>e emissions from its own operations (scopes 1 and 2) by 18% compared to 2024. This is close to the target for the year, which was a 20% reduction. The primary reason for the reduction is lower emissions associated with the transport of electricity in the electricity grid in 2025. This is because more of the electricity transported in 2025 came from renewable energy sources than was the case in 2024.</p>	<p>In 2025, 47% of the Danish population knew (unaided) that Norlys is an integrated provider of telecommunications and energy, which is close to our 50% target. In 2025, our focus was on rebranding Telia as Norlys, raising awareness of Norlys Mobil among Danes, and increasing awareness of Norlys' charging solutions – and we are well on our way to achieving these goals. However, general awareness of the Norlys brand among the Danish population is now 92%, which is extremely satisfactory.</p>	<p>In 2025, downtime exceeded our target. The past year has seen a small number of serious incidents caused by different factors that have affected the stability of our fibre network more than we would have liked. The vast majority of outages have occurred at night, which means that few customers have actually noticed, and fibre network availability remains market-leading compared to other internet technologies. Downtime for 2025 corresponds to the fibre network being unavailable 0.009% of the time.</p>	<p>The results of the 2025 employee satisfaction survey show an employee satisfaction score for Norlys of 74 out of a possible 100, which is the same level as in 2024. This is acceptable given the changes that have continued to shape Norlys over the past year, but the target of 78 remains an ambition we are striving to achieve. The response rate remains very high (96%).</p>	<p>Active owner democracy is about creating greater awareness among our cooperative members of their role and importance as co-owners of Norlys. In 2025, 13% of our cooperative members were aware of their co-ownership, which is below the target of 25%.</p>
<p><b>Realised 2025</b> 14.67 minutes per customer</p>	<p><b>Realised 2025</b> -6</p>	<p><b>Realised 2025</b> -18% compared to 2024</p>	<p><b>Realised 2025</b> 47%</p>	<p><b>Realised 2025</b> 47.9 minutes per customer</p>	<p><b>Realised 2025</b> Index 74</p>	<p><b>Realised 2025</b> 13%</p>
<p><b>2025 target</b> 15.25 minutes per customer</p>	<p><b>2025 target</b> 0</p>	<p><b>2025 target</b> -20% compared to 2024</p>	<p><b>2025 target</b> 50%</p>	<p><b>2025 target</b> 34.8 minutes per customer</p>	<p><b>2025 target</b> Index 78</p>	<p><b>2025 target</b> 25%</p>

# Group structure

## Core business

Ownership interest	Companies	Activity
100%	<b>Kundeselskabet Norlys</b> Norlys Digital A/S Norlys Mobil Danmark A/S Norlys Energi A/S Norlys Charging A/S Kundeselskabet Norlys A/S	Operates Norlys' customer-facing activities with a wide range of offerings within internet, TV, mobile, electricity and charging solutions
65%	<b>Sinal</b> Sinal Infrastructure Holding A/S Sinal Infrastruktur A/S Sinal A/S	Operates and develops Denmark's largest fibre network where customers are free to choose between a large number of commercial providers
100%	<b>Elnetselskabet N1</b> Norlys Infrastruktur A/S N1 A/S	Operates and develops Denmark's geographically largest electricity grid, enabling a future with more renewable energy

## NORLYS a.m.b.a.

Norlys' 805,000 members

## Norlys Group A/S

Active owner of Norlys' entire portfolio of companies

## Other wholly and partly owned companies

Ownership interest	Companies	Activity
100%	<b>OpenNet</b>	Collaboration platform for providers of fibre network
100%	<b>Karlsgårde Vandkraft</b>	Former hydroelectric power plant
99.9%	<b>Tangeværket Gudeaaacentralen</b>	Hydroelectric power plant
97.7%	<b>Mjolner INFORMATICS</b>	Software, data, innovation and digitalisation
79.12%	<b>GreenLab</b>	Green and circular industrial park
52.81%	<b>NORLYS ENERGY TRADING</b>	Risk management, electricity and gas balancing and trading
50%	<b>TM Network</b>	Mobile infrastructure
49.8%	<b>Eurowind Energy</b>	Develops, builds and operates renewable energy farms

See note 12 on page 45 for a complete overview of the companies.

# Key figures and financial ratios

FINANCIAL HIGHLIGHTS (DKK '000)	2025	2024	2023	2022	2021
Revenue	16,250,774	14,289,028	12,350,258	22,010,888	10,578,137
Gross profit	5,264,346	4,915,697	4,205,683	7,958,088	3,046,610
Profit before depreciation, amortisation and impairment losses (EBITDA)	1,997,327	2,035,326	1,876,572	5,678,779	1,466,870
Profit before financial income and expenses (EBIT)	-1,000,637	-584,856	-148,093	4,126,118	-201,831
Profit from equity investments	15,851	139,814	98,209	615,956	468,165
Net financial income and expenses	-93,578	433,633	342,401	-597,517	184,302
Profit before tax	-1,078,364	-11,409	292,517	4,144,557	450,636
Net profit for the year	-1,490,607	-60,397	464,444	3,519,434	660,569
Tariff discount recognised in income statement	0	0	797,264	650,650	513,258
Balance sheet total	54,890,220	53,826,869	49,987,514	52,159,395	32,345,979
Investment in property, plant and equipment	3,692,005	3,662,845	3,328,019	2,764,273	2,027,571
Equity	28,165,179	29,898,924	30,150,154	30,753,679	20,178,578
<b>Financial ratios %</b>					
Gross margin ratio	32.4	34.4	34.1	36.2	28.8
Profit margin	-6.2	-4.1	-1.2	18.7	-1.9
Return on capital employed (ROCE)	-1.8	-1.1	-0.3	9.8	-0.7
Equity ratio	51.3	55.5	60.3	59.0	62.4
Return on equity (ROE)	-5.1	-0.2	1.5	13.8	3.4

Key figures and financial ratios are defined and calculated in accordance with CFA Society Denmark's current version of 'Recommendations and Ratios'.

# 2025 in review

**NORLYS**



# 2025 in and around Norlys

## Rising geopolitical tensions altered the security landscape in Denmark and Europe in 2025, increasing pressure on critical infrastructure.

In this new global reality, the need for substantial and long-term investments in the development and protection of Denmark's critical systems is greater than ever. The threat to critical infrastructure has grown more imminent, with reports of drones spotted over Danish airports, an elevated threat level and the intensification of cyber warfare. Our energy supply and digital infrastructure are at risk, and according to the annual risk assessment by the Danish Defence Intelligence Service, Denmark is facing several serious security policy challenges.

Ensuring that Denmark's critical infrastructure is robust and secure is a core mission for us at Norlys. For this reason, in 2025, Norlys invested heavily in strengthening our infrastructure, so that it is prepared for the wind and weather of the future and, not least, a more unpredictable world with more external threats.

At Norlys, we manage both electricity grids and digital infrastructure. Systems that we all rely on and that form the backbone of our modern society. Therefore, in 2025, Elnetselskabet N1 again made record investments in future-proofing the electricity grid, ensuring it is geared to handling new requirements and needs as well as an increasing number of physical and digital threats. These investments will continue in 2026, with N1 expecting to spend DKK 2 billion on reinvestments, capacity upgrades and customer projects.

In the fibre market, we have focused on increasing utilisation of the fibre network, consolidation, development and security. Sustainable and secure critical infrastructure is more important than ever, and scale is crucial for us to operate and invest in a stable and secure digital infrastructure. Sinal has invested tens of millions in protecting the fibre network against physical intrusion and replacing

and maintaining software and hardware, making the fibre network more future-proof. In 2025, Sinal's acquisition of EWII's fibre network was conditionally approved by the Danish Competition Council, and in early 2026 the deal was finalised. This means that from February 2026, Sinal will be providing fibre network services to more than one million Danish addresses.

In the energy area, 2025 was characterised by uncertainty and an increasing focus on ensuring security of supply, not least in the light of international developments. The expansion of renewable energy is facing evolving challenges, and market volatility has dampened investment levels in parts of the value chain. At the same time, it is widely recognised that Denmark and the EU must secure energy independence through a significant expansion of renewable energy and electrification.

Among other things, Norlys is contributing through our 50% co-ownership of Eurowind Energy, which currently generates electricity for over 600,000 European households and develops renewable energy projects in 16 markets.

That is why we welcome the broad political agreement on the expansion of onshore wind and solar energy, reaffirming the goal of quadrupling electricity generation from wind and solar power by 2030. Among other things, the agreement follows up on the recommendations of the National Energy Crisis Staff (NEKST) and will remove some of the barriers limiting the roll-out of RE projects, for example by increasing compensation to neighbours. During the year, a political agreement was also reached to increase consumer protection in the electricity market, making it more transparent and secure for Danes to be electricity customers. Another focus has been to create a

better framework for industry, including for green companies. In the autumn, GreenLab Skive was designated by the Danish government as one of 11 industrial parks in Denmark that will benefit from fewer barriers and faster approvals. A good example of how the green transition contributes to growth and local job creation.

The electrification of passenger transport has reached new positive heights in Denmark, where electric cars now account for an impressive 70% of new car sales in Denmark. Norlys is contributing to the transformation of society through the expansion of a nationwide charging network, where we added more than 2,700 charging points and opened nine new charging parks in 2025. With the opening of five new EV charging hubs in Randers, Herning, Vejle, Korsør and Køge, Norlys is also driving efforts to offer charging options for HGVs all over the country.

In Norlys, 2025 was a year of consolidation and integration. An organisational change in Norlys' customer business was implemented to reduce complexity and strengthen business processes with a view to improving profitability, addressing challenges related to a shrinking customer base and enhancing the customer experience – a trend we have now reversed. Important integration efforts culminated in 2025, with Telia Danmark officially becoming Norlys. As a mobile operator, we can now offer our customers a wide range of telecommunications and energy solutions.

At the harbourfront in Aalborg, we opened our new offices last summer, bringing together 900 colleagues from the entire Norlys Group under the same roof. 2025 also became the year in which we settled into our new group and management structure.

# 2025 in review



# A year focused on investments and integration

The financial performance in 2025 reflects the continued integration of Telia Mobil Danmark into Norlys as well as record investments in the future-proofing and expansion of Norlys' critical infrastructure. As expected, we realised a negative result, primarily due to major planned integration costs.

In 2025, the Norlys Group delivered a solid increase in gross profit. We are in a defining transformation phase, marked by large investments, planned goodwill amortisation and integration costs, expectedly leading to negative bottom-line results. 2025 was an integration year focused on strengthening Norlys' long-term foundation, and overall, the results are therefore considered satisfactory.

The Group is clearly still delivering growth in both revenue and earnings. Group revenue increased by DKK 2 billion to DKK 16.3 billion, compared to DKK 14.3 billion in 2024. At the same time, we posted a profit before special items and before depreciation, amortisation and impairment losses (EBITDA) of DKK 2.7 billion, which is an increase of DKK 181 million compared to 2024. The large planned integration costs affected results as expected. Including these costs and other special items, EBITDA for 2025 ends up at the same level as in 2024, at around DKK 2 billion.

We are posting a loss before tax for 2025 of DKK -1,078 million, which is a significant development compared to the loss before tax of DKK -11 million posted for 2024. The negative development was mainly ascribable to increasing depreciation and amortisation on account of our continuously high investments, a full year of integration costs, lower profit from Eurowind Energy and lower returns

on asset management. The realised loss before tax of DKK -1,078 million is less than the expected loss before tax of DKK -1,395 million announced at the end of the year, the better result being primarily due to lower than expected integration costs.

#### Resilient core business

Kundeselskabet Norlys and Sinal delivered the expected gross profit for 2025 despite extremely fierce competition in many parts of the business. Elnetselskabet N1 delivers a result in excess of expectations and has again this year invested heavily in the expansion of the electricity grid.

The profit before tax delivered by Kundeselskabet Norlys was significantly better than expected, primarily due to delays in the integration process and consequently lower costs incurred. The integration efforts are expected to continue in 2026 and 2027.

In 2025, the Norlys Group maintained its strong focus on securing a nationwide EV charging network by investing massively in further expansion. We have come a long way in the past year, adding another 2,700 public charging points, opening nine new charging hubs for passenger cars and five new charging hubs for HGVs.

These advances in the green transition and the charging infrastructure of the future require major investments. Norlys has been making these investments in recent years, which negatively affected the results and cash flow for 2025, while at the same time leaving unused charging network potential.

#### Untapped potential in selected business areas

Given Norlys' co-ownership of several companies in the energy value chain, Eurowind Energy and Norlys Energy Trading are also consolidated into the financial statements of the Norlys Group. In the past year, the renewable energy market has been hit by low production in a number of key European markets at a time of considerable political uncertainty. Despite this, Eurowind Energy has maintained high levels of investment, but has not delivered the expected financial results. Still, the company holds great potential for the future.

In 2025, the subsidiary Norlys Energy Trading continued to focus on adapting to changes in the energy market. The financial performance for the year is not satisfactory and below expectations, but better than last year.

Asset management made a positive contribution, generating a return of DKK 253 million compared to DKK 685

million in 2024. The year was a challenging one, with the Norlys Group having been exposed to the same very volatile financial markets as others. In this light, we are happy with the return.

#### Equity ratio remains high

Norlys' equity amounted to DKK 28,165 million at the end of the year, with net interest-bearing debt of DKK 4,766 million. Despite being below target, the equity ratio remains high at 51.3 and is indicative of a robust financial position. Our free cash flow was DKK -3,729 million, heavily impacted by record investments of DKK -5,502 million and integration costs etc. of DKK 562 million. Cash flow from operating activities remained a positive DKK 1,773 million.

2025 was characterised by transformation, integration and strategically important investments, which will also affect the Group's financial performance in 2026. We spent the year integrating Norlys Mobil into our business model, and fully implementing and putting into practice our new corporate and management structure. All initiatives aimed at strengthening the foundations of the Norlys Group and paving the way for the realisation of our full potential. Our capital structure is solid, and we are focused on strengthening our business areas and strengthening our position in a changing market.

# A year of transformation and integration in Norlys' customer company

**2025 was a transformative year for Norlys' customer company. With the appointment of a new CEO, a new and clear direction has been set. An updated strategy and a major reorganisation of the business will help build the foundation for future growth and a better and more coherent customer experience across energy and telecommunications.**

In 2024, Norlys created a single customer business covering energy and telecommunications, and in 2025, important steps were taken to create a solid foundation for our customer business, which is undergoing a challenging integration and transformation process.

In March, Kathrine Forsberg took up the position of new CEO. She brings solid experience from both the IT and telecommunications sectors, having most recently held the job of CEO of the Danish part of the IT company Atea and prior to that as CEO of TDC Business and NetDesign.

Kathrine Forsberg's appointment also marked the start of an update of the customer business strategy. The acquisition of Telia's Danish business and the profound changes taking place in the energy and telecommunications markets have created a new situation for our customer business as a whole. The updated strategy will ensure the right starting point for pursuing Norlys' unique opportunities for growth and the ambition to be the Danes' preferred provider of simple and coherent energy and telecommunications solutions for both private and business customers.

As a natural next step in the organisational merger of Norlys and Telia and based on the updated strategy, a thorough reorganisation of the customer business followed. This involved the establishment of two parallel business

areas – Energy and Telco – each with separate responsibility for their own products, infrastructures and deliveries, as well as the establishment of a new organisational unit responsible for sales, marketing and customer service across the two business areas.

## Large system integrations

In 2025, Norlys completed a year-long and comprehensive system restructuring of its internet and TV customers, moving them from several systems to a single platform. Acquisitions and mergers over many years have created a complex system landscape, requiring Norlys' customer-facing employees to navigate multiple systems.

The goal is to ensure a markedly better and more agile customer experience by bringing all internet, TV and mobile customers together on the same platform. Having migrated most of the internet and TV customers, Norlys has taken a decisive step in the right direction, and at the end of the year the migration of the last Internet and TV customers began. A process that is expected to be completed during the first months of 2026.

In both 2024 and 2025, the system restructuring had a negative impact on the customer experience, and a number of customers were affected by regrettable errors in connection with the migrations. The most recent migrations have

provided valuable insights that have played a key role in the planning and execution of the current and future system migrations, which are consequently proceeding much more smoothly for both customers and employees.

At the same time, the customer business is beginning to see the effect of several other initiatives initiated to improve the customer experience. Among other things, a comprehensive Service Excellence programme has been launched to ensure a good and uniform customer experience across energy and telecommunications through the optimisation and alignment of recruitment and training and ongoing quality follow-up processes. This is part of a broader effort to strengthen and simplify our customer business.

In the energy area, Norlys is also planning a major digital and business transformation involving a new unified IT platform, which is also used by a number of global energy players.

The energy sector has undergone profound changes in recent years, evolving from a straightforward utility-based model into a complex, technology-intensive business, driven by data, AI and stricter requirements from both customers and authorities. To ensure that Norlys can remain a crucial player in the market, we have therefore decided

to invest in a modern, unified IT platform that integrates billing, customer management and product development into a single system.

This will be a gradual transformation towards 2027 and enable Norlys to meet an increasing customer demand for digital solutions, respond faster to market changes and launch new products with greater flexibility.

“

**With a common strategy, a single strong brand and targeted investments in systems, mobile networks, energy and charging infrastructure, we took decisive steps in 2025 to make complex solutions simple – and create a solid foundation for better a customer experience and long-term growth.**

**Kathrine Forsberg**  
CEO of Kundeselskabet Norlys.

# Norlys is now a mobile operator

In spring 2025, Norlys added mobile to its product portfolio with the official name change from Telia to Norlys.

This marked the addition of 30 new Norlys stores to the map as well as a massive investment on the part of Norlys in better mobile coverage.

On 5 May 2025, Denmark acquired a new mobile brand when Telia's Danish business officially changed its name to Norlys. As a result, the Norlys name appeared on the mobile screens of nearly one in six Danes, allowing Norlys to bring all its products together under a single brand. This means that Danish households and businesses can now turn to a single provider to meet all their telecommunications and energy needs.

Telia Denmark was founded in 1995, and the name change to Norlys thus coincided with the celebration of Telia's 30th anniversary in Denmark. With the name change, Norlys also gained more than 30 new stores across the country, which updated their interiors, added the Norlys logo to their facades, and were able to expand their offerings to include internet, TV, energy and charging solutions.

## **Strengthened mobile coverage throughout Denmark**

A fast and stable mobile connection is essential for the digitalised society we live in. During 2025, Norlys therefore invested massively in improving mobile coverage across the country – with a special focus on small towns, holiday home areas and transport corridors, giving our 805,000 cooperative members and all other Danes access to a robust and secure mobile network in an increasingly unpredictable world.

With Norlys' entry into the mobile market, a clear goal has been to deliver a world-class mobile network. In 2025, TN-Netværket – Denmark's largest mobile network, which

Norlys owns together with Telenor – therefore invested more than DKK 100 million in ensuring better mobile coverage with 170 new mobile sites. Most of the sites are located within Norlys' geographical membership catchment area, but coverage has also been strengthened in the rest of Denmark, resulting in significantly improved coverage in small towns and in rural areas, increased capacity in holiday home areas and a stronger signal along the Danish roads.

## **First SKI tender won**

2025 was also the year in which Norlys won its first SKI tender, and from 2026, it will thus be the main supplier of employee broadband to more than 10,000 state and municipal employees.

In a more challenging threat scenario, security and stability requirements are high, and delivering secure and stable services to municipal and state employees is a key priority for Norlys. With the ability to deliver internet connections via fibre, antenna and 5G, Norlys is assisting in the phase-out of the copper network, which is part of the agreement. This is, in fact, the first time that the SKI agreement has made it possible to deliver employee broadband via wireless connections.

Under the new four-year SKI agreement running from 2026, Norlys takes over the task of supplying internet connections to home workspaces for public employees from TDC Business.



# Energy remains key focus for Danish public

In recent years, Danes have started paying much closer attention to their energy consumption, and Norlys' award-winning energy app is supportive of this trend. At the same time, through Norlys many more companies have been given the option of covering their energy consumption with newly installed solar and wind energy.

Electricity prices are fluctuating more than ever, and today just over one in two Norlys electricity customers has a variable-price electricity agreement. This allows them to benefit from following the electricity price and shifting as much of their electricity consumption as possible to the cheapest hours. Going back just a few years, the lowest electricity prices were always at night, regardless of the time of year, but today electricity prices fluctuate more and behave differently.

The months of April, May and June saw a record number of hours with negative electricity prices. This is mainly due to the increasing volumes of solar and wind energy feeding into the energy system, which is also supported by stronger interconnections to the European electricity grids in Germany and the Netherlands.

This development has also accelerated the use of the Norlys energy app, which keeps customers updated on electricity prices, provides inspiration on how to use

electricity wisely and identifies the biggest electricity guzzlers in the home. The app has more than 150,000 unique users each month, and in 2025 won a Lovie Award for the second consecutive year at Europe's largest digital product award ceremony.

### **Power purchase agreements with Danish companies constitute an important tool in the green transition**

At the beginning of the year, the first so-called corporate power purchase agreements (cPPAs) from Norlys were signed, exploiting Norlys' unique position across the energy value chain. With this product, several companies can jointly commit to buying a fixed share of the electricity generated by a newly constructed solar or wind farm in return for paying a fixed kWh price over, for example, five or ten years.

The first agreement, with the turnkey contractor DS Gruppen and Arbejdernes Landsbank, included the construction of a total of 124.5 MW new wind and solar power capacity.

The expected annual output of the two farms covered by the agreement is 252 GWh, with about a fifth of the production being covered by the power purchase agreements.

As a provider of PPAs, Norlys saw increasing interest in pool PPAs in 2025. This is because it is the first pool product in Denmark that ensures the installation of both new solar and new wind energy. The combination of solar and wind means better coverage of customers' consumption than could be provided by a solar farm, for example, on its own. At the beginning and end of the year, most of the demand is covered by wind, and in the summer by solar. Renewable energy is generated when companies use it. While Norlys facilitates and sells the power purchase agreements, Eurowind Energy, which is co-owned by Norlys, develops the energy farms.



# Continued rapid expansion of Denmark's second-largest EV charging network

In 2025, Norlys continued the rapid expansion of Denmark's EV charging infrastructure through the establishment of new charging hubs, the winning of tenders and strong partnerships. At the same time, Norlys has cemented its position as Denmark's largest EV charging operator for HGVs and launched the first MW charger.

The Danes have embraced electric cars in earnest, resulting in an increasing need for more EV charging capacity. In 2020, the government estimated that there would be almost 550,000 electric cars by 2030, but by October 2025 we had hit half a million electric cars – five years ahead of time. In 2025, Norlys therefore invested heavily in the expansion of our EV charging infrastructure. With 9,419 public charging points, Norlys now has the second-largest EV charging network in Denmark.

In recent years, nine new high-speed charging hubs have opened around the country, in addition to which Norlys has won a number of municipal tenders – for example in the Greater Copenhagen area, where public EV charging access is crucial. With the acquisition of Danish energy group AURA's public EV charging business, Norlys also significantly strengthened its presence in East Jutland and expanded its EV charging network with 275 charging points.

In May 2025, E.ON Drive decided to stop selling new EV charging solutions to private and business customers, and in September they entered into an agreement with

Norlys, transferring a large proportion of E.ON's EV charging customers to Norlys.

In May, Norlys launched two new EV charging products offering customers a fixed monthly price, regardless of whether they charge at home or on the go. The new products allow customers to choose a solution that suits their driving needs. The aim was to help overcome the uncertainty that may still be associated with switching to an electric car, and which is still leading many people to go for fixed-price products that are too expensive given their actual charging needs. Being strongly committed to supporting the switch to electric cars for customers living in apartments, in 2025 Norlys launched targeted products that guarantee favourable solutions for all customers who are unable to charge their electric cars at home.

In the course of the year, Norlys also entered into a number of partnerships with VIKINGBUS, which covers around 60 million kilometres annually and has chosen Norlys as its EV charging partner in the transition to electric buses.

## Nationwide EV charging network for HGVs

In Denmark, the share of electric trucks has doubled in just one year, and the government has revised its expectations for the electrification of heavy goods transport in its climate projection from this year. By 2030, three out of four new trucks are expected to be electric, which underlines the need to ensure good public EV charging facilities throughout the country. With the opening of five new EV charging hubs for HGVs in December, Norlys cemented its position as the owner of the country's largest EV charging network for HGVs. On the same occasion, the country's first public MW charger was inaugurated.

In 2025, Norlys invested heavily in building a nationwide charging network for electric trucks, and by the end of the year, Denmark had a total of nine charging hubs for HGVs, providing hauliers with seamless options for charging their electric trucks in Denmark. This is an important prerequisite for hauliers and companies switching to electricity. The expansion has been carried out in close collaboration with hauliers and logistics companies in order to support the routes that are first electrified.

### eMobility



2,700

new Norlys EV charging points in 2025

9,419

public Norlys EV charging points throughout Denmark

9

high-speed charging hubs for passenger cars

5

new charging hubs for HGVs established in 2025



# N1 future-proofs Denmark's largest electricity grid

In 2025, Elnetselskabet N1 invested more in the electricity grid than ever before. The extensive investments in future-proofing the electricity grid are crucial for driving the electrification of Denmark – both to ensure the grid can handle the growing demands and new needs from the outside world, but also to make it resilient to an increasing number of physical and digital threats.

Every second, every hour, all year round, Danish society depends on a stable power supply. With an uptime of 99.997%, the Danish electricity grid is one of the most reliable in the world and therefore plays a crucial role in underpinning the everyday lives of citizens, businesses and society as a whole.

With an electricity grid covering approximately 40% of Denmark's total area, N1 plays a key role in the green transition by guaranteeing power for more EVs and heat pumps and through the connection of wind and solar farms to the grid in a supply area comprising 805,000 customers. Over the years, N1 has invested heavily in the electricity grid, and in 2025 they raised the investment level to a historic high of almost DKK 1.6 billion. For 2026, N1 is budgeting DKK 2 billion for reinvestments, capacity upgrades and customer projects.

### Focus on security of supply in an uncertain world

In 2025, the electricity grid was characterised by high levels of operational stability, with grid customers being affected by outages for an average of only 14.67 minutes. This makes N1 one of the most reliable utilities both in Denmark and internationally.

However, the high level of security of supply is not taken for granted. The geopolitical situation not only calls for electrification, but also for the physical and digital protection of our critical infrastructure. It is a top priority for us, and resilience takes proactive action, accountability and foresight. At a time when critical infrastructure is high on the geopolitical agenda, emergency preparedness levels and the protection of the power grid has taken on renewed importance. For this reason, some of N1's investments

have gone towards protecting the infrastructure against both digital threats and extreme weather conditions. This focus on security is crucial, as an attack on the grid can have major consequences for society as a whole as well as individual citizens.

At the same time, this focus is now also more evident on N1's Board of Directors, with Thomas Flarup being appointed as a new board member this year. Thomas comes with experience from positions as head of the Centre for Cyber Security and Chief Commercial Officer in Terna.

### Summer and winter tariffs and Tariff Model 3.0

N1 has again this year actively used the media to inform customers about the transition between summer and winter tariffs. In fact, when N1 switched to the summer tariff on 1 April 2025, the price was more than halved during the most expensive hours of the day, while the switch to the winter tariff on 1 October meant increasing prices. This is where Tariff Model 3.0 comes into the picture.

In January 2024, N1 – together with a number of Danish grid companies – introduced Tariff Model 3.0, which offers financial incentives to help consumers plan their electricity consumption more intelligently over the 24-hour period. With three load levels – 'Low load', 'High load' and 'Peak load' – the model allows consumers to save money by shifting their consumption to periods with unutilised capacity.

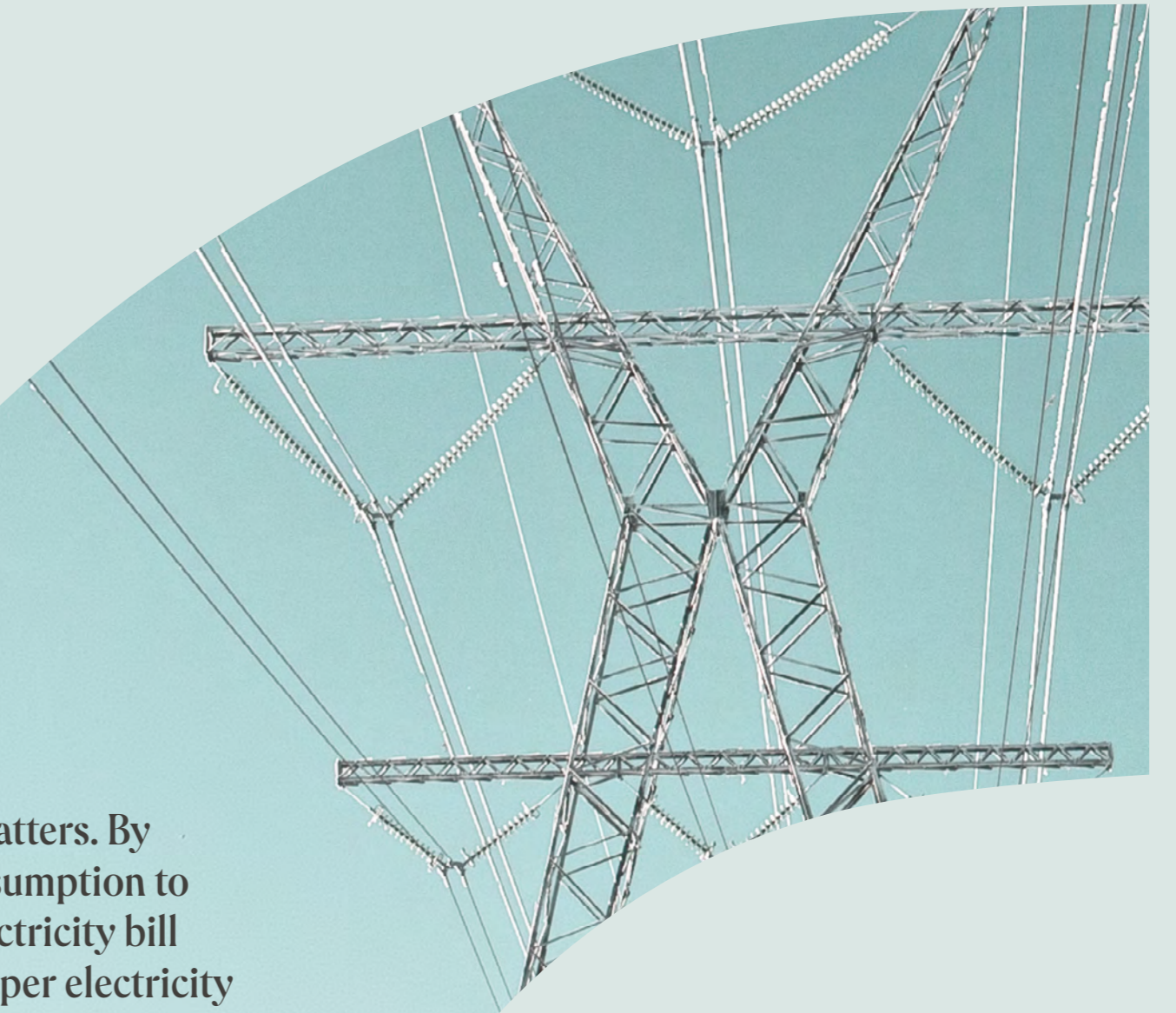
The new tariff model is thus contributing to a more even use of electricity over the 24 hours of the day and night, with particular financial benefits for, for example, EV owners who change their habits and start charging their cars at night.

The tariff model plays a crucial role in future-proofing the electricity grid in step with the increasing electrification of society. The better consumers become at adapting their electricity consumption, the more N1 can optimise the expansion of the electricity grid. By utilising existing capacity more efficiently, N1 can both postpone and reduce the need for costly grid expansions – savings that ultimately translate into lower tariffs for the benefit of consumers.



**How we time our electricity usage matters. By shifting some of your electricity consumption to the cheap hours, you reduce your electricity bill here and now. But it also means cheaper electricity for consumers in the long run. Because as a grid company, we operate and maintain the electricity grid based on the tariffs paid by electricity consumers. If it can be done more cheaply, it means savings for electricity consumers – we simply get more electricity grid for our money.**

**Lise Bering**  
CEO of Elnetselskabet N1.



**Investments in 2025**

DKK 1.6 billion



**14.67 minutes**

Average downtime per customer in 2025



**Distributed power in 2025**

GWh 9,775  
Total +5%

# A year of consolidation, development and security for Sinal

2025 was an eventful year for Sinal, which saw the strengthening of the company’s position through consolidation, investments in stable and secure digital infrastructure, the introduction of fibre network speeds of up to 6 Gbit/s and a name change.

Sustainable and secure critical infrastructure is more important than ever, and scale is crucial for Sinal to operate and invest in stable and secure digital infrastructure. Fibre is the technology of the future, and over the past year Sinal has invested millions in protecting the fibre network against physical intrusion and in replacing and maintaining software and hardware to make the fibre network safer and future-proof based on energy-efficient solutions and upgrading of the speed of the network.

## More than 1 million fibre addresses in Sinal following the acquisition of EWII fibre network

A significant milestone in 2025 was the approval by the Danish Competition Council of Sinal’s takeover of the EWII fibre network in the Triangle Region of Denmark, comprising approximately 135,000 addresses. The deal and Sinal’s takeover of the fibre network from EWII could be finalised on 2 February 2026 because Norlys had delivered on the promise that Norlys’ customer business would cease its collaboration with seven antenna associations in the Triangle Region.

Operating and investing in secure and stable digital infrastructure requires scale, and with the acquisition of EWII’s fibre network and the 135,000 new fibre connections, Sinal will be even better positioned to make investments for the benefit of its customers. Following the completion of

the transaction, more than 1 million households now have access to Sinal’s fibre network.

## Independent company responsible for Denmark’s largest fibre network

In 2025, Denmark’s largest fibre network was named Sinal. The change of name signals – both internally and externally – that the fibre network is owned by a separate legal entity, operating independently and distinct from Norlys’ customer-facing company. Sinal is still part of and shares the ideas and values of the Norlys Group.

## Fierce competitive situation

Competition between infrastructures continued in 2025, especially from 5G Fixed Wireless Access. In 2025, Sinal therefore focused on strengthening the sale and marketing of its fibre network, a task that has become easier under the new name.

Over the last months of the year, sales of new fibre connections increased, indicating a positive effect of the commercial measures implemented. At the same time, these developments have highlighted the need for a stronger focus on customer retention. In 2026, Sinal will therefore devote special focus to the customer journey and the customer experience in connection with the delivery of fibre.

## Upgraded fibre network with faster speeds

At the end of 2025, Sinal launched high speeds of up to 6 Gbit/s at more than 400,000 addresses in south and southern Jutland. This represents a sixfold increase of the maximum speed and a milestone in the expansion of Denmark’s largest fibre network.

Data usage among Danes has more than doubled in five years. Therefore, it is crucial for a fibre company like Sinal to remain at the forefront of developments and of driving the digitalisation of Denmark. The superior speed and low latency that fibre technology is known for also offer advantages over competing technologies such as 5G and coaxial cable, especially for households with simultaneous internet usage in the form of streaming, downloads and gaming.

In recent years, Sinal has upgraded its infrastructure in order to be able to deliver the new and faster connections. The roll-out is now complete for about half of the 1 million households, and it has therefore been decided to offer the option of faster speeds to anybody who should want it now.

## Facts about Sinal

- Sinal owns, operates and maintains Denmark’s largest fibre network measured in terms of numbers of households with access to the fibre network.
- The fibre network covers 1,045,000\* locations, giving end-users access to an open network with 18 providers of internet, TV and streaming services for the private and corporate market.
- Sinal’s fibre network has more than 504,456\* active end-customers.
- Sinal is partly owned (35%) by a consortium consisting of the Dutch pension fund PGGM and the French energy group EDF’s investment company EDF Invest, which are both represented on the company’s Board of Directors.

\*As of 2 February 2026 after the acquisition of EWII.



As the country’s largest fibre network, we have raised security levels in recent years. We can see that the threat scenario for critical infrastructure such as the fibre network has become more serious, and we are therefore investing millions in securing and creating a resilient fibre network.

Carsten Bryder  
CEO of Sinal



# Strong presence in energy value chain

Norlys plays a key role in the green transition by generating and trading in electricity, offering EV charging and selling electricity through strong co-ownership of companies in the energy value chain and in its own business areas. Our grid company transports electricity in the collective distribution grid covering 40 per cent of Denmark.

Norlys is engaged in the entire energy value chain. From generation and trading through Eurowind Energy and Norlys Energy Trading, to distribution via Elnetselskabet N1 and end-customer sales through its commercial energy business. Moreover, Norlys participates in the development of future energy systems through its subsidiary GreenLab in Skive.

In 2025, the subsidiary Norlys Energy Trading continued its focus on adapting to the changes in the energy market driven by the green transition and a new geopolitical situation. Norlys Energy Trading also expanded the possibilities of trading energy in several US and European markets. At the same time, investments in building its own customer business continued.

### Progress for Eurowind Energy in a complex market

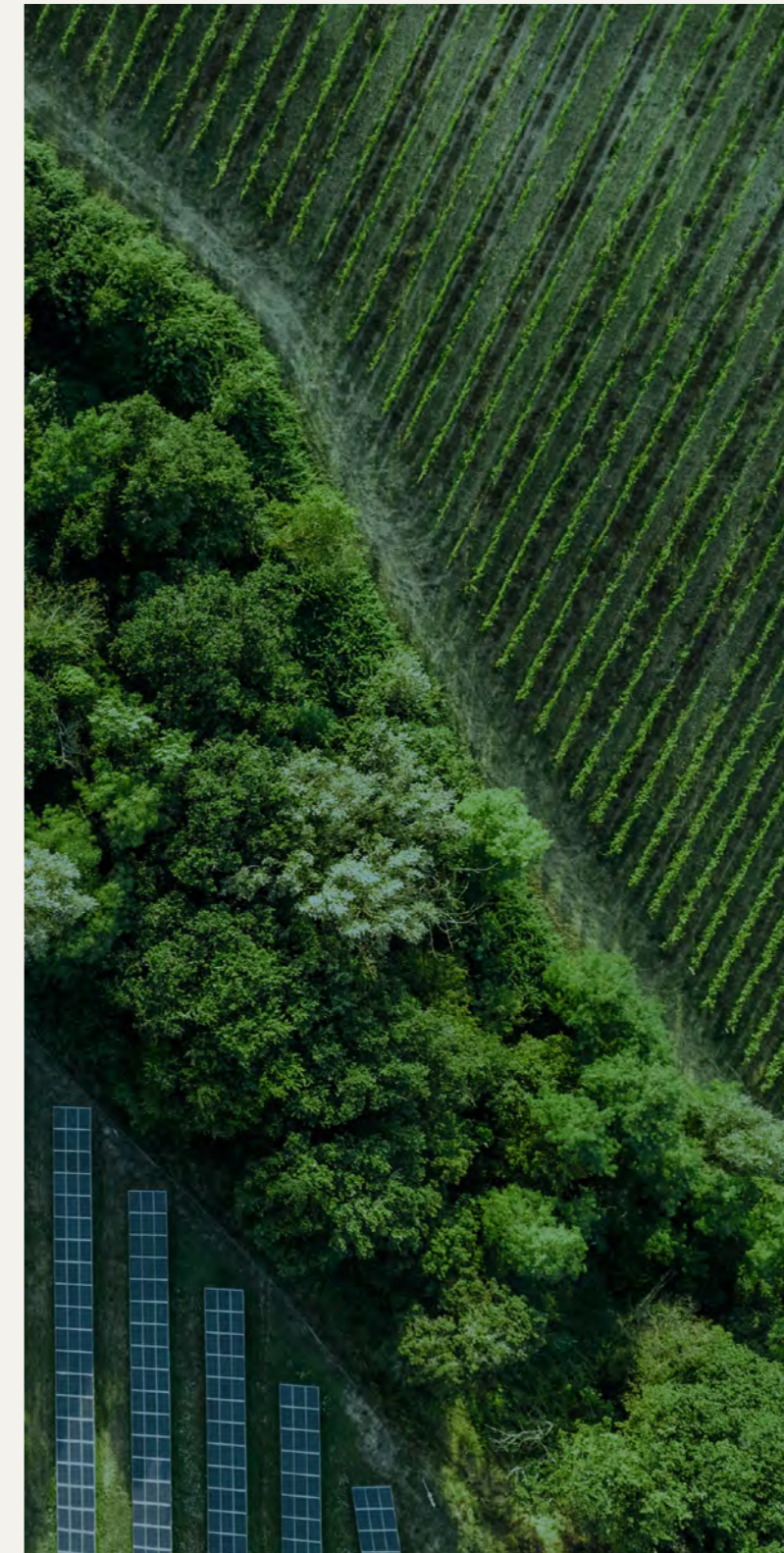
In the past year, the renewable energy market has been hit by low production in a number of key European markets at a time of considerable political uncertainty in a number of countries. Nevertheless, Eurowind Energy has maintained a very high level of investment throughout the year. The company thus maintains its ambitious strategy of building hybrid farms integrating solar, wind and battery energy storage systems. The financial results for 2025 remain positive and are regarded as acceptable in a difficult market.

Looking ahead to 2030, Eurowind Energy is focused on becoming a so-called 'Power Major' and on making significant contributions to the green transition in Europe and the USA. In 2025 alone, 39 new energy farms were built across Europe. At the end of 2025, Eurowind Energy was operating energy farms with a combined capacity of more than 1.3 GW, mostly wind farms. The portfolio of development projects has increased significantly to 55 GW across wind, solar and energy storage projects.

### Energy systems of the future are being developed in Skive

Norlys is the majority owner of GreenLab in Skive, which as Denmark's leading green and circular industrial park serves as a test and demonstration platform for future energy systems. Here, innovative businesses and research environments come together to develop and test solutions integrating renewable energy, surplus resources and industry into a unique symbiosis. GreenLab demonstrated in practice how industry can be electrified and operated on renewable energy using intelligent energy storage systems such as batteries and hydrogen. By sharing energy and excess heat and developing interconnected infrastructures, GreenLab contributes to relieving the electricity grid, promoting the green transition and strengthening Denmark's long-term competitiveness.

GreenLab reached several significant milestones in 2025. In January, GreenLab activated its unique regulatory test zone permit by commissioning its own transformer station, which directly connects an 84 MW solar and wind farm to the GreenLab companies, which means that GreenLab is now effectively operating its own collective mini-format power grid. In autumn 2025, the Danish government designated GreenLab as one of a total of 11 new industrial parks. Being a designated industrial park strengthens the framework for GreenLab's future production, meaning fewer barriers and faster approvals and making it possible to accelerate the development of the green technologies of the future and create a stronger foundation for existing and new companies in the industrial park. In addition, GreenLab has – in collaboration with Eurowind Energy – established Denmark's largest battery energy storage system (BESS) at GreenLab. Once commissioned, the 44 MWh battery solution will strengthen the flexibility, efficiency and utilisation of green energy in the GreenLab industrial cluster.



### Facts

**600,000**

European households are supplied with Eurowind Energy power. Eurowind Energy develops, builds and operates green energy plants and is engaged in activities within solar, wind, battery solutions, hydrogen, power-to-heat and biogas. Norlys owns 49.7% of Eurowind Energy.



# Together we fight loneliness

For Norlys, community is more than a word. Inspired as we are by cooperative idea, it is part of our DNA, and Norlys would never have come into being without a strong sense of community. That is why it is only natural for us to take responsibility and contribute to the fight against loneliness in society by strengthening meaningful communities through key partnerships.

Not all Danes have the opportunity to be part of a community. Loneliness is a major and persistent challenge in Danish society and affects more than half a million Danes. Young people aged 16–34 and seniors aged 80+ are particularly vulnerable, as nearly one in five in these age groups experiences severe loneliness.

The consequences of loneliness are serious, not only in human terms, but also in economic terms. The cost to society is up to DKK 7–8 billion a year due to increased healthcare costs, lost production and increased mortality.

#### **Conversations and social activities help alleviate loneliness**

The Red Cross' work to build communities that embrace people who would otherwise be on their own makes a big difference. In summer 2024, Norlys entered into a three-year collaboration with the Red Cross based on the donation of DKK 1 million a year by Norlys. The donations help strengthen Red Cross initiatives such as its Visiting Service, which matches volunteer visitors with people who need

company. Our annual donation of DKK 1 million ensures that 1,500 people can be matched with a visiting friend. The donation can also support the Red Cross' Talk Together (SnakSamn) initiative and ensure that as many as 2,739 lonely citizens can be offered somebody to talk to online.

The partnership is not just about financial support, but also about working together to raise awareness of loneliness and putting it on the agenda in the public debate. At the same time, it is an issue that we focus on internally among our colleagues.

#### **Too many young people are living with an invisible feeling of loneliness**

In 2025, the mobile company Call me, which is part of Norlys, launched its 'The lonely generation' campaign, which focuses on loneliness among young people in Denmark. The campaign aligns with Call me's mission to break the stigma surrounding loneliness and promote meaningful connections between people.

One in six young people feel lonely – many even when they spend time with others. Call me wanted to shine a light on this through collaboration with the voluntary social youth organisation 'Ventilen'. The purpose of the campaign has been to raise awareness of the growing problem of loneliness among young people, break the taboo and motivate those who are struggling with loneliness and their relatives to seek help. In addition to raising awareness of Ventilen among the Danish population through extensive media exposure, Call me also supports Ventilen's work financially through several initiatives.

# Norlys Growth Pool funded 984 local initiatives small and large

As a Danish cooperatively owned group, Norlys is reinvesting in the society we are part of. This is done, among other things, through the Norlys Growth Pool, which in 2025 granted DKK 63.1 million to initiatives focusing on community, digitalisation and the green transition. Since the establishment of the growth pool, total funding of DKK 298 million has been distributed.

The Norlys Growth Pool has primarily been established for the benefit of our 805,000 cooperative members within Norlys' membership catchment area, which covers most of Jutland. Members within this area can apply for support for projects small and large that create value for the community. It is also possible to apply for funding for good ideas with a broader social impact, for example as part of the green transition – even for non-members.

Over three application rounds in 2025, the Norlys Growth Pool awarded DKK 63.1 million to projects and initiatives designed to strengthen communities and the green and digital transformation of society. In total, 984 projects received funding during the year. The funds are distributed through Norlys' four local growth pools, and are also distributed to projects outside the membership catchment area.

## Selected initiatives supported in 2025

In 2025, we supported a number of initiatives with a community focus. One grantee has been given funding to build a fire pit shelter at a sports facility as a new place to gather for the local community and as somewhere to organise communal meals, outdoor pursuits and social activities. The project greatly supported by volunteers from

the sports club, who contribute both manpower and high levels of commitment.

Another grantee has established a choir where people with dementia can meet in a safe and inclusive environment. Music offers a respite from the disease and gives people with dementia a chance to experience joy and a sense of belonging and connection with others in the same situation.

The Norlys Growth Pool has also supported a number of initiatives focusing on responsible social development. For example, one grantee has developed an innovative solution combining ventilation windows and solar walls with heat storage. The solution utilises the sun's energy for automatic ventilation and heat accumulation, which can help reduce humidity in homes and improve the indoor climate in an energy-efficient way.

Another grantee has started an association to fight food waste and support vulnerable citizens in the local area. Six days a week, the association collects surplus food from a large number of stores – food that would otherwise have ended up as waste – and distributes it to citizens in need.



The Norlys Growth Pool reflects the values that come with being a cooperative that takes responsibility for more than itself. In 2025, we supported almost 1,000 projects through three application rounds. The pool primarily benefits cooperative members within our membership catchment area, but also ideas with a broader societal impact – for the benefit of the whole of Denmark

Søren Nørgaard  
Vice Chairman, Norlys a.m.b.a.



## Norlys Growth Pool in 2025

2,699  
applications



984  
grantees

63.1  
million DKK granted



# Corporate social responsibility statement

**NORLYS**



# ESG in Norlys

NORLYS

In 2025, energy and security consolidated their positions at the top of the global agenda. A turbulent geopolitical landscape, climate change, threats to critical infrastructure and technological advances have intensified the need for energy independence, security of supply and resilience. As Denmark's largest integrated energy and telecommunications group – and as a cooperative – Norlys has a special responsibility to think long-term and act for the common good.

The electrification of society has been accelerating over the past decade. Electricity from renewable energy sources will replace fossil fuels in homes, transport and industry. This will strengthen the green transition, security of supply and our independence from imported energy.

But the electrification of society also brings new challenges, as the power grid must be able to accommodate increased generation capacity while simultaneously meeting the demands for resilience and preparedness posed by both physical and digital threats. Therefore, in 2025, Norlys remained focused on future-proofing and expanding the electricity grid.

Electrification has also gained momentum in the transport sector, where Norlys installed more than 2,700 new public charging points and opened nine new charging hubs for passenger cars in 2025. Similar momentum has been seen for heavy goods transport with the opening of five charging hubs for heavy goods vehicles (HGVs). At the same time, we have almost finished electrifying Norlys' own passenger car fleet and are busy replacing our service vehicles with electric models by 2030.

Norlys has ambitious climate targets and is actively working to reduce its carbon footprint of its own operations and throughout the value chain. The ambition is supported by well-established ESG governance with clear responsibilities, regular reporting and systematic follow-up on risks, targets and initiatives across the Group. In 2025, this was further underpinned by the validation of Norlys' near-term

and net-zero climate targets by the Science Based Targets initiative (SBTi).

As a Danish cooperative, Norlys is firmly rooted in the communities where our owners live. It is our responsibility to create long-term value for our members, customers and the society around us. This means that we look beyond short-term financial results and work for solutions that will also benefit future generations. For the same reason, during the year, we discussed Norlys' strategy and targets with the Board of Directors and Board of Representatives at dialogue meetings around Denmark, as well as a targeted initiative to raise awareness among our 805,000 members about their role as co-owners of Norlys.

A summary of selected sustainability initiatives can be found in the following pages. We encourage you to read the Norlys Sustainability Report 2025 to gain more detailed insight into the progress we have made across environmental (E), social (S) and governance (G) areas.



# Climate and environment (E)

## Policies

Our work with climate change is underpinned by policies addressing climate change, climate adaptation and other environmental commitments. In addition to our Supplier Code of Conduct, which sets out the requirements to be met by our suppliers in their climate efforts, our work is supported by our climate, energy, environment, resources and biodiversity policies. The purpose of the policies is to ensure that we continuously reduce our climate footprint and energy consumption, promote a circular economy and reduce our impacts on the environment and biodiversity. The policies set out principles that help identify risks and opportunities and which guide our daily work to protect and improve the environment.

We regularly report on objectives, progress and actions that support our climate targets and ensure the best possible protection of our infrastructure against climate events. The policies set out specific targets for reducing greenhouse gas emissions and outline our approach to energy efficiency and waste management as well as our commitment to the environment and biodiversity. They serve as an overall framework for the whole group, while business-specific climate action plans are prepared by the companies, adapted to their individual conditions and to create the greatest possible value.

## Actions, initiatives and results

At Norlys, we work with both short-term and long-term actions designed to help reduce climate change through the decarbonisation of both our own operations and our value chain. In 2025, the most important initiatives included:

- An important milestone in the form of validated science-based targets through the Science-based Targets initiative (SBTi), which will help ensure that we are on track to meet our climate goals.
- Commenced implementation of energy management in Norlys Group, Sinal and Kundeselskabet in accordance with ISO 50001, which ensures systematic energy efficiency efforts.
- Preparation of company-specific climate action plans and initiatives that support Norlys' climate goals and address

business-specific challenges.

- Developing products and services that make it easier for our customers to choose responsible solutions, including launch of a complete PPA (Power Purchase Agreements) catalogue, user-friendly energy consumption optimisation app and a CO2 calculator for products.
- Comprehensive replacement of vehicles to electric vehicles across the entire fleet, with the vast majority of passenger cars having been replaced and the first phase of replacing vans now initiated.
- Investments in the expansion and optimisation of the fibre network, the electricity grid and the EV charging network, including the inauguration of a nationwide EV charging network for HGVs as a contribution towards the electrification of heavy goods transport.

## Risks and opportunities

- Norlys operates critical infrastructure on which society as a whole depends. Our infrastructure is continuously adapted to climate change and the associated extreme weather events as they pose a risk of damage to the infrastructure due to storms, floods, landslides etc. To further strengthen security of supply, contingency plans are drawn up and preventive steps are taken.
- Our ownership model supports long-term investments in future-proofing the infrastructure that will contribute to the digitalisation and electrification of Denmark based on renewable energy. Norlys takes a long-term view when investing in the operation, maintenance and expansion of the electricity grid, the fibre network and Denmark's EV charging infrastructure.
- The electrification of Denmark also plays a crucial role in mitigating climate change and is a strategic priority and the foundation of our business model. At the same time, we can meet the increasing demand.

## Total CO<sub>2</sub>e emissions

**-12%**

### Comment

From 2024 to 2025, Norlys' total GHG emissions (scope 1, 2 and 3) were reduced by 12%. This is primarily due to reductions in the value chain, the most important factor being the increased use of renewable energy sources in the Danish electricity grid.

## Electric passenger car fleet

**98.7%**

### Comment

In Norlys entire fleet of vehicles is being replaced with electric models, including passenger cars, vans and trucks. The vast majority of our 381 diesel and petrol-powered passenger cars have already been replaced with electric cars, accounting for an impressive 98.7% in 2025.





## Policies

### Policy for good working life in own workforce

At Norlys, we take our social responsibility seriously, and we are committed to creating positive change for our employees through the creation of strong, attractive and inclusive work communities. This involves targeted efforts to provide the best possible framework for our employees' working lives. Our policy for good working life in own workforce describes the guidelines, the purpose of which is to promote the best possible conditions for Norlys employees – both now and in the future. The policy guides our daily work and is based on the ambition of creating an attractive workplace.

In Norlys, we respect human rights in all activities across our value chain. Our commitment to upholding human rights is described in our policy for good working life in own workforce, among other things, and are in line with internationally recognised guidelines.

### Policy on equal treatment, diversity and inclusion

Our policy on equal treatment, gender equality, diversity and inclusion sets out our commitments to our employees – and what we expect of them – as we work together to create a good workplace. The policy is integrated into our policy for good working life in own workforce but is treated as a separate topic with specific focus areas and objectives. The aim of the policy is to guide our daily work, support good processes and address possible challenges and risks.

The policy focuses on eliminating discrimination and promoting equal opportunities and an inclusive culture. We want to be a workplace for everyone – regardless of gender, age, ethnicity, religion, sexual orientation or special needs – and we work with age diversity, gender diversity and gender equality, workplace accommodations based on physical and mental health needs, as well as procedures for equal treatment, diversity and inclusion in our activities. Moreover, the policy stipulates zero tolerance of discrimination, unequal treatment and abusive behaviour.

### Policy on working environment

Norlys' policy on working environment transforms the general principles set out in our policy for good working life in own workforce into concrete obligations and daily practices. The purpose of the policy on working environment is to develop and maintain a good physical and psychological working environment where employees thrive and no one gets sick from going to work. The policy sets out the standard for how

we protect and ensure employee well-being as well as our shared responsibility for creating a safe workplace together. Through prevention and concrete objectives, Norlys aims to reduce the number of accidents at work to zero. The guidelines in the working environment policy focus on ongoing dialogue about improvements to the working environment, an efficient occupational health and safety organisation, and reporting on and evaluations of the working environment to identify risks to the physical and psychological working environment. At Norlys, we use an occupational health and safety management system based on Vision Zero.

## Actions, initiatives and results

At Norlys, we must live up to our responsibility to create an attractive workplace for our employees, and we are actively working on a number of initiatives that support employee well-being and development. Including:

- Several diversity and inclusion-enhancing initiatives, including collaboration with Tænketanken EQUALIS, Norlys serving as a case partner for the Diversity Barometer in 2026, as well as joining the Danish Chamber of Commerce's Diversity Pact and the Confederation of Danish Industry's Gender Diversity Pledge.
- Introduction of compassionate leave to provide a supportive environment and facilitate the grieving process.
- Safety campaigns, workplace assessments and safety rounds on projects and locations as well as updating of safety procedures.
- Health and well-being plans as part of health strategy to ensure the physical and mental health of employees.

## Risks and opportunities

- Norlys works strategically to ensure diversity, equal treatment and inclusion, as any failure to do so may make it difficult for the companies to attract and retain employees. It can have a bearing on Norlys' ability to recruit the workforce it needs and increase the risk of weakening Norlys' innovation, creativity and competitiveness.
- In Norlys, health and safety procedures are a high priority, as many employees do work that, without proper safety measures, can result in health and safety risks.

Our work with cybersecurity and data protection related to consumers and end-users is described in the section on [Risks](#).

## Accidents at work

**-8.7%**

### Comment

The number of accidents at work resulting in absence has been reduced from 46 in 2024 to 42 in 2025, corresponding to a -8.7% reduction. This is despite an increase in employee numbers for the Group of almost 200. Thanks to an increased focus on occupational health and safety, the positive trend from last year continues. In 2024, the number of accidents was reduced by seven compared to 2023.

## Gender pay gap

**6.1%**

### Comment

The average pay gap between men and women at Norlys – from the lowest-paid employees to the Executive Board – was 6.1% in 2025. The difference has been reduced significantly since 2024 because of active efforts targeting positions and areas where the difference was greater than 5%.

## Policies

The Board of Directors of Norlys a.m.b.a. complies with recommendations for good corporate governance in consumer-owned utilities prepared by the industry organisation Green Power Denmark. Norlys reports annually on our compliance with the guidelines, which is evaluated externally. In 2025, Norlys complies with 23 out of 25 recommendations

In 2025, Norlys prepared and approved a Code of Conduct for employees, which describes the guidelines for how we conduct our business in a legal and ethical manner through good practices. The purpose of this policy is to guide our employees towards conducting themselves in a way that fulfils our responsibilities to our owners, customers, business partners, and society. The policy will be implemented in 2026.

We demand that our suppliers and business partners comply with the guidelines set out in our Supplier Code of Conduct. The purpose is to offer guidance for our suppliers and contractual third parties on responsible business management in accordance with Norlys' guidelines and to create good working conditions in the supply chain. In collaboration with Norlys, suppliers and partners are expected to undertake environmental commitments and actively mitigate climate change, respect and uphold fundamental human and labour rights, ensure a healthy and safe working environment, conduct their business ethically and comply with all applicable legislation.

Our whistleblower schemes are anchored in Norlys' whistleblower policy and are designed to ensure that employees and other stakeholders can safely report any issues of concern. The policy aims to ensure transparency regarding the whistleblower system and to prevent any reluctance to report material matters. It describes the rights of whistleblowers and is available on the intranet and on norlys.dk.

Being Denmark's largest integrated telecommunications and energy company and a cooperative with more than 805,000 members comes with certain responsibilities. Our policy on responsible political advocacy sets out clear guidelines for integrity, decency and transparency in our dialogues with politicians and authorities. The policy focuses on Norlys' political interests and fundamental

principles of lawfulness, decency, openness, transparency, anti-corruption, anti-bribery and confidentiality.

Moreover, we are actively engaged in responsible financial management and have committed to a number of policies that all support sound corporate governance and help ensure appropriate financial conduct. The policies include our fiscal policy, remuneration policy, tax policy, investment policy and insurance policy. The purpose of the policies is to establish principles, requirements and responsibilities when it comes to Norlys' approach to responsible financial management and to ensure the alignment of interests with Norlys' Board of Directors, management and employees.

## Actions, initiatives and results

- The Code of Conduct for employees was prepared in 2025 for implementation in 2026, which includes dissemination and awareness of the policy, which supports our zero tolerance of bribery and corruption as well as our obligations.
- Increased training in procurement departments and engagement with suppliers to help ensure high standards and responsible practices with a focus on environmental, social and ethical issues.
- Strengthened risk governance efforts, for example through the establishment of audit and risk committees in core companies and the integration of ESG into risk management.

## Risks and opportunities

- Although the risk of corruption and bribery in Denmark is generally considered to be low, the risk still exists. However, as a critical infrastructure provider, we conduct security screenings of key personnel in critical cyber and information security and power supply functions.
- Many of Norlys' activities are subject to strict regulatory requirements, and changing political conditions entail a risk of unstable and unpredictable framework conditions, affecting our ability to invest in the green transition and digitalisation of Denmark. Responsible political influence and lobbying activities is therefore a strategic priority for Norlys, with which we are working proactively.

## Cases of corruption

0

### Comment

In 2025, Norlys saw no incidents or lawsuits and received no fines for violations of anti-corruption and anti-bribery laws.

During the reporting period, no cases of corruption or bribery were reported or confirmed via the whistleblower scheme or through the use of internal complaint mechanisms.



## Energy

We invest in activities in **solar, wind, battery solutions and Power-to-X**.



Norlys' grid company future-proofs and operates the **largest electricity grid in Denmark**. We are developing a nationwide EV charging network. We balance supply and demand.



We sell **electricity, gas and EV charging solutions** for light and HGVs to businesses, private and public customers.



Norlys' business model combines our role as Denmark's largest energy and telecommunications group with our cooperative DNA. Our goal is to create the greatest possible value for our members, customers, employees and society as a whole.

We work right across the energy and telecommunications value chain – from developing and operating critical infrastructure to delivering solutions that connect people, businesses and communities.

# We connect Denmark with our energy, TV, EV charging, mobile and internet solutions

## Telecommunications

We invest long-term in critical infrastructure and create value for our members and for society – made possible by our cooperative ownership model.

With more than 4,650 employees, we work tirelessly to **develop and connect Denmark with energy and telecommunications solutions**.



We develop, future-proof and operate telecommunications infrastructure through our ownership of the **largest fibre network in Denmark** and the **co-ownership of the country's largest mobile network**.

We support **free competition in the fibre market** through a collaboration platform for network owners and service providers for the benefit of consumers.



We deliver **mobile telephony, internet and TV solutions as well as Internet of Things at competitive prices** – to businesses, private and public customers.



# Other matters

# Risks



## Insurance matters

Norlys' principles governing insurance are outlined in the Group's insurance policy, which provides the overall framework for establishing insurance coverage in Norlys. The purpose of insurance is to serve as a financial mechanism that provides a greater degree of budgetary security and minimises the risk that damage to the Group's assets or claims for compensation from third parties will result in a significant financial loss. In addition, the purpose is to comply with legal and contractual requirements for the establishment of insurance. Norlys' insurance coverage and insurance policy are reviewed and revised annually. Norlys also uses an external and impartial insurance broker to ensure that insurance policies are arranged on market terms and conditions and that the adopted insurance policy is complied with.

## Financial risks

Financial risks relating to liquidity, interest rates and foreign exchange are described in the Group's financial policy as adopted by the Norlys Board of Directors. The purpose of the financial policy is to provide overall guidelines for financial risk management at Norlys, focusing on liquidity, interest rate and foreign exchange risks. Ongoing management of the Group's financial risks is anchored with the CFO in the Treasury department, which also enters into financial instrument transactions, for instance interest rate hedges, within the scope of the financial policy. The Treasury department is tasked with supporting the activities of the Group and its companies by ensuring sufficient capital at competitive prices, hedging foreign exchange and interest rate risks and preparing regular liquidity forecasts to ensure that the Group has access to sufficient capital resources at all times.

## Operational risks

The key risk associated with electricity and gas trading relates to the ability to price electricity and gas in view of

the expected cost of purchasing the electricity and gas needed to cover customers' consumption and replenish the Group's gas stocks (price risk) in the wholesale market. The Group also bears the balancing risk. The contracts entered into by the Group for the purchase and sale of these products reflect the desired risk profile. Risks are hedged on the Nasdaq Stock Exchange, the European Energy Exchange (EEX) or through bilateral agreements with major electricity trading companies. The Group regularly assesses volume risk, i.e. the risk that actual consumption will differ from the consumption forecasts at the time of conclusion of the agreement. The Group's framework for trading in these products and the desired associated risk profile are set out in a risk policy adopted by the Board of Directors. Other than that, the Group companies have undertaken no other special risks beyond those considered normal for the industries of the companies concerned, including regulatory and legislative risks.

## Cyber risks

Norlys is increasingly dependent on stable, secure and accessible digital platforms to support critical infrastructure, business processes, the provision of services and the handling of data. Technological developments, increased digitalisation and the geopolitical situation are collectively contributing to a more complex and serious cyber threat landscape. States and state-backed players as well as organised criminal networks are increasingly using cyber attacks targeting critical infrastructure as a means of financial gain and destabilisation. This has resulted in a persistently elevated risk of targeted attacks against both private companies and critical infrastructure.

The most significant cyber risks to the Group relate to incidents that may compromise operations and thereby the ability to maintain security of supply. In addition, incidents may include information security breaches, including unauthorised access to systems and data, attacks against

system availability (e.g. ransomware), compromise of third parties, and data manipulation or destruction.

The Group continues to take a systematic and risk-based approach to cyber and information security as an integral part of its overall risk management. Significant additional resources have been allocated to security, and a groupwide governance and control framework has been established setting out minimum requirements and the division of responsibilities across the companies..

Cyber risks are continuously identified, assessed and prioritised based on the threat landscape, vulnerabilities and criticality, and regular reports are provided to the Executive Board and the Board of Directors regarding risk levels, maturity and major incidents.

Steps taken include preventive technical and organisational controls, ongoing monitoring and incident management, strengthening of preparedness and recovery capacity as well as increased focus on supplier management and employee safety behaviour. In light of stricter regulatory requirements, including NIS2, the Group is working diligently to further enhance its security and contingency planning to strengthen its resilience in the face of the heightened threat landscape and ensure continued compliance and stable operation of the Group's critical infrastructure functions.

Over the past year, Norlys has identified and thwarted an increasing number of targeted phishing attempts and other types of attacks, and the Group continues to work very closely with all relevant authorities, interest groups and industry stakeholders to share knowledge and adapt promptly to developments in the field of security.

# Data ethics statement

As a provider of critical infrastructure in the telecommunications and energy sectors, Norlys has a special obligation to handle data in an ethical, secure and transparent manner. Data ethics is therefore a key element in our use of data and technology. We work systematically to ensure that the collection, processing and use of data are carried out in a lawful, responsible and transparent manner, and we maintain a constant focus on ensuring that our data use always supports the trust placed by society and our customer in the infrastructure we operate.

The data ethics principles are integrated into our Code of Conduct as well as into our existing information security and data protection policies. Our approach to data ethics is based on principles of proportionality, purpose limitation, data minimisation and transparency. This means that we only use data when there is a clear and legitimate purpose, and that we continuously assess whether the use is reasonable and ethically sound.

We have a special focus on preventing bias, discrimination and unintended consequences in the use of data and automated solutions. Ethical considerations are therefore an integral part of our risk assessments, governance and decision-making processes, for example in connection with the development and use of new technologies and data-driven solutions. In our use of artificial intelligence

(AI) or automated decision-making, we take a risk-based approach, where relevant requirements for data quality, transparency and human involvement are determined and complied with in accordance with applicable regulation.

Through clear internal guidelines, employee training and ongoing management oversight, we work to strengthen a shared ethical awareness of data. Our goal is to build and maintain the trust of our customers, business partners and other stakeholders by ensuring that data is used responsibly, securely and in accordance with our values.



# Uncertainty in recognition and measurement

## Electricity and gas sales

The Norlys Energi A/S consolidated company accounts for electricity and gas sales on an accruals basis based on consumption data recorded in Datahub and at Energinet. The company continuously monitors the relationship between kWh bought and sold to balance the two. Accruals are inherently subject to uncertainties, for instance due to factors such as differences in end-user meter reading dates, reporting errors by distribution companies and possible incorrect registrations by the company's balance responsible party. These sources regularly report corrections that may result in refunds or additional billing of the company. Given that these data are generated by sources beyond the company's control, it is not possible reliably to determine these uncertainties, but much uncertainty may be eliminated by reconciling energy balances as part of the annual settlement, and in light of this the associated combined economic impact is deemed to be low.

## EV charging stations, eMobility

The group companies Norlys Charging A/S and Norlys Energi A/S are planning to invest over a number of years in the roll-out of EV charging stations in Denmark – in the form of public charging stations, B2B charging stations, B2C charging stations, charging stations at partnership locations and at own locations. The impairment tests prepared by the companies and the resulting calculations of capital values are associated with natural uncertainties as the assumptions applied are conditional on external parameters beyond the companies' control and in a market with limited historical data. The carrying amounts of the companies' property, plant and equipment are subject to uncertainty as the assumptions used – including discount rates, capacity utilisation and revenue per kWh – are particularly vulnerable to minor adverse outcomes, which, depending on the circumstances, could result in impairment losses in addition to regular depreciation.



# Outlook for the future

**NORLYS**





# Strong focus on integration and execution in 2026

A number of key tasks will dominate 2026. In addition to navigating challenging market conditions, we will continue the integration of Norlys Mobil and EWII, and we will focus even more on execution and the customer experience.

The past few years have seen a number of important and necessary initiatives and changes in the Norlys Group, including acquisitions, mergers and a new corporate and management structure. With the new corporate and management structure, we have created a strong foundation anchored in the organisation. This is an important starting point as we face a new year predicted to see significant integration costs and challenging market conditions.

A key focus in 2026 will be to ensure the successful integration of Norlys Mobil, certain aspects of which remain outstanding due to the complexity of the integration task. Our acquisition of EWII Fibernet was not closed until the beginning of 2026, which has a bearing on our outlook for the year as we were not able to complete the integration of EWII Fibernet in 2025 as expected. The regulatory approval has also meant that we have to cede ownership of seven antenna associations in Kundeselskabet Norlys, which also has a negative impact on our financial performance and the customer experience.

#### Focus on enhanced customer experience

The acquisitions and mergers of recent years have created a complex system landscape, which has had a negative impact on the customer experience, and resolving this has

been a top priority for both Kundeselskabet Norlys and Sinal. We have worked diligently to improve the customer experience through a number of initiatives and have seen significant improvements over the course of the year.

The work to strengthen the customer experience and thereby retain more customers will remain a top priority in 2026. In addition to the initiatives already in progress, we will also implement transformation projects to optimise a number of processes and make us more data-driven, so that we can offer our customers the best products and the best customer service across both energy and telecommunications.

#### Investments in critical infrastructure and integration costs

2026 will be characterised by large investments and integration costs as well as significant goodwill amortisation, relating especially to the integration of Norlys Mobil and EWII Fibernet. Record investments of approximately DKK 5 billion will be made in developing and future-proofing critical infrastructure – from fibre and mobile coverage to EV charging infrastructure and power grid capacity in support of Norlys’ long-term strategy.

The management expects Norlys to deliver a positive operating profit before depreciation and amortisation (EBITDA) of approx. DKK 2.0 billion in 2026 and a loss before tax of just under DKK 1.4 billion. Excluding the significant integration costs and goodwill amortisation relating to our acquisition of Telia Mobil Danmark and EWII Fibernet, a profit before tax is expected.

We are entering a crucial and exciting phase in Norlys’ development. We are fully committed to ensuring the smooth integration of Norlys Mobil and EWII Fibernet, enhancing the customer experience, accelerating execution and continuing to create value for our members, so that we emerge stronger for the future.

# The full potential: Norlys’ strategic journey towards 2027



**2025 saw record-high investments in critical infrastructure and major transformation projects, and this is set to continue. We are now halfway through our strategy period, which has a clear objective: We want to realise Norlys’ full potential as Denmark’s largest integrated energy and telecommunications group. Our foundation is strong, and we are now reshaping our focus on execution so that our customers and society will feel the value of a more cohesive Norlys.**

For a number of years, Norlys has expanded the Group through a number of large mergers. While the strategic focus has previously been on growth through acquisitions and mergers, our focus is now more on realising synergies across the business. The goal is for our comprehensive integration and transformation efforts to set new standards for customer satisfaction and loyalty. Moreover, Norlys must be positioned to make the massive investments in capacity, stability and security that will be needed in the coming years.

Norlys’ new corporate and management structure, launched in 2024, is creating a strong dynamic across the Group. The Norlys Group acts as an active owner, setting the overall direction and ensuring coherence based on our mission statement and ownership strategy, while the individual companies are given a clear mandate to focus on their core business. The structure thus supports the mission to realise Norlys’ full potential.

#### **Strategic focus on transformation and execution**

The immensely complex integration and transformation projects undertaken by Norlys require considerable execution capacity. This goes, in particular, for the ongoing integration of Telia Mobil Danmark and the integration of EWII’s Fibernet, the acquisition of which was finalised in

early 2026. At the same time, we are involved in a number of major transformation projects to optimise our processes and make us more data-driven, so that we can offer our customers the best products and the best customer service across both energy and telecommunications. In this context, our agreement with IT platform supplier Kraken was a major milestone in 2025, and we look forward to starting the implementation work in 2026.

The next few years will be characterised by significant investments in the critical infrastructure being operated and future-proofed by Norlys – the power grid, fibre network, mobile networks and EV charging networks. At the same time, geopolitical tensions have pushed critical infrastructure protection requirements to the highest level ever. As a responsible owner, we take this seriously. We will therefore continue investing in both digital and physical security and maintain close dialogue with the authorities.

# Financial statements 2025

**NORLYS**

# Statement by the Executive Board and the Board of Directors

## Management

The Board of Directors and the Executive Board have today considered and adopted the annual report of Norlys a.m.b.a. for the financial year 1 January to 31 December 2025.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial positions at 31 December 2025 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 January to 31 December 2025.

In our opinion, the management's review includes a fair review of the matters dealt with in the review.

We recommend the annual report for adoption at the annual general meeting.


Silkeborg, 8 April 2026

Executive Board


  
**GERT VINTHER JØRGENSEN**  
Group CEO

  
**ANNE METTE AABY AAES**  
Group CFO


## Board of Directors

  
**JENS ERIK PLATZ**  
Chairman of the Norlys a.m.b.a.  
Board of Directors

  
**SØREN NØRGAARD**  
Vice Chairman, Norlys a.m.b.a.

  
**CHRISTIAN LAGONI**

  
**CLAUS ANTONISEN NIELSEN**

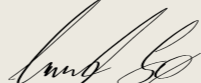
  
**CLAUS NØRGAARD**

  
**HENRIK BIELEFELDT**

  
**JOHN THOMSEN**

  
**JYTTE RABÆK SCHMIDT**

  
**JØRGEN HOLT CLEMMENSEN**

  
**LAUST HOLM SØ**

  
**TORBEN RAUNHOLT SCHMIDT**

  
**MALTE LARSEN**

  
**RUTH PALLUDAN**

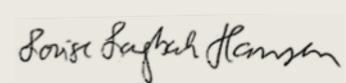
  
**SØREN HVIDBJERG**

  
**CHRISTIAN GREVE**

  
**SØREN STRØM**

  
**STINE MARIE ANDREASEN**

  
**THOMAS EJLSKOV HUST**

  
**LOUISE LANGBAK HANSEN**

# Independent Auditor's Report

To the members of Norlys a.m.b.a.

## Opinion

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 2025, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Norlys a.m.b.a. for the financial year 1 January - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on 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 Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in 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 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 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the

Consolidated Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Aarhus, 8. April 2026

## PricewaterhouseCoopers

State Authorised Accounting Firm  
CVR No 33 77 12 31

Claus Lindholm Jacobsen  
State Authorised Public Accountant  
mne23328

Michael Groth Hansen  
State Authorised Public Accountant  
mne 33228

# Independent Auditor's Report

To the members of Norlys a.m.b.a.

## Opinion

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 2025, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Norlys a.m.b.a. for the financial year 1 January - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

## Grundlag for konklusion

Vi har udført vores revision i overensstemmelse med internationale standarder om revision og de yderligere krav, der er gældende i Danmark. Vores ansvar ifølge disse standarder og krav er nærmere beskrevet i revisionspåtegningens afsnit "Revisors ansvar for revisionen af regnskabet". Vi er uafhængige af koncernen i overensstemmelse med International Ethics Standards Board for Accountants' internationale retningslinjer for revisoreres etiske adfærd (IESBA Code) og de yderligere etiske krav, der er gældende i Danmark, ligesom vi har opfyldt vores øvrige etiske forpligtelser i henhold til disse krav og IESBA Code. Det er vores opfattelse, at det opnåede revisionsbevis er tilstrækkeligt og egnet som grundlag for vores konklusion.

## Udtalelse om ledelsesberetningen

Ledelsen er ansvarlig for ledelsesberetningen. Vores konklusion om regnskabet omfatter ikke ledelsesberetningen, og vi udtrykker ingen form for konklusion med sikkerhed om ledelsesberetningen.

I tilknytning til vores revision af regnskabet er det vores ansvar at læse ledelsesberetningen og i den forbindelse overveje, om ledelsesberetningen er væsentligt inkonsistent med regnskabet eller vores viden opnået ved revisionen eller på anden måde synes at indeholde væsentlig fejlinformation.

Vores ansvar er derudover at overveje, om ledelsesberetningen indeholder krævede oplysninger i henhold til årsregnskabsloven.

Baseret på det udførte arbejde er det vores opfattelse, at ledelsesberetningen er i overensstemmelse med koncernregnskabet og årsregnskabet og er udarbejdet i overensstemmelse med årsregnskabslovens krav. Vi har ikke fundet væsentlig fejlinformation i ledelsesberetningen.

## Ledelsens ansvar for regnskabet

Ledelsen har ansvaret for udarbejdelsen af et koncernregnskab og et årsregnskab, der giver et retvisende billede i overensstemmelse med årsregnskabsloven. Ledelsen har endvidere ansvaret for den interne kontrol, som ledelsen anser for nødvendig for at udarbejde et regnskab uden væsentlig fejlinformation, uanset om denne skyldes besvigelser eller fejl.

Ved udarbejdelsen af regnskabet er ledelsen ansvarlig for at vurdere koncernens og selskabets evne til at fortsætte driften; at oplyse om forhold vedrørende fortsat drift, hvor dette er relevant; samt at udarbejde

regnskabet på grundlag af regnskabsprincippet om fortsat drift, medmindre ledelsen enten har til hensigt at likvidere koncernen eller selskabet, indstille driften eller ikke har andet realistisk alternativ end at gøre dette.

## Revisors ansvar for revisionen af regnskabet

Vores mål er at opnå høj grad af sikkerhed for, om regnskabet som helhed er uden væsentlig fejlinformation, uanset om denne skyldes besvigelser eller fejl, og at afgive en revisionspåtegning med en konklusion. Høj grad af sikkerhed er et højt niveau af sikkerhed, men er ikke en garanti for, at en revision, der udføres i overensstemmelse med internationale standarder om revision og de yderligere krav, der er gældende i Danmark, altid vil afdække væsentlig fejlinformation, når sådan findes. Fejlinformationer kan opstå som følge af besvigelser eller fejl og kan betragtes som væsentlige, hvis det med rimelighed kan forventes, at de enkeltvis eller samlet har indflydelse på de økonomiske beslutninger, som brugerne træffer på grundlag af regnskabet.

Som led i en revision, der udføres i overensstemmelse med internationale standarder om revision og de yderligere krav, der er gældende i Danmark, foretager vi faglige vurderinger og opretholder professionel skepsis under revisionen. Herudover:

- Identificerer og vurderer vi risikoen for væsentlig fejlinformation i regnskabet, uanset om denne skyldes besvigelser eller fejl, udformer og udfører revisionshandlinger som reaktion på disse risici samt opnår revisionsbevis, der er tilstrækkeligt og egnet til at danne grundlag for vores konklusion. Risikoen for ikke at opdage væsentlig fejlinformation forårsaget af besvigelser er højere end ved væsentlig fejlinformation forårsaget af fejl, idet besvigelser kan omfatte sammensværgelser, dokumentfalsk, bevidste udeladelser,

- vildledning eller tilsidesættelse af intern kontrol.
- Opnår vi forståelse af den interne kontrol med relevans for revisionen for at kunne udforme revisionshandlinger, der er passende efter omstændighederne, men ikke for at kunne udtrykke en konklusion om effektiviteten af koncernens og selskabets interne kontrol.
- Tager vi stilling til, om den regnskabspraksis, som er anvendt af ledelsen, er passende, samt om de regnskabsmæssige skøn og tilknyttede oplysninger, som ledelsen har udarbejdet, er rimelige.
- Konkluderer vi, om ledelsens udarbejdelse af regnskabet på grundlag af regnskabsprincippet om fortsat drift er passende, samt om der på grundlag af det opnåede revisionsbevis er væsentlig usikkerhed forbundet med begivenheder eller forhold, der kan skabe betydelig tvivl om koncernens og selskabets evne til at fortsætte driften. Hvis vi konkluderer, at der er en væsentlig usikkerhed, skal vi i vores revisionspåtegning gøre opmærksom på oplysninger herom i regnskabet eller, hvis sådanne oplysninger ikke er tilstrækkelige, modificere vores konklusion. Vores konklusioner er baseret på det revisionsbevis, der er opnået frem til datoen for vores revisionspåtegning. Fremtidige begivenheder eller forhold kan dog medføre, at koncernen og selskabet ikke længere kan fortsætte driften.
- Tager vi stilling til den samlede præsentation, struktur og indhold af regnskabet, herunder noteoplysningerne, samt om regnskabet afspejler de underliggende transaktioner og begivenheder på en sådan måde, at der gives et retvisende billede heraf.
- Planlægger og udfører vi koncernrevisionen for at opnå tilstrækkeligt og egnet revisionsbevis vedrørende de finansielle oplysninger for virksomhederne eller forretningsenhederne i koncernen som grundlag for at udforme en konklusion om koncernregnskabet og årsregnskabet. Vi er ansvarlige for at lede, føre tilsyn med og gennemgå det udførte revisionsarbejde til

brug for koncernrevisionen.

Vi er eneansvarlige for vores revisionskonklusion.

Vi kommunikerer med den øverste ledelse om blandt andet det planlagte omfang og den tidsmæssige placering af revisionen samt betydelige revisionsmæssige observationer, herunder eventuelle betydelige mangler i intern kontrol, som vi identificerer under revisionen.

Aarhus, 8 April 2026

## PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31

Claus Lindholm Jacobsen  
statsautoriseret revisor  
mne23328

Michael Groth Hansen  
statsautoriseret revisor  
mne33228

# Income statement

Income statement (DKK '000) 01.01.2025 - 31.12.2025		Group		Parent Company	
		2025	2024	2025	2024
Note					
3	Revenue	16,250,774	14,289,028	0	0
	Own work capitalised	821,114	929,136	0	0
4	Other operating income	75,229	141,896	0	0
	<b>Total operating income</b>	<b>17,147,117</b>	<b>15,360,060</b>	<b>0</b>	<b>0</b>
	Raw materials and consumables used	-9,429,764	-8,103,667	0	0
	Other external expenses	-2,453,007	-2,340,696	-23,895	-30,015
	<b>Gross profit</b>	<b>5,264,346</b>	<b>4,915,697</b>	<b>-23,895</b>	<b>-30,015</b>
5	Staff costs	-3,267,019	-2,880,371	-12,482	-13,523
	<b>Profit before depreciation, amortisation and impairment losses (EBITDA)</b>	<b>1,997,327</b>	<b>2,035,326</b>	<b>-36,377</b>	<b>-43,538</b>
10, 11	Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment	-2,928,100	-2,521,159	0	0
	Other operating expenses	-69,864	-99,023	0	0
	<b>Profit before financial income and expenses (EBIT)</b>	<b>-1,000,637</b>	<b>-584,856</b>	<b>-36,377</b>	<b>-43,538</b>
	Investments in group enterprises*	0	0	-1,706,842	-616,544
13	Investments in associates	-40,760	127,681	0	0
	Income from other investments	56,611	12,133	0	0
6	Financial income	608,830	1,150,954	299,111	785,063
7	Financial expenses	-702,408	-717,321	-39,927	-74,538
	<b>Profit before tax</b>	<b>-1,078,364</b>	<b>-11,409</b>	<b>-1,484,035</b>	<b>50,443</b>
8	Tax on profit for the year	-412,243	-48,988	-1,253	-1,447
	<b>Net profit for the year</b>	<b>-1,490,607</b>	<b>-60,397</b>	<b>-1,485,288</b>	<b>48,996</b>
9	Distribution of net profit				

\*Refer to Note 12



# Balance sheet

31.12.2025		Group		Parent Company	
Note	2025	2024	2025	2024	
	1,490,353	1,292,096	0	0	
	1,150,475	1,424,693	0	0	
	2,064,095	2,342,722	0	0	
	492,259	427,924	0	0	
	10,406	0	0	0	
10	<b>5,207,588</b>	<b>5,487,435</b>	<b>0</b>	<b>0</b>	
	1,096,575	690,994	0	0	
	22,822,244	22,028,479	0	0	
	3,001,736	2,428,472	0	0	
	1,889,898	2,020,445	0	0	
	402	10,037	0	0	
11	<b>28,810,855</b>	<b>27,178,427</b>	<b>0</b>	<b>0</b>	
12	0	0	18,563,804	20,327,933	
13	1,992,493	1,989,725	0	0	
	0	0	300,168	0	
14	2,769,594	2,019,857	0	0	
14	114,621	120,477	356	0	
14	298,879	123,882	0	0	
	<b>5,175,587</b>	<b>4,253,941</b>	<b>18,864,328</b>	<b>20,327,933</b>	
	<b>39,194,030</b>	<b>36,919,803</b>	<b>18,864,328</b>	<b>20,327,933</b>	
	557,186	656,691	0	0	
	399,946	409,550	0	0	
	<b>957,132</b>	<b>1,066,241</b>	<b>0</b>	<b>0</b>	
	2,066,383	2,180,129	0	0	
15	24,942	39,663	0	0	
	0	0	29,425	1,116,243	
	35,707	26,360	0	0	
16	905,429	1,320,577	0	0	
17	1,313,420	1,686,227	18,740	19,863	
	5,383	3,582	904	357	
18	395,291	369,018	0	0	
	13,999	0	0	0	
	<b>4,760,554</b>	<b>5,625,556</b>	<b>49,069</b>	<b>1,136,463</b>	
	<b>8,352,270</b>	<b>8,097,586</b>	<b>8,352,270</b>	<b>8,097,586</b>	
	<b>1,626,234</b>	<b>2,117,683</b>	<b>6,575</b>	<b>6,599</b>	
	<b>15,696,190</b>	<b>16,907,066</b>	<b>8,407,914</b>	<b>9,240,648</b>	
	<b>54,890,220</b>	<b>53,826,869</b>	<b>27,272,242</b>	<b>29,568,581</b>	

31.12.2025		Group		Parent Company	
Note	2025	2024	2025	2024	
	26,832,749	28,288,005	24,481,526	24,309,972	
	0	0	2,325,889	4,090,019	
	-21,200	116,121	0	0	
	0	53,895	0	53,895	
	74,935	76,148	74,935	76,148	
	1,278,696	1,364,755	0	0	
	<b>28,165,179</b>	<b>29,898,924</b>	<b>26,882,349</b>	<b>28,530,034</b>	
	13,736	63,166	0	0	
19	211,773	145,618	0	0	
	<b>225,509</b>	<b>208,784</b>	<b>0</b>	<b>0</b>	
	10,447,254	10,540,091	0	0	
	1,566,348	1,566,348	0	0	
	290,605	806	0	0	
	4,555,442	4,342,009	0	0	
20	<b>16,859,649</b>	<b>16,449,254</b>	<b>0</b>	<b>0</b>	
20	107,975	104,979	0	0	
	5,092,627	2,336,411	300,168	996,278	
20	132,233	309,249	0	0	
15	4,494	1,215	0	0	
	1,471,634	1,624,057	4,818	44	
	0	0	10,650	4,311	
	249	52	0	0	
20	2,179,894	2,393,121	74,257	37,914	
20	650,777	500,823	0	0	
	<b>9,639,883</b>	<b>7,269,907</b>	<b>389,893</b>	<b>1,038,547</b>	
	<b>26,499,532</b>	<b>23,719,161</b>	<b>389,893</b>	<b>1,038,547</b>	
	<b>54,890,220</b>	<b>53,826,869</b>	<b>27,272,242</b>	<b>29,568,581</b>	
21					
22					
23					
24					
25					
26					

# Statement of changes in equity

Group (DKK '000)	Retained earnings	Reserve for hedging transactions	Nyfors Growth Pool	Norlys Growth Pools	Non-controlling interests	Total
<b>Equity 1 January 2025</b>	<b>28,288,005</b>	<b>116,121</b>	<b>53,895</b>	<b>76,148</b>	<b>1,364,755</b>	<b>29,898,924</b>
Granted during the year	0	0	-8,157	-52,190	0	-60,347
Fair value adjustment of hedging instruments	128,731	-139,744	0	0	15,466	4,453
Tax on changes in equity	0	2,423	0	0	-3,403	-980
Other equity entries	-48,699	0	-977	977	-1,807	-50,506
Additions during the year	0	0	0	0	31,316	31,316
Disposals during the year	0	0	-44,762	0	-24,533	-69,295
Paid dividends	0	0	0	0	-97,779	-97,779
Net profit for the year	-1,535,288	0	0	50,000	-5,319	-1,490,607
<b>Equity 31 December 2025</b>	<b>26,832,749</b>	<b>-21,200</b>	<b>0</b>	<b>74,935</b>	<b>1,278,696</b>	<b>28,165,179</b>

Parent company (DKK '000)	Retained earnings	Net revaluation reserve according to the equity method	Nyfors Growth Pool	Norlys Growth Pools	Total
<b>Equity 1 January 2025</b>	<b>24,309,972</b>	<b>4,090,019</b>	<b>53,895</b>	<b>76,148</b>	<b>28,530,034</b>
Granted during the year	0	0	-8,157	-52,190	-60,347
Adjustment of hedging instruments in subsidiaries	0	-11,012	0	0	-11,012
Tax on changes in equity	0	2,423	0	0	2,423
Other equity adjustments	0	-48,699	-977	977	-48,699
Disposals	0	0	-44,762	0	-44,762
Net profit for the year	171,554	-1,706,842	0	50,000	-1,485,288
<b>Equity 31 December 2025</b>	<b>24,481,526</b>	<b>2,325,889</b>	<b>0</b>	<b>74,935</b>	<b>26,882,349</b>

# Cash flow statement

Cash flow statement (DKK '000) 01.01.2025 - 31.12.2025		Group	
Note		2025	2024
	Net profit for the year	-1,490,607	-60,397
	Depreciation, amortisation and impairment losses	2,928,100	2,521,159
	Gain/loss on disposal of non-current assets	65,181	17,093
27	Changes in working capital	44,642	-578,644
28	Other adjustments	588,680	-223,595
	<b>Cash flows from operating activities before financial income and expenses</b>	<b>2,135,996</b>	<b>1,675,616</b>
	Financial income received	208,918	105,645
	Financial expenses paid	-556,967	-532,918
	Income tax paid/received	-15,223	168,857
	<b>Cash flows from operating activities</b>	<b>1,772,725</b>	<b>1,417,200</b>
	Purchase of intangible assets	-738,076	-512,120
	Purchase of property, plant and equipment	-3,692,005	-3,662,845
	Sale of property, plant and equipment	84,218	54,546
	Purchase of investments	-204,968	-78,203
	Acquisition of enterprises	-38,853	-5,410,432
	Sale of securities	0	5,524,146
	Loans to associates	-745,880	-1,477,736
	Payout to non-controlling interests	0	-157,500
	<b>Cash flows from investing activities</b>	<b>-5,335,564</b>	<b>-5,720,143</b>
	Mortgage repayments	-89,841	-72,410
	Connection charges received	631,652	615,367
	Raising and repayment of long-term payables	0	1,566,348
	Change in bank overdrafts	2,756,216	1,537,878
	Paid to growth pools	-60,347	-49,578
	Dividends paid to non-controlling interests	-176,250	0
	Dividends received	9,959	9,954
	<b>Cash flows from financing activities</b>	<b>3,071,389</b>	<b>3,607,559</b>
	<b>Change in cash and cash equivalents</b>	<b>-491,449</b>	<b>-695,384</b>
	Cash, beginning of year	2,117,683	2,373,235
	Additions relating to mergers and acquisitions	0	439,832
	<b>Cash and cash equivalents 31.12.</b>	<b>1,626,234</b>	<b>2,117,683</b>
	Cash	1,626,234	2,117,683
	<b>Cash and cash equivalents 31.12.</b>	<b>1,626,234</b>	<b>2,117,683</b>

# Notes

## 1. Special items (DKK '000)

	Group		Parent Company	
	2025	2024	2025	2024
Integration costs	-416,497	-239,233	0	0
Other external expenses	-95,726	-180,988	0	0
Staff costs	-157,605	-30,124	0	0
	<b>-669,828</b>	<b>-450,345</b>	<b>0</b>	<b>0</b>

### Group

The consolidated company Norlys Digital A/S incurred integration costs of DKK 416 million in connection with the integration of Norlys Mobil in 2025.

Norlys Mobil A/S' special items for the year are primarily restructuring costs, including costs associated with the establishment and integration of the company under a new owner and in a new group structure. Other special costs mainly relate to staff expenses, consultancy fees and software integration.

## 2. Uncertainty in recognition and measurement

### Electricity and gas sales

The Norlys Energi A/S consolidated company accounts for electricity and gas sales on an accruals basis based on consumption data recorded in Datahub and at Energinet. The company continuously monitors the relationship between kWh bought and sold to balance the two. Accruals are inherently subject to uncertainties, for instance due to factors such as differences in end-user meter reading dates, reporting errors by distribution companies and possible incorrect registrations by the company's balance responsible party. These sources regularly report corrections that may result in refunds or additional billing of the company. Given that these data are generated by sources beyond the company's control, it is not possible reliably to determine these uncertainties, but much uncertainty may be eliminated by reconciling energy balances as part of the annual settlement.

### EV charging stations, eMobility

The consolidated company Norlys Charging A/S is planning an investment over several years in the roll-out of EV charging stations in Denmark in the form of public charging stations, B2B charging stations and charging stations for private consumers. The impairment tests prepared by the company and the resulting calculations of capital values are associated with natural uncertainty as the assumptions applied are conditional on external parameters beyond the company's control and in a market with limited historical data. The recognition and measurement of the company's property, plant and equipment is subject to significant uncertainty as the assumptions applied, including discount rates, capacity utilisation and earnings per kWh, are particularly vulnerable to slightly adverse outcomes, which may result in a write-down of the carrying amounts of the company's property, plant and equipment.

## 3. Segment information/activities – primary segment (DKK '000)

Year	Energy	Supply	Digital & Tele	Fibre	Trading	Other revenue	Total group
<b>2025</b>							
Revenue	5,851,105	1,516,971	6,935,108	728,581	1,015,276	203,734	<b>16,250,774</b>
<b>2024</b>							
Revenue	5,589,934	1,569,701	6,024,799	574,187	228,500	301,907	<b>14,289,028</b>

## Geographical markets

	2025	2024
Denmark	15,416,755	13,961,363
Europe	834,019	327,665
	<b>16,250,774</b>	<b>14,289,028</b>

## 4. Other operating income

Other operating income consists mainly of profit from the sale of non-current assets and other operating income of a secondary nature to the Group.

## 5. Staff costs (DKK '000)

	Group		Parent Company	
	2025	2024	2025	2024
Wages and salaries	2,893,467	2,617,313	12,482	13,523
Pensions	315,406	219,582	0	0
Other social security costs	58,146	43,476	0	0
	<b>3,267,019</b>	<b>2,880,371</b>	<b>12,482</b>	<b>13,523</b>
Average number of employees	4,433	4,135	0	0
Of which average number of employees in pro-rata consolidated companies	14	10	0	0
Remuneration of Executive Board and Board of Directors:				
Executive Board	15,947	20,453	12,333	17,774
Board of Directors	6,684	6,316	4,312	4,037
	<b>22,631</b>	<b>26,769</b>	<b>16,645</b>	<b>21,811</b>

The table shows the total remuneration of the Executive Board and the Board of Directors of Norlys a.m.b.a. Due to the General Data Protection Regulation (GDPR), we publish the total remuneration paid to each member of the Board of Directors and the Executive Board in a separate remuneration report available on our website.

Members of Management are part of 3-year incentive programmes based on achievement of performance targets. Financial performance targets for profit before tax and ROIC, as well as non-financial targets for awareness and the speed of the green transition determine the amount of the incentive payment.

# Notes

6. Financial income (DKK '000)	Group		Parent Company	
	2025	2024	2025	2024
Interest from group companies	0	0	5,698	6,558
Fair value adjustments	256,896	736,830	236,593	715,087
Other financial income	351,934	414,124	56,820	63,418
	<b>608,830</b>	<b>1,150,954</b>	<b>299,111</b>	<b>785,063</b>

7. Financial expenses (DKK '000)	Group		Parent Company	
	2025	2024	2025	2024
Interest from group companies	0	0	224	0
Fair value adjustments	58,300	81,091	34,896	53,248
Other financial expenses	644,108	636,230	4,807	21,290
	<b>702,408</b>	<b>717,321</b>	<b>39,927</b>	<b>74,538</b>

8. Tax on profit for the year (DKK '000)	Group		Parent Company	
	2025	2024	2025	2024
Current tax	-1,253	-15,978	-1,253	-1,443
Change in deferred tax for the year	-395,915	-6,413	0	-4
Prior-year adjustment	-15,075	-26,597	0	0
	<b>-412,243</b>	<b>-48,988</b>	<b>-1,253</b>	<b>-1,447</b>
broken down as follows:				
Tax on profit for the year	-412,243	-49,788	-1,253	-1,447
Tax on changes in equity	-980	800	0	0
	<b>-413,223</b>	<b>-48,988</b>	<b>-1,253</b>	<b>-1,447</b>

The change in deferred tax for the year primarily relates to the impairment of tax assets, including tax loss carry-forwards due to the inability to utilise these within the next few years, which will be heavily impacted by planned integration costs.

9. Distribution of net profit (DKK '000)	Group		Parent Company	
	2025	2024	2025	2024
Non-controlling interests	-5,319	-113,528	0	0
Transferred to growth pools	50,000	50,000	50,000	50,000
Net revaluation reserve	0	0	-1,706,842	-4,090,019
Retained earnings	-1,535,288	3,131	171,554	4,089,015
	<b>-1,490,607</b>	<b>-60,397</b>	<b>-1,485,288</b>	<b>48,996</b>

10. Intangible assets (DKK '000)	Group				
	Completed development projects	Acquired patents and know-how	Goodwill	Development projects in progress	Prepayments for intangible assets
Cost at 1 January 2025	2,127,706	1,940,332	3,458,658	427,924	0
Additions relating to acquisitions	0	0	0	0	86,476
Additions during the year	68,519	0	23,254	646,303	0
Disposals during the year	-84,374	-20,459	-21,867	-9,136	0
Transfers during the year	560,407	11,200	60,807	-572,832	1,225
<b>Cost at 31 December 2025</b>	<b>2,672,258</b>	<b>1,931,073</b>	<b>3,520,852</b>	<b>492,259</b>	<b>87,701</b>
<b>Depreciation and impairment losses at 1 January 2025</b>	<b>835,604</b>	<b>531,805</b>	<b>1,115,936</b>	<b>0</b>	<b>0</b>
Net effect of merger	0	0	0	0	70,310
Impairment losses for year	1,584	0	0	0	0
Depreciation for the year	424,276	266,622	300,311	0	6,985
Reversal relating to disposals	-79,560	-17,829	-20,298	0	0
Transfers during the year	0	0	60,807	0	0
<b>Depreciation and impairment losses at 31 December 2025</b>	<b>1,181,905</b>	<b>780,598</b>	<b>1,456,757</b>	<b>0</b>	<b>77,295</b>
<b>Carrying amount at 31 December 2025</b>	<b>1,490,353</b>	<b>1,150,475</b>	<b>2,064,095</b>	<b>492,259</b>	<b>10,406</b>
Interest expenses recognised as part of cost	6,258	0	0	1,877	0

#### Special assumptions for development projects

Development projects in progress and completed development projects consist of external expenses and internal hours for development and adaptation of software systems.

Recognised development projects pertain to the development of fibre networks, the development of technology and the development of supporting IT systems, the development of new platforms for the distribution of television content, as well as a new billing and self-service solution for the customers of Sinal and Norlys Digital.

Development projects in progress can be attributed to development projects related to the Group's IT systems and other system development to support the Group's strategy and activities. The development projects meet the expectations set out, so there are no indications of further impairment. Accordingly, development projects in progress are expected to contribute to future earnings.

# Notes

11. Property, plant and equipment (DKK '000)	Group				
	Land and buildings	Distribution plant	Other plant etc.	Other plant in the course of construction	Prepayments for property, plant and equipment
Cost at 1 January 2025	924,728	34,168,388	2,538,029	2,020,446	10,037
Additions during the year	2,833	12,762	223,668	3,452,340	402
Disposals during the year	-45,888	-81,853	-522,627	-18,357	0
Transfers during the year	456,298	2,257,960	860,310	-3,564,531	-10,037
<b>Cost at 31 December 2025</b>	<b>1,337,971</b>	<b>36,357,257</b>	<b>3,099,380</b>	<b>1,889,898</b>	<b>402</b>
Depreciation and impairment losses at 1 January 2025	233,734	12,139,911	111,967	0	0
Impairment losses for year	0	0	1,152	0	0
Depreciation for the year	25,993	1,446,564	454,612	0	0
Reversal relating to disposals	-18,331	-51,462	-468,265	0	0
Reversal of prior impairment losses	0	0	-1,823	0	0
<b>Depreciation and impairment losses at 31 December 2025</b>	<b>241,396</b>	<b>13,535,013</b>	<b>97,643</b>	<b>0</b>	<b>0</b>
<b>Carrying amount at 31 December 2025</b>	<b>1,096,575</b>	<b>22,822,244</b>	<b>3,001,736</b>	<b>1,889,898</b>	<b>402</b>
Interest expenses recognised as part of cost	719	103,853	38,923	25,116	0

12. Investments in group enterprises (DKK '000)	Parent Company	
	2025	2024
Cost at 1 January	16,237,914	16,237,914
<b>Cost at 31 December</b>	<b>16,237,914</b>	<b>16,237,914</b>
Value adjustment at 1 January	4,090,019	4,744,509
Net profit for the year	-1,706,842	-594,613
Equity adjustments	-57,288	-37,946
Elimination of intercompany profit	0	684
Amortisation of goodwill	0	-22,615
<b>Value adjustment at 31 December</b>	<b>2,325,889</b>	<b>4,090,019</b>
<b>Carrying amount at 31 December</b>	<b>18,563,804</b>	<b>20,327,933</b>

# Notes

## 12. Investments in group enterprises (DKK '000)

### Parent Company

Investments in group enterprises can be specified as follows:

	Registered office	Voting share and ownership interest
Norlys Group A/S	Silkeborg	100%
<b>Subsidiaries of Norlys Group A/S</b>		
OpenNet Holding A/S	Silkeborg	100%
Norlys Blue Holding A/S	Esbjerg	100%
Selskabet af 1. november 1995 A/S	Esbjerg	100%
Gudenaacentralen a.m.b.a.	Viborg	99.9%
GreenLab Skive A/S	Skive	79.1%
Karlsgårde Vandkraft A/S	Esbjerg	100%
Norlys Energy Trading A/S	Aalborg	52.8%
Mjølner Informatics A/S	Aarhus	97.7%
Selskabet af 1. oktober 2,015 ApS	Kolding	100%
Kundeselskabet Norlys A/S	Silkeborg	100%
Energi Nord Holding A/S	Aalborg	52%
Norlys Infrastruktur A/S	Esbjerg	100%
Sinal Infrastructure Holding A/S	Silkeborg	65%
<b>Subsidiaries of Norlys Energy Trading A/S</b>		
Norlys Energy Trading Americas Inc.	USA	100%
Norlys Energy Trading Americas LLC.	USA	100%
Norlys Energy Trading Asia PTE	Singapore	100%
Norlys Energy Trading GmbH	Germany	100%
PS Investment Consortium AG	Switzerland	100%

### Parent Company

	Registered office	Voting share and ownership interest
<b>Subsidiaries of Kundeselskabet Norlys A/S</b>		
Norlys Digital A/S	Aarhus	100%
Norlys Energi A/S	Aalborg	100%
Norlys Mobil A/S	Copenhagen	100%
<b>Subsidiaries of Norlys Mobil A/S</b>		
Mit Tele I/S*	Copenhagen	99%
TN-Network P/S	Copenhagen	50%
<b>Subsidiaries of Sinal Infrastructure Holding A/S</b>		
Sinal Infrastruktur A/S	Silkeborg	100%
<b>Subsidiaries of Mjølner Informatics A/S</b>		
Mjølner Informatics Spain S.L.	Spain	100%
<b>Subsidiaries of Sinal Infrastruktur A/S</b>		
Sinal A/S	Silkeborg	100%
<b>Subsidiaries of Norlys Energi A/S</b>		
Norlys Charging A/S	Silkeborg	100%
<b>Subsidiaries of Norlys Infrastruktur A/S</b>		
N1 A/S	Esbjerg	100%
<b>Subsidiaries of OpenNet Holding A/S</b>		
OpenNet A/S	Silkeborg	100%

\*The last 1% of Mit Tele I/S is owned by Norlys Group A/S

# Notes

13. Investments in associates (DKK '000)	Group		Parent Company	
	2025	2024	2025	2024
Cost at 1 January	1,146,561	1,131,193	0	0
Cost at 1 January regarding acquisitions	0	5,244	0	0
Additions during the year	7,655	17,272	0	0
Disposals during the year	-79	-7,148	0	0
Transfer to other equity investments	-17,272	0	0	0
<b>Cost at 31 December</b>	<b>1,136,865</b>	<b>1,146,561</b>	<b>0</b>	<b>0</b>
Value adjustment at 1 January	843,164	724,457	0	0
Equity adjustments	1,848	-3,566	0	0
Other adjustments	78,137	0	0	0
Net profit for the year	-19,127	148,819	0	0
Dividends received	-9,959	-9,954	0	0
Amortisation of goodwill	-21,633	-21,138	0	0
Reversal relating to disposals	0	4,546	0	0
Transfer to other equity investments	-16,802	0	0	0
<b>Value adjustment at 31 December</b>	<b>855,628</b>	<b>843,164</b>	<b>0</b>	<b>0</b>
<b>Carrying amount at 31 December</b>	<b>1,992,493</b>	<b>1,989,725</b>	<b>0</b>	<b>0</b>
Income from investments in associates recognised in the income statement consists of:				
Share of the profit for the year				-19,127
Amortisation of goodwill				-21,633
				<b>-40,760</b>

13. Investments in associates (DKK '000) (continued)	Group	
	Registered office	Voting share and ownership interest
Eurowind Energy A/S	Hobro	49.8%
Visue A/S	Aarhus	38.9%
RAH Fiberbredbånd A/S	Ringkøbing	45%
SEF Fiber A/S	Svendborg	25%
Komplementarselskabet af 14. juni 2011 A/S	Copenhagen	50%
4T af 1. oktober 2012 ApS	Copenhagen	25%
OCH A/S	Copenhagen	25%
OpenNet GmbH	Germany	50%

## 14. Investments (DKK '000)

	Receivables from associates	Other investments	Other receivables
Cost at 1 January 2025	2,019,857	153,608	123,882
Additions during the year	749,737	22,316	174,997
<b>Cost at 31 December 2025</b>	<b>2,769,594</b>	<b>175,924</b>	<b>298,879</b>
Value adjustment at 1 January 2025	0	-33,131	0
Impairment losses for year	0	-28,172	0
<b>Value adjustment at 31 December 2025</b>	<b>0</b>	<b>-61,303</b>	<b>0</b>
<b>Carrying amount at 31 December 2025</b>	<b>2,769,594</b>	<b>114,621</b>	<b>298,879</b>

### Receivables from associates

On 18 June 2021, Norlys Group A/S lent DKK 149 million to Eurowind Energy A/S in the form of hybrid bonds. These bonds have the characteristics of a subordinate loan, and therefore the loan is recognised under receivables from associates. The term of the loan is 1,000 years, until 3021, and it carries interest at 5.6% for the first 5 years, after which time the interest rate will increase to the 3-year EUR swap rate plus 10.95%.

# Notes

15. Contract work in progress (DKK '000)	Group		Parent Company	
	2025	2024	2025	2024
Work in progress, selling price	53,488	45,288	0	0
Work in progress, invoiced on account	-33,040	-6,840	0	0
	<b>20,448</b>	<b>38,448</b>	<b>0</b>	<b>0</b>
<i>The net value is recognised in the balance sheet as follows:</i>				
Contract work in progress	24,942	39,663	0	0
Pre-invoicing of contract work in progress	-4,494	-1,215	0	0
	<b>20,448</b>	<b>38,448</b>	<b>0</b>	<b>0</b>

16. Deferred tax (DKK '000)	Group		Parent Company	
	2025	2024	2025	2024
<b>Deferred tax asset</b>				
Intangible assets	-15,853	199,044	0	0
Property, plant and equipment	-17,746	17,374	0	0
Receivables	2,526	-4,250	0	0
Payables	936,503	986,707	0	0
Tax loss carry-forward	0	121,702	0	0
<b>Carrying amount at 31 December</b>	<b>905,429</b>	<b>1,320,577</b>	<b>0</b>	<b>0</b>

Change in deferred tax	
Beginning of year	1,320,577
Recognised in the income statement	-395,915
Recognised in equity	980
Adjustment of prior-year deferred tax	-14,952
Other adjustments	-5,261
<b>End of year</b>	<b>905,429</b>

The company's tax asset at the end of 2025 arise from temporary differences between accounting and tax values. Based on the budget and forecast for the Group, the management has assessed the expected utilisation of the tax asset. The value of the tax asset is based on a number of assumptions, including the key assumption that the group of jointly taxed entities are able to realise the forecasts approved by the management. Estimating expected future taxable income for the coming

years involves a significant degree of judgment and estimation; consequently, the measurement of the recognised deferred tax asset is naturally associated with some uncertainty.

A tax loss carry-forward of DKK 1.4 billion is not expected to be utilised within a period of three to five years and is therefore recognised at a carrying amount of 0.

## 17. Other receivables

Other receivables consist of security provided to exchanges that are not readily convertible into cash and cash equivalents, derivative financial instruments, prepayments and VAT receivables.

## 18. Prepayments (current assets)

Prepayments consist of prepaid expenses relating to 2026, subscriptions and licences, as well as customer grants running for three to eight years.

## 19. Other provisions

Other provisions relate to restoration obligations, pending cases, onerous contracts, warranty commitments and other contractual obligations. Total provisions amount to DKK 211,773 thousand, DKK 182,889 thousand of which is expected to fall due after 1 year.

# Notes

## 20. Long-term payables (DKK '000)

	Falling due within 1 year	Falling due between 1 and 5 years	Falling due after 5 years	Total payables
Mortgage debt	107,975	979,467	9,467,787	<b>10,555,229</b>
Mortgage debt	0	1,566,348	0	<b>1,566,348</b>
Prepayments received from customers	132,233	0	0	<b>132,233</b>
Other payables	2,179,894	290,605	0	<b>2,470,499</b>
Deferred income	650,777	528,369	4,027,073	<b>5,206,219</b>
<b>Carrying amount at 31 December 2025</b>	<b>3,070,879</b>	<b>3,364,789</b>	<b>13,494,860</b>	<b>19,930,528</b>

## 21. Contingent assets

The Group has unrecognised deferred tax assets mainly related to prior-year losses, where the Group estimates that the tax asset cannot be utilised in the foreseeable future. At 31 December 2025, the Group's unrecognised deferred tax asset amounted to DKK 556 million.

The Group also has an unrecognised contingent asset related to a regulatory deficit of approx. DKK 89 million.

## 22. Contingent liabilities

### Parent Company

The Parent Company is jointly and severally liable with the jointly registered consolidated enterprises for the total VAT liability.

At 31 December 2025, the current VAT liability amounted to DKK 157,656 thousand.

The Parent Company has provided a suretyship for bank balances for group enterprises. The guarantee is limited to DKK 5,978 million.

The Parent Company has provided parent company guarantees for the subsidiary Norlys Mobil A/S for a total of DKK 15 million.

At the balance sheet date, the Parent Company has a debt obligation of DKK 300 million, with the lender holding securities as collateral for an equivalent amount.

The Parent Company has entered into reciprocal agreements totalling DKK 6 million.

### Group

The Group's liability in Blue Equity II K/S amounts to DKK 100 million, DKK 80.7 million of which has been paid. The outstanding liability amounts to DKK 19.3 million.

The Group's liability in Blue Equity III K/S amounts to DKK 75 million, DKK 48.6 million of which has been paid. The outstanding liability amounts to DKK 26.4 million.

By making contributions to Ærø Vind 1 I/S, the Group has assumed a liability in which all partners are jointly and severally liable. The company holds 175 shares out of a total of 11,297 shares.

At 31 December 2025, the total debt of Ærø Vind 1 I/S was DKK 31 thousand.

By making contributions to Ærø Vind 4 I/S, the Group has assumed a liability in which all partners are jointly and severally liable. The company holds 300 shares out of a total of 19,746 shares.

At 31 December 2025, the total debt of Ærø Vind 4 I/S was DKK 33 thousand.

The Group's credit facility has provided performance guarantees to the company's customers in the total amount of DKK 2,793 thousand.

The Group has provided parent company guarantees for the Norlys Energy Trading A/S subsidiary in the total amount of DKK 3,135 million.

The Group has issued a letter of subordination to the banker of Eurowind Energy A/S. The letter of subordination amounts to DKK 2,591 million.

At the balance sheet date, the Group has a debt obligation of DKK 300 million, with the lender holding securities as collateral for an equivalent amount.

The Group has entered into unrecognised leases, the liability of which amounts to DKK 1,025 million until expiry.

The Group has entered into power purchase agreements with producers for between DKK 671 million and DKK 970 million.

The Parent Company has entered into reciprocal agreements totalling DKK 2,777 million.

## 23. Charges and securities

### Group

Mortgage debt is secured by mortgages on distribution plant and by floating charges on current and future acquisitions of distribution plant that is not covered by the former mortgage. The carrying amount of the mortgaged distribution plant amounts to DKK 22,559 million.

Mortgage debt is secured by mortgages on properties. The carrying amount of mortgaged properties amounts to DKK 227 million.

## 24. Financial instruments (DKK '000)

### For Norlys Energi A/S, Norlys Energy Trading A/S, N1 A/S and Sinal A/S.

Agreements have been entered into on derivative financial instruments in the form of options, forwards and futures.

At the balance sheet date, the fair value of derivative financial instruments is as follows:

	2025	2024
Assets	157,672	115,604
Liabilities	95,254	155,882

### Hedging instruments

The Group has entered into interest rate swaps to receive a fixed rate of interest on the company's variable rate mortgage loans. The duration of these contracts is up to 14 years. Under the contracts, CIBOR 3 and 6 are converted to a fixed rate of between 1.685% and 3.373% on loans with a total principal of DKK 9,131,411 thousand. The Group's interest rate swaps apply to the remaining term of the Group's loans in the range of 1 to 14 years. At the balance sheet date, the fair value of the Group's interest rate swaps is DKK -36,046 thousand.

The Group has also entered into financial electricity and gas contracts to hedge the price risk of future contracts for the sale of electricity and gas.

Hedging is done using financial forwards and futures that are taken directly to equity. These contracts are traded on regulated European markets.

At the balance sheet date, the fair value of electricity forward contracts is DKK -708 thousand, while the fair value of electricity futures contracts is DKK 6,030 thousand. Purchases of 712,112 MWh have been hedged. The term of the electricity contracts runs from 2026 to 2028. At the balance sheet date, the fair value of gas contracts is DKK -9,326 thousand. Purchases of 159,323 MWh have been hedged.

The gas contracts run from 2026 to 2028.

Forwards have also been entered into to hedge future cash flows related to the injection and withdrawal of future storage contracts that are taken directly to equity.

In addition, the fair value of hedging instruments to hedge the fair value of physical gas inventories is recognised in the income statement under section 37 a of the Danish Financial Statements Act. At the balance sheet date, the fair value of hedging contracts is DKK 1,150 thousand.

# Notes

## 24. Financial instruments (continued) (DKK '000)

### Value adjustment:

All recognised contracts consist of financial options, forwards and futures, determined on the basis of published exchange prices. The company's transactions have been concluded with a number of professional counterparties, and no special credit risk is deemed to be associated with these transactions.

A specification of net value adjustments is shown in the following table.

	Value adjustment, income statement	Value adjustment, equity	Fair value 31 December
Futures (electricity)	10,505	0	10,505
Futures (gas)	36,054	0	36,054
Capacities (electricity)	12,740	0	12,740
Capacities (gas)	27,732	0	27,732
Forwards (electricity)	24,891	-22,447	23,948
Forwards (gas)	-2,481	-21,964	-12,515
Interest rate swaps	0	-36,046	-36,046

## 25. Related parties

No related parties have control of the Norlys Group.

Under section 98 c(7) of the Danish Financial Statements Act, only related party transactions that are not made on an arm's length basis are disclosed. During the financial year, all transactions were made on an arm's length basis, both in the Parent Company and the Group.

## 26. Fees to the auditor elected by the annual general meeting (DKK '000)

Other external expenses include fees to the company's auditor elected by the Board of Representatives at:	2025	2024
Auditor's fees	6,138	5,997
Other assurance engagements	603	942
Tax consultancy services	1,730	2,962
Other services	53,203	43,003
	<b>61,675</b>	<b>52,904</b>

## 27. Cash flow statement – Change in working capital (DKK '000)

	2025	2024
Change in inventories	109,109	-14,663
Change in receivables	286,800	715,785
Changes in suppliers etc.	-351,267	-1,279,766
	<b>44,642</b>	<b>-578,644</b>

## 28. Cash flow statement – Other adjustments (DKK '000)

	2025	2024
Financial income	-208,918	-105,645
Financial expenses	556,967	532,918
Other adjustments	240,632	-650,868
	<b>588,680</b>	<b>-223,595</b>

# Accounting policies

The annual report of Norlys a.m.b.a. for 2025 is presented in accordance with the provisions of the Danish Financial Statements Act for large enterprises in reporting class C.

The accounting policies are consistent with those applied last year. The comparative figures have been restated to reflect changes in the presentation of a small number of accounting items. The changes have no impact on the profit for the year or equity.

The annual report for 2025 is presented in DKK '000. Under section 86(4) of the Danish Financial Statements Act, the Parent Company has omitted to prepare a cash flow statement.

Under section 96(3) of the Danish Financial Statements Act, the Parent Company has omitted to state the fees of the auditor elected by the annual general meeting.

## General principles of recognition and measurement

Income is recognised in the income statement as earned. In addition, value adjustments of financial assets and liabilities are recognised. The income statement also recognises all expenses, including depreciation, amortisation and impairment losses.

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

Liabilities are recognised in the balance sheet if it is probable that future economic benefits will flow out of the Group and the Parent Company and the value of the liability can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequent to initial recognition, assets and liabilities are measured as described below for each item.

Some financial assets and liabilities are measured at amortised cost, whereby a constant effective interest rate

is recognised over the life of the financial asset or liability.

Amortised cost is measured at original cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

On recognition and measurement, foreseeable risks and losses arising before the annual report is presented and proving or disproving matters existing at the balance sheet date must be taken into account.

## Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transaction.

Gains and losses arising from differences between the exchange rate prevailing at the date of the transaction and the exchange rate at the date of payment are recognised as financials in the income statement.

Foreign currency receivables, payables and other monetary items that have not been settled at the balance sheet date are translated at the closing rate. Differences between the closing rate and rate prevailing at the date of the transaction are recognised as financials in the income statement.

Non-current assets acquired in foreign currencies are measured at the exchange rate prevailing at the date of the transaction.

The income statements of foreign subsidiaries and associates that are independent entities are translated at the exchange rate prevailing at the date of the transaction or at the approximate average rate of exchange.

Balance sheet items are translated at the closing rate. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year and foreign currency translation adjustments arising from the translation of the income statement at the closing rate are recognised directly in equity.

Translation adjustments of balances with independent foreign subsidiaries that are considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments entered into to hedge a net investment in foreign subsidiaries are recognised directly in equity.

## Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments that are designated and qualify as hedges of future cash flows are recognised in other receivables or other payables and in equity.

If the hedged transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged transaction results in income or expenses, amounts recognised in equity are transferred to the income statement in the period in which the hedge affects the income statement. For derivative financial instruments that do not qualify as hedges, changes in the fair value are recognised in the income statement on an ongoing basis.

## Consolidation policies

The consolidated financial statements include the Norlys a.m.b.a. Parent Company and subsidiaries in which

Norlys a.m.b.a. directly or indirectly holds more than 50% of the voting rights or otherwise exercises control.

Enterprises in which the Group holds between 20% and 50% of the voting rights and/or exercises significant influence, but which it does not control, are considered associates.

On consolidation, intercompany income and expenses, shareholdings, intercompany balances and dividends as well as realised and unrealised profits and losses on transactions between consolidated enterprises are eliminated.

The Parent Company's investments in consolidated subsidiaries are eliminated at the Parent Company's share of the subsidiaries' equity value determined at the date at which the group connection was established.

On acquisition of subsidiaries, the difference between the cost and the equity value of the acquired enterprise is determined on the date of acquisition after adjustment of the individual assets and liabilities to fair value (the acquisition method).

Any decided restructuring provisions relating to the acquired enterprise are deducted. Remaining positive balances are recognised as goodwill under intangible assets in the balance and amortised on a straight-line basis in the income statement over the estimated useful lives of the assets, the maximum period being 20 years. Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition. Negative goodwill that does not relate to expected losses or expenses is recognised at an amount equivalent to the fair value of non-monetary assets in the income statement over the average lives of the non-monetary assets.

Positive and negative balances from acquired enterprises may be adjusted until the end of the financial year following the acquisition year as a result of changes in recognition and measurement of net assets. These adjustments are

also reflected in the value of goodwill or negative goodwill, including in amortisation already recognised. Amortisation of goodwill is recognised in the item depreciation, amortisation and impairment losses.

## Joint operation

The consolidated financial statements include a joint operation, TN Network P/S. Norlys Mobil A/S is part of this joint operation, which handles the expansion, operation and maintenance of the GSM (2G), LTE (4G) and 5G networks.

The partners in this joint operation directly own the assets and are directly responsible for the liabilities. TN Network P/S is consolidated into the financial statements of Norlys Mobil A/S on a pro rata basis based on an ownership share of 50%.

## Non-controlling interests

Items of subsidiaries are fully recognised in the consolidated financial statements. Non-controlling interests' proportionate share of subsidiaries' profit and equity is presented separately in the distribution of net profit and a separate principal item under equity, respectively.

## Timing differences in customer payments

Timing differences in consumer payments arise when certain items in the financial statements, including depreciation of non-current assets, are recognised using different principles in the annual report and the determination of expenses and income under Executive Order on Revenue Framework for Grid Companies (Indtægtsrammebekendtgørelsen), respectively. These are recognised as prepayments or deferred income under receivables or payables, respectively. Timing differences for the year are recognised in revenue.

## **Income statement**

### **Segment information**

Information is provided on business segments and geographical markets. The segment information follows the Group's accounting policies, risks and management control.

### **Revenue**

The Group's revenue consists of different sources of revenue from the Group's various divisions.

#### Norlys Energi, Norlys Digital & Tele and Norlys Fibernet

Revenue is recognised in the income statement when the sale is completed. This is the case when:

- delivery has taken place before the end of the financial year;
- a binding sales agreement exists;
- the selling price has been determined; and
- payment has been received or can be expected to be received with reasonable certainty.

Revenue is measured as the consideration received and is recognised excluding VAT and less discounts related to the sale.

#### *Especially for Norlys Digital and Norlys Fibernet*

Contract work in progress (construction contracts) is recognised as the work is performed, meaning that revenue corresponds to the selling price of the work performed for the year (the percentage of completion method). This method is applied when total income and expenses associated with the construction contract and the stage of completion at the balance sheet date can be determined reliably, and it is probable that the economic benefits, including payments, will flow to the company. As stage of completion, expenses incurred relative to expected total expenses of the construction contract are used.

Services are recognised as the services under the contract are provided using the percentage of completion method, meaning that revenue corresponds to the selling price of the services provided for the year. This method is applied when total income and expenses associated with the services and the stage of completion at the balance sheet date can be determined reliably, and it is probable that the economic benefits, including payments, will flow to the company. As stage of completion, expenses incurred relative to expected total expenses of the services are used.

#### Supply

Revenue includes income from the sale of network services, connection and construction charges and other related income. Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year, and if revenue can be measured reliably and it is probable that the economic benefits of the sale will flow to the company. Revenue is recognised excluding VAT and other taxes.

The enterprise's prices are determined based on a revenue framework set by the Danish Utility Regulator. A regulatory surplus or deficit relative to the revenue framework is recognised in the income statement under revenue if the surplus or deficit is expected to be charged/needs to be repaid.

Network service and subscription discounts are deducted from revenue. Customer connection charges to cover grid connection costs are recognised under equity and liabilities and systematically recognised as income over the life of the plant. Connection charges recognised as income are included in revenue. Construction charges to cover grid connection costs are recognised under equity and liabilities and systematically amortised over the life of the plant.

Services are recognised as the services under the contract are provided using the percentage of completion method,

meaning that revenue corresponds to the selling price of the services provided for the year. This method is applied when total income and expenses associated with the services and the stage of completion at the balance sheet date can be determined reliably, and it is probable that the economic benefits, including payments, will flow to the company. As stage of completion, expenses incurred relative to expected total expenses of the services are used.

#### Trading

Revenue includes physical and financial contracts where delivery has been made during the financial year, including associated trading costs. Fair value adjustments of derivative financial instruments are recognised net. Revenue is measured at the consideration received and is recognised excluding VAT and less discounts related to the sale.

### **Other operating income**

Other operating income includes items of a secondary nature to the activities of the enterprises, including profits on the sale of intangible assets and property, plant and equipment as well as profits on the sale of investments in group enterprises.

### **Other operating expenses**

Other operating expenses include items of a secondary nature to the activities of the enterprises, including losses on the sale of intangible assets and property, plant and equipment as well as losses on the sale of investments in group enterprises.

### **Raw materials and consumables used**

Raw materials and consumables used include raw materials and consumables used to generate the revenue for the year. Electricity purchases are fully accrued after the date of delivery.

### **Other external expenses**

Other external expenses include expenses related to

distribution, sales, advertising, administration, premises, bad debts, operating lease costs etc.

### **Staff costs**

Staff costs include wages and salaries, including holiday pay and pensions, as well as other social security costs etc. for the company's employees. Compensation from public authorities is deducted from staff costs. Parent Company staff costs are remuneration to the Board of Directors and the Board of Representatives.

### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses include depreciation, amortisation and impairment losses for the year for intangible assets, property, plant and equipment and investments.

### **Profit from investments in subsidiaries and associates**

The proportionate share of the individual subsidiaries' profits after tax is recognised in the Parent Company's income statement after full elimination of intercompany profits/losses and less goodwill amortisation under the items 'Income from investments in group enterprises' and 'Income from investments in associates'; items are recognised and measured under the equity method. In both the Group's and the Parent Company's income statements, the proportionate share of associates' profits after tax is recognised after elimination of the proportionate share of intercompany profits/losses. Recognition is based on the most recent annual report.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financials include interest income and interest expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses on securities, payables and foreign currency transactions, amortisation of mortgage loans and surcharges and

allowances under the tax prepayment scheme etc.

### **Tax on profit for the year**

Tax for the year, consisting of current income tax for the year and change in deferred tax, is recognised in the income statement with the share attributable to the profit for the year, and directly in equity with the share attributable to items recognised directly in equity. In practice, the Norlys a.m.b.a. Parent Company is not subject to tax on own income, see section 1(1) para (6) of the Danish Income Tax Act (Selskabsskatteloven). All Danish consolidated companies under Norlys a.m.b.a. (that is: all Danish subsidiaries in which the ownership interest is greater than 50%) are jointly taxed with Norlys Group A/S as management company.

## **Balance sheet**

### **Intangible assets**

#### **Goodwill**

Goodwill and consolidated goodwill are amortised on a straight-line basis over the estimated economic lives of the assets, determined on the basis of Management's experience in the individual business areas. Goodwill and consolidated goodwill are amortised on a straight-line basis over the amortisation period, a maximum of 20 years. The amortisation period is longest for strategically acquired enterprises with a strong market position and long earnings profile if the longer amortisation period is assessed to better reflect the benefit of the resources in question.

The amortisation basis, determined as cost less expenses incurred, is distributed on a straight-line basis over the estimated useful lives of the assets, which is 5-20 years.

The carrying amount of goodwill and consolidated goodwill is assessed on an ongoing basis and written down to the

recoverable amount over the income statement if the carrying amount exceeds the estimated future net income from the enterprise or activity to which goodwill is allocated.

**Development projects, know-how, customer contracts, patents, rights and licences**

Development projects relating to products and processes that are clearly defined and identifiable, where the technical rate of utilisation, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated and where the intention is to manufacture, market or use the product in question are recognised as intangible assets.

Development costs comprise costs, salaries and amortisation that can be directly and indirectly attributed to development activities. Development projects that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses. Following completion of the development work, development costs are amortised on a straight-line basis over the estimated useful economic lives of the assets.

The amortisation period is usually 5 years, but may in some cases be up to 20 years if the longer amortisation period is assessed to better reflect the Group's benefit of the developed product etc.

Interest expenses on loans raised directly to finance the manufacture of intangible assets are recognised in cost over the manufacturing period. All indirectly attributable borrowing costs are recognised in the income statement.

For development projects that are protected by intellectual property rights, the maximum amortisation period is the remaining life of the rights in question, however not exceeding 20 years.

Know-how, customer contracts, patents, rights and licences are measured at cost less accumulated amortisation and

impairment losses. Patents are amortised on a straight-line basis over the remaining patent life, while rights and licences are amortised over the contract period of 3 to 20 years. Know-how and customer contracts are amortised over their estimated useful economic lives of 5 to 10 years. Gains and losses from the sale of development projects, patents and licences are determined as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognised in the income statement under other operating income and other operating expenses, respectively.

**Property, plant and equipment**

Land and buildings, plant and machinery as well as fixtures, fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less the estimated residual value after the end of the useful life. Land is not depreciated. Cost includes the purchase price and costs directly attributable to the acquisition until the asset is ready for use.

For own manufactured assets, cost includes direct and indirect expenses for materials, components, subcontractors and wages and salaries.

For assets held under a finance lease, cost is the lower of the fair value of the asset and the present value of future lease payments.

Indirect costs of production include indirect materials and wages and salaries, costs of maintenance and depreciation and impairment losses relating to machinery, factory buildings and equipment used in the production process, and costs for factory administration and management. Interest expenses on loans raised directly to finance the manufacture of property, plant and equipment are recognised in cost over the manufacturing period. All indirectly

attributable borrowing costs are recognised in the income statement.

Depreciation is provided on a straight-line basis, based on the following assessment of the expected useful lives and residual values of the assets:

- Buildings 40 years
- Distribution plant 10-45 years
- Other fixtures and fittings, tools and equipment 3-10 years
- Expected useful lives and residual values are reassessed annually.

Gains or losses arising from disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognised in the income statement under other operating income and other operating expenses, respectively.

**Investments in subsidiaries and associates**

Investments in subsidiaries and associates are recognised and measured using the equity method. In the balance sheet, the proportionate ownership interest of the enterprises' equity value determined using the Group's accounting policies plus or minus unrealised intercompany gains or losses and plus or minus the residual value of positive or negative goodwill determined using the acquisition method is recognised in the items 'Investments in subsidiaries' and 'Investments in associates'.

Recognition using the equity method has not been fully possible for all the Group's investments due to lack of access to detailed accounting records. Therefore, the Group has not been able to determine the equity value in accordance with the Group's accounting policies. Consequently, an investment is recognised at cost.

The total net revaluation of investments in subsidiaries and associates is transferred through distribution of profit to 'Net revaluation reserve according to the equity method' under equity. The reserve is reduced by dividend payments to the Parent Company and is adjusted by other changes in equity in subsidiaries and associates.

Subsidiaries and associates with negative equity value are recognised at DKK 0 and any receivables from these enterprises are written down to the extent that the receivable is uncollectible. If the Parent Company has a legal or constructive obligation to cover the enterprise's negative balance exceeding the receivable, a provision for this purpose is recognised. For the acquisition of enterprises, the acquisition method is used, see the description above under recognition and measurement of business combinations.

**Other investments as well as other receivables (non-current assets)**

Other investments, recognised as investments, include unlisted shares measured at cost or a lower recoverable amount.

Other receivables, recognised as investments, are measured at amortised cost, usually corresponding to nominal value, less impairment for expected losses.

**Impairment of non-current assets**

The carrying amounts of intangible assets and property, plant and equipment as well as investments in subsidiaries and associates are assessed annually for indications of impairment other than that expressed by depreciation and amortisation. If there are indications of impairment, impairment tests are carried out for each individual asset or group of assets, respectively. Write-down for impairment is done to the recoverable amount if this is lower than the carrying amount.

Recoverable amount is the higher of net selling price and value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or group of assets and expected net cash flows from the sale of the asset or group of assets after the end of useful life.

**Inventories**

Inventories are measured at cost using the FIFO method. The cost of goods for resale and raw materials and consumables includes the purchase price plus delivery costs. The cost of manufactured finished goods and work in progress includes the cost of raw materials, consumables, direct labour costs and indirect production costs. Where the net realisable value is lower than cost, write-down will be made to this lower value. The net realisable value of inventories is determined as the selling price less costs of completion and costs incurred to execute the sale. The value of inventories is determined taking into account the marketability, obsolescence and expected development in selling prices of inventories.

Gas inventory, which is effectively hedged by hedging instruments, is measured at fair value with recognition of value adjustments in the income statement under section 37 a of the Danish Financial Statements Act.

**Receivables**

Receivables are measured at amortised cost. Receivables are written down for impairment if an objective indication is considered to have occurred that a receivable or a portfolio of receivables is impaired. If there is an objective indication that an individual receivable is impaired, write-down for impairment is carried out at an individual level.

**Contract work in progress**

Contract work in progress is measured at the selling price of the work performed. The selling price is measured based on the stage of completion at the balance sheet date and the total expected income for the individual work in progress. The stage of completion is determined as the share

of expenses incurred relative to expected total expenses of the individual work in progress.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables.

Net assets are the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities are the sum of the work in progress, where invoicing on account exceeds the selling price. Expenses associated with sales work and obtaining contracts are recognised in the income statement as incurred.

#### **Prepayments**

Prepayments, recognised under current assets, include expenses incurred concerning subsequent financial years.

#### **Regulatory surpluses and deficits**

Balances of regulatory surpluses and deficits are recognised under payables and receivables, respectively, and offset against revenue in the income statement. The balance represents the amount the enterprise expects to repay or charge in coming years' rates measured at present value. The basis of the determination is this year's and prior years' determination of actual income and expenses relative to the amount preliminarily recognised by the enterprise, which the enterprise has determined at the balance sheet date in accordance with 'Executive Order on Revenue Framework for Grid Companies'.

#### **Investments**

Investments, consisting of listed equities and bonds, are measured at fair value at the balance sheet date. Unlisted investments are measured at cost.

### **Cash and cash equivalents**

Cash includes cash holdings and bank deposits.

#### **Provisions**

Provisions include expected costs of warranty commitments, losses on work in progress, restructuring expenses etc. Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. When it is probable that total expenses will exceed the total income of contract work in progress, the total expected loss on the work in progress is recognised as a provision.

#### **Income tax and deferred tax**

Current tax liabilities and current tax receivables must be recognised in the balance sheet as computed tax on the taxable income for the year, adjusted for tax on taxable profit for previous years and taxes paid on account.

Deferred tax is measured under the balance sheet liability method based on temporary differences between the carrying amount and tax base of assets and liabilities, determined based on the planned use of the asset or 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 setoff against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

#### **Payables**

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. Subsequent to initial recognition, financial liabilities are measured at amortised cost corresponding to the capitalised value using

the effective interest rate, so that the difference between proceeds and nominal value is recognised in the income statement over the term of the loan.

Accordingly, mortgage debt is measured at amortised cost: For cash loans, this corresponds to the outstanding balance of the loan.

For bond loans, amortised cost corresponds to the outstanding balance calculated as the underlying cash value of the loan at the time of borrowing adjusted by amortisation of capital losses on the loan over the repayment period.

Electricity connection charges and income from the compensation scheme are recognised as income over 40 years as the associated investments are depreciated, while broadband connection charges are recognised as income over 5 years. Lease commitments related to assets held under a finance lease are recognised in the balance sheet as payables and are measured at the time of conclusion of the contract at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between the present value and the nominal value of the lease payments is recognised as a financial expense in the income statement over the term of the contracts.

Lease payments related to operating leases are recognised on a straight-line basis over the lease term in the income statement. Other payables, which include trade payables, payables to group enterprises and other payables, are measured at amortised cost, usually corresponding to nominal value.

#### **Deferred income**

Deferred income includes payments received in respect of income in subsequent years.

### **Cash flow statement**

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

No cash flow statement has been prepared for the Parent Company, as the Parent Company's cash flows are included in the consolidated cash flow statement.

#### **Cash flow from operating activities**

Cash flows from operating activities are determined as the Group's share of the profit or loss adjusted for non-cash operating items, change in working capital and income tax paid. Working capital includes current assets less short-term payables excluding the items included in cash and cash equivalents.

#### **Cash flow from investing activities**

Cash flows from investing activities include payments in connection with the acquisition and sale of enterprises and activities and the acquisition and sale of intangible assets, property, plant and equipment and investments.

#### **Cash flow from financing activities**

Cash flows from financing activities include changes in the size or composition of the Group's share capital and related expenses as well as raising of loans, repayment of interest-bearing debt, connection charges received and dividend payments to members. In the cash flow statement, the company's bank overdraft withdrawals are classified as cash flows from financing activities in accordance with an interpretation from the Danish Business Authority.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash and short-term securities with a maturity of less than 3 months that can readily be converted into cash and with an insignificant risk of changes in value.

### **Summary of key figures and financial ratios**

Explanation of financial ratios.

#### **Gross margin ratio**

$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$

#### **Profit margin**

$\frac{\text{Profit before financial income and expenses (EBIT)} \times 100}{\text{Revenue}}$

#### **Return on capital employed (ROCE)**

$\frac{\text{Profit before financial income and expenses (EBIT)} \times 100}{\text{Average assets}}$

#### **Equity ratio**

$\frac{\text{Equity, end of year} \times 100}{\text{Total assets, end of year}}$

#### **Return on equity (ROE)**

$\frac{\text{Profit from ordinary activities after tax} \times 100}{\text{Average equity}}$

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