
BlueNord Pipeline Denmark ApS

Lyngbyvej 2, DK-2100 Copenhagen

Annual Report 2024

CVR No 27 97 75 61

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
20 June 2025

Chairman of the meeting
Jacqueline Lindmark Boye

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Statement by the Executive Board

The Executive Board has today discussed and approved the Annual Report of BlueNord Pipeline Denmark ApS for the financial year 1 January - 31 December 2024.

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

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 20 June 2025

Executive Board

Miriam Jager Lykke

Independent auditor's report

To the Shareholder of BlueNord Pipeline Denmark ApS

Opinion

We have audited the financial statements of BlueNord Pipeline Denmark ApS for the financial year 1 January – 31 December 2024 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 20 June 2025

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Jon Beck
State Authorised
Public Accountant
mne32169

Company Information

The Company

BlueNord Pipeline Denmark ApS
Lyngbyvej 2
DK-2100 Copenhagen

CVR No: 27 97 75 61

Financial period: 1 January - 31 December

Financial year: 20th financial year

Municipality of reg. office: Copenhagen

Parent company

Noreco Olie- og Gasudvinding Danmark B.V. (Holland)

Executive Board

Miriam Jager Lykke

Auditors

KPMG

Statsautoriseret Revisionspartnerselskab

Dampfærgevej 28

DK-2100 Copenhagen

CVR No: 25 57 81 98

Management's Review

Principal activities

The activities and purpose of the Company are to provide an alternative distribution channel to the European gas market and thereby increase competition. The Company currently provides pipeline transportation capacity to the gas producers from Danish fields to the NOGAT pipeline. BlueNord Energy Denmark A/S is thereby able to distribute part of the Danish gas production to the western European market. The Company holds a 36.8% interest in the pipeline. The other investors in the pipeline are TotalEnergies EP Pipelines Danmark A/S (43.2%) and Nordsøfonden (20%).

Development in the year

The income statement of the Company for 2024 shows an income of TDKK 35,562 (2023: TDKK 34,000), and on 31 December 2024, the balance sheet of the Company shows equity of TDKK 367,404 (2023: TDKK 331,844). The pipeline capacity has been available all through 2024, and during the redevelopment of the Tyra field, the pipeline will be the only export route for gas from the DUC area.

Subsequent events

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

Financial Statements 1 January - 31 December

Income Statement

NOTE	DKK '000	2024	2023
	Revenue	25,031	23,972
1.2	External expenses	-3,594	-3,692
	Gross profit	21,438	20,280
2	equipment	-860	-845
	Profit (loss) before financial items	20,578	19,435
3	Financial income	27,256	25,542
4	Financial expenses	-2,241	-1,387
	Profit (loss) before tax	45,593	43,590
5	Tax on the profit for the year	-10,030	-9,590
	PROFIT (LOSS) FOR THE YEAR	35,562	34,000
	Proposed appropriation of net profit		
	Retained earnings	35,562	34,000
	Distrubition of net profit of the year	35,562	34,000

BALANCE SHEET - ASSETS

NOTE	DKK '000	2024	2023
	FIXED ASSETS		
6	Property, plant and equipment	15,943	16,803
	Tangible fixed assets	15,943	16,803
7	Deferred tax assets	9,025	9,100
	Financial fixed assets	9,025	9,100
	TOTAL FIXED ASSETS	24,968	25,903
	RECEIVABLES		
	Receivables from affiliates	340,147	322,294
	Other receivables	5,645	10
	Receivables	345,791	322,304
	Cash in hand and at bank	21,493	9,137
	TOTAL CURRENT ASSETS	367,284	331,440
	TOTAL ASSETS	392,252	357,343

BALANCE SHEET - EQUITY AND LIABILITIES

NOTE	DKK '000	2024	2023
SHAREHOLDERS' EQUITY			
	Share capital	500	500
	Retained earnings	366 904	331 343
	TOTAL SHAREHOLDERS' EQUITY	367 404	331 843
PROVISIONS			
	Decommissioning provision	14 892	12 927
8	TOTAL PROVISIONS	14 892	12 927
LIABILITIES OTHER THAN PROVISIONS			
	Trade Payables	0	3 258
	Payables to affiliates	9 955	9 315
	Short-term liabilities	9 955	12 573
	TOTAL LIABILITIES OTHER THAN PROVISIONS	24 847	25 500
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	392 252	357 343
9	Contingent liabilities		
10	Related parties		

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained Earnings</u>	<u>Total</u>
2024			
Equity at 1 January	500	331,343	331,843
Transferred over the profit appropriation		35,562	35,562
Equity at 31 December	500	366,904	367,404

NOTES TO THE FINANCIAL STATEMENT

NOTE DKK'000	2024	2023
1 Personnel costs and employees		
There are no employees in the Company and the board does not receive remuneration.		
2 Operating expenses		
Maintenance	3 170	3 113
Other operating expenses	424	578
Total	3 594	3 691
3 Financial income		
Interest income	397	182
Interest from group entities	26 816	25 348
Foreign exchange gains	43	11
Total	27 256	25 541
4 Financial costs		
Accretion expense related to asset retirement obligations	1 964	1 313
Interest to group entities	-	-
Interest expense	0	-0
Foreign exchange losses	278	74
Total	2 241	1 387
5 Tax		
Adjustment regarding previous years	0	0
Payable tax for the year	-9 955	-9 315
Adjustment deferred tax for the year	-76	-274
Total	-10 030	-9 590

NOTE DKK '000

	Property, plant and equipment (Pipeline)
6 Property, plant and equipment	
Acquisition cost as at 1 January	314,094
Additions during the year	0
Adjustment regarding decommissioning	-
Acquisition cost as at 31 December	314,094
Depreciation as at 1 January	297,291
Depreciation for the year	860
Depreciation as at 31 December	298,150
Book value as at 31 December	15,943

	2024	2023
7 Deferred tax assets		
Property, plant and equipment (Pipeline)	7,689	8,305
Decommissioning	1,336	795
Balance as at 31 December	9,025	9,100

	2024	2023
8 Decommissioning provision		
Decommissioning provision beginning of the year	12,927	11,251
Adjustments during the year	1,253	1,037
Disposal	0	0
Paid in the year	0	0
Accretion	711	639
Balance as at 31 December	14,891	12,927

Together with the other consortium participants the Company has an obligation to decommission the pipeline and associated facilities by end of pipeline life. The consortium participants have to develop a plan and a budget for the decommissioning of the pipeline. When the time for decommissioning of the pipeline approaches, application for approval will be sent to the Danish Energy Due to the uncertainty of the final decommissioning cost estimates, these Financial Statements contain an estimate of the obligation and equivalent capitalised asset. Reviews of estimated decommissioning costs are carried out annually. The discount rate applied in 2024 is 5% (2023: 5.5%).

9 Contingent liabilities

The company is jointly taxed with other Danish group companies. As a group company, the company is indefinitely and jointly and severally liable with other group companies for Danish corporate and withholding taxes on dividends, interest and royalties within the joint taxation. Any subsequent corrections of joint tax income and withholding tax, etc. could result in liability for the company.

The company has unlimited liability for damage in relation to its participation in the Pipeline consortium. The Company has insured its pro rata liability in line with standard market practice.

There are no other contingencies or other financial obligations.

10 Related parties

BlueNord Pipeline Denmark ApS' related parties comprise:

Substantial influence

Noreco Olie- og Gasudvinding Danmark B.V. (Holland), being principal shareholder.

BlueNord Pipeline Denmark ApS' is part of the consolidated financial statements of BlueNord ASA, Nedre Vollgate 3. 0158 Oslo, Norway, which is the smallest group in which the Company is included as a subsidiary.

NOTES TO THE FINANCIAL STATEMENT- ACCOUNTING POLICIES

Basis of Preparation

The Financial Statements of BlueNord Pipeline Denmark ApS for 2024 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with opt in of specific provisions for reporting class C.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The Financial Statements for 2024 are presented in TDKK.

Recognition and measurement

Revenue is recognised in the income statement as it is earned. In addition, value adjustments are recognised for financial assets and liabilities measured at fair value or amortized cost. All expenses incurred to achieve the year's earnings are recognised in the income statement, including depreciations, write-downs and provisions, and reversals as a result of changed accounting estimates of amounts previously recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will derive from the company and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each accounting item below.

Foreign currency translation

Foreign currency transactions are translated applying the exchange rate at the transaction date. Exchange rate differences arising between the exchange rate at the transaction date and the rate at the payment date are recognised in the income statement as a financial item. If currency positions are considered to hedge future cash flows, value adjustments are recognised directly in equity.

Income statement

Revenue

Income from the sale of pipeline capacity is recognized in revenue at the time of delivery and transfer of risk to the buyer has taken place, and the income may be measured reliably.

External expenses

External expenses include the costs incurred to obtain revenue for the year, e.g. costs for operating and maintaining the pipeline, payment to Group entities, IT cost and auditor's fee.

Financial income and expenses

Financial income and expenses include interest income and expense, realised and unrealised exchange rate adjustments and amortisation of financial liabilities.

NOTES TO THE FINANCIAL STATEMENT- ACCOUNTING POLICIES

Tax on profit for the year

The Parent Company is comprised by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance Sheet

Fixed Assets

Property, plant and equipment (Pipeline) are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Where individual components of an item of production facilities have different useful lives, they are accounted for as separate items, which are depreciated separately.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. Remaining useful life of the pipeline: 18 years.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than the decrease in value reflected by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

NOTES TO THE FINANCIAL STATEMENT- ACCOUNTING POLICIES

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with the intended use of the asset and settlement of the liability, respectively.

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

Deferred tax is measured in accordance with the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or equity respectively.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Provisions

Provisions reflect the estimated cost of decommissioning and removal of the pipeline used for transportation of gas. Provisions are measured at net present value of the anticipated future cost (estimated based on current day costs inflated). The liability is calculated in accordance with current removal requirements and is discounted to present value using a risk free rate adjusted for credit risk. Liabilities are recognised when they arise and are adjusted continually in accordance with changes in requirements, price levels, etc. When a decommissioning liability is recognised or the estimate changes, a corresponding amount is recorded to increase or decrease the related asset and is depreciated in line with the asset. Increase in the provision as a result of the time value of money is recognised in the income statement as a financial expense.

Liabilities other than provision

Other liabilities are measured at amortised cost.