

Scandlines Catering ApS

Havneholmen 25, 8.
1561 Copenhagen
Business Registration No
18424649

Annual report 2018

The Annual General Meeting adopted the annual report on 29.04.2019

Chairman of the General Meeting

Name: Søren Poulsgaard Jensen

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Entity detail

Entity

Scandlines Catering ApS

Havneholmen 25, 8.

1561 Copenhagen

Central Business Registration No (CVR): 18424649

Registered in: Copenhagen

Financial year: 01.01.2018 - 31.12.2018

Phone: +4533151515

Fax: +4535290201

Website: www.scandlines.dk

E-mail: scandlines@scandlines.dk

Supervisory Board

Frans Blach Rossen, Chairman of the Board

Stig Dambmann

Claus Peter Vitting Nikolajsen

Simon Alslev Therkildsen

Henrik Sten Hansen

Executive Board

Søren Poulsgaard Jensen, CEO

Per Johannesen Madsen, CFO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P.O. Box 1600

0900 Copenhagen C

Statement by Management on the annual report

The Supervisory Board and the Executive Board have today considered and approved the annual report of Scandlines Catering ApS for the financial year 01.01.2018 - 31.12.2018

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 29.04.2019

Executive Board

Søren Poulsgaard Jensen
CEO

Per Johannesen Madsen
CFO

Supervisory Board

Frans Blanch Rossen
Chairman of the Board

Stig Dambmann

Simon Alslev Therkildsen

Claus Peter Vitting
Nikolajsen

Henrik Sten Hansen

Independent auditor's report

To the shareholder of Scandlines Catering ApS

Opinion

We have audited the financial statements of Scandlines Catering ApS for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

Copenhagen, 29.04.2019

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Kirsten Aaskov Mikkelsen
State Authorised Public Accountant
Identification No (MNE) mne21358

Bjarne Iver Jørgensen
State Authorised Public Accountant
Identification No (MNE) mne35659

Management commentary

	2018	2017	2016	2015	2014
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Financial highlights					
Key figures					
Revenue	435.165	463.150	468.848	424.766	446.100
Gross profit/loss	108.779	193.929	114.914	102.096	115.684
Operating profit/loss	-24.585	10.831	-7.830	-10.039	-15.097
Net financials	25.126	-40.170	8.493	10.429	15.702
Profit/loss for the year	4.468	-25.124	-1.582	507	-781
Total assets	124.127	193.960	210.797	115.584	142.394
Investments in property, plant and equipment	1.008	2.581	1.699	311	0
Equity	8.994	99.545	26.086	27.657	26.918
Average numbers of employees	336	335	341	350	382
Ratios					
Gross margin (%)	25,0	41,9	24,5	24,0	25,9
Net margin (%)	1,0	-5,4	-0,3	0,1	-0,2
Return on equity (%)	8,2	-40,0	-5,9	1,9	-2,9
Equity ratio (%)	7,2	51,3	12,4	23,9	18,9
Revenue per employee	1295,1	1382,5	1.375	1.214	1.168

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Calculation formula reflects
Gross margin (%)	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$	The entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$	The entity's operating profitability
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.
Revenue per employee	$\frac{\text{Revenue}}{\text{Average number of employees}}$	The entity's productivity

Management Commentary

Primary activities

The Company's primary activities are to manage retail and catering services on the ferry routes Puttgarden-Rødby and Rostock-Gedser.

Development in activities and finances

The financial year 2018 shows a profit for the year of DKK 4.468 thousand, which is DKK 29.592 thousand higher than 2017.

For a detailed description of finances and activities, we refer to the Group financial statements of Scandferries ApS.

Outlook

The result for 2019 is expected to be in the same level as 2018.

Particular risks

The most material financial risks are currency, interest and credit risks, which only occur in relation to the operating activities. The risk factors are hedged at Group level and we refer to the "Management commentary" in the Group financial statements of Scandferries ApS for a detailed description.

Intellectual capital resources

For a detailed description of intellectual capital resources, we refer to the Group Financial statements of Scandferries ApS.

Staff

The company employed an average of 336 people in the financial year 2018, which is an increase of 1 persons compared to 2017.

We continuously work to optimize the psychical and mental work environment. All work related to security is coordinated by the security group. Additionally, we have a constructive dialogue on the development.

Environmental performance

Safety for our passengers, crew and vessels is paramount to any other parameter in our business. Weekly and monthly exercises for our crewmembers and testing of our equipment follow mandatory education.

All the vessels are inspected several times during a year, and we are satisfied to hold a high quality in 2018. For more detailed description, please see the "Management commentary" in the Group financial statements of Scandferries ApS.

Statutory report on corporate social responsibility

Scandlines Catering ApS considers such matters as human rights, social aspects, environment and anticorruption as important elements of the Group's business strategy and activities.

Corporate Social Responsibility is about living the values and principles that govern our behavior as a responsible business in respect of customers, staff, suppliers and investors. It is our clear policy to comply with the words and spirit of the laws, rules and regulations that apply in the countries within our companies operate.

Statutory report on the underrepresented gender

The Supervisory Board of Scandlines Catering ApS currently has no female members.

For further detailed description, please see the "Management commentary" in the Group financial statements of Scandferries ApS.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

		2018	2017
	Note	<u>DKK'000</u>	<u>DKK'000</u>
Revenue	1	435.165	463.150
Other operating income	2	11.111	97.774
Cost of sales		-214.113	-241.877
Other external expenses	3	<u>-123.384</u>	<u>-125.118</u>
Gross profit / loss		108.779	193.929
Staff costs	4	-131.769	-132.400
Depreciation and amortization	5	<u>-1.595</u>	<u>-50.698</u>
Operating profit / loss		-24.585	10.831
Profit of subsidiaries		0	4.169
Other financial income	6	99.152	115.738
Other financial expenses	7	<u>-74.026</u>	<u>-160.077</u>
Profit / loss before tax		541	-29.339
Tax on profit / loss for the year	8	<u>3.927</u>	<u>4.215</u>
Profit / loss for the year	9	<u>4.468</u>	<u>-25.124</u>

Balance sheet at 31.12.2018

		31-12-2018	31-12-2017
	Note	<u>DKK'000</u>	<u>DKK'000</u>
Completed development projects	10	<u>0</u>	<u>0</u>
Intangible assets		<u>0</u>	<u>0</u>
Other fixtures and fittings, tools and equipment	11	2.875	3.562
Property, plant and equipment in progress	11	<u>100</u>	<u>450</u>
Property, plant and equipment		<u>2.975</u>	<u>4.012</u>
Fixed assets		<u>2.975</u>	<u>4.012</u>
Inventories		<u>21.660</u>	<u>24.385</u>
Trade receivables		17.315	23.472
Receivable from group enterprises		76.503	131.377
Company Tax		19	5.577
Other receivables		<u>565</u>	<u>350</u>
Receivables		<u>94.402</u>	<u>160.776</u>
Cash		<u>5.090</u>	<u>4.787</u>
Current assets		<u>121.152</u>	<u>189.948</u>
Assets		<u>124.127</u>	<u>193.960</u>

Balance sheet at 31.12.2018

		31-12-2018	31-12-2017
	Note	<u>DKK'000</u>	<u>DKK'000</u>
Share capital		500	500
Retained earnings		<u>8.494</u>	<u>99.045</u>
Equity		<u>8.994</u>	<u>99.545</u>
Trade payable		45.533	47.158
Payable to group enterprises		48.343	29.668
Other payables		18.856	15.635
Deferred income	13	<u>2.401</u>	<u>1.954</u>
Current liabilities other than provisions		<u>115.133</u>	<u>94.415</u>
Liabilities other than provisions		<u>115.133</u>	<u>94.415</u>
Equity and liabilities		<u>124.127</u>	<u>193.960</u>
Contingent liabilities	14		
Assets charged and collateral	15		
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Statement of changes in equity for 2018

	Share capital	Retained earnings	Total
	DKK'000	DKK'000	DKK'000
Equity at 1 January 2018	500	99.045	99.545
Profit / loss for the year	0	4.468	4.468
Extra ordinary dividend	0	-95.019	-95.019
Equity 31-12-2018	500	8.494	8.994

The share capital consists of 500 share at DKK 1.000 nominal.

There have not been any changes in the share capital in the past five years.

Notes

	31-12-2018	31-12-2017
	<u>DKK'000</u>	<u>DKK'000</u>
1 Revenue		
Revenue catering	177.112	177.457
Revenue retail	<u>258.053</u>	<u>285.693</u>
Total revenue	<u>435.165</u>	<u>463.150</u>
2 Other operating income		
Revenue Charter	0	87.843
Management fee	<u>11.111</u>	<u>9.931</u>
Total other operating income	<u>11.111</u>	<u>97.774</u>
3 Other external expenses		
Lease	-68.814	-71.825
Other operating expenses	<u>-54.570</u>	<u>-53.293</u>
Total other operating, selling and administrative expenses	<u>-123.384</u>	<u>-125.118</u>
4 Salary expense		
Wages and salaries	-119.238	-120.278
Pension costs	-11.207	-10.932
Other social security cost	<u>-1.324</u>	<u>-1.190</u>
Total salary expense	<u>-131.769</u>	<u>-132.400</u>
Average number of employees	336	335
Executive Board / management	-27.587	-21.605
Supervisory Board	<u>-893</u>	<u>-120</u>
Total remuneration of management	<u>-28.480</u>	<u>-21.725</u>

The Executive Board receives remuneration for handling the whole Scandferries Group. Therefore, only a minor part of the total remuneration is directly related to the work performed in Scandlines Catering ApS.

Notes

	31-12-2018	31-12-2017
	<u>DKK'000</u>	<u>DKK'000</u>
5 Depreciation and amortisation		
Depreciation of property, plant and equipment	<u>-1.595</u>	<u>-50.698</u>
Total depreciation	<u>-1.595</u>	<u>-50.698</u>
6 Other financial income		
Financial income arising from group enterprises	96.984	114.788
Exchange rate adjustments	<u>2.168</u>	<u>950</u>
Total financial income	<u>99.152</u>	<u>115.738</u>
7 Other financial expense		
Financial expenses from group enterprises	-73.625	-98.741
Exchange rate adjustments	-401	-1.185
Other interest expenses	0	-37.661
Other financial expenses	<u>0</u>	<u>-22.490</u>
Total financial expenses	<u>-74.026</u>	<u>-160.077</u>
8 Tax on profit for the year		
Current tax	-10	5.535
Adjustment concerning previous years	<u>3.937</u>	<u>-1.320</u>
Total tax on profit for the year	<u>3.927</u>	<u>4.215</u>
9 Proposed distribution of profit / loss		
Extra ordinary dividend	-95.019	0
Retained earnings	<u>99.487</u>	<u>-25.124</u>
Total retained earnings	<u>4.468</u>	<u>-25.124</u>

Notes

10 Intangible assets		Completed development projects
		<u>3.341</u>
Cost at 1 January		<u>3.341</u>
Cost at 31 December		<u>3.341</u>
		<u>-3.341</u>
Depreciation and amortization at 1 January		<u>-3.341</u>
Depreciation and amortization at 31 December		<u>-3.341</u>
		<u>0</u>
Carrying amount at 31 December		<u>0</u>
11 Tangible assets	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	<u>29.637</u>	<u>450</u>
Cost at 1 January	29.637	450
Additions	908	100
Disposals	<u>0</u>	<u>-450</u>
Cost at 31 December	<u>30.545</u>	<u>100</u>
	<u>-26.075</u>	<u>0</u>
Depreciation and amortization at 1 January	-26.075	0
Depreciation for the year	<u>-1.595</u>	<u>0</u>
Depreciation and amortization at 31 December	<u>-27.670</u>	<u>0</u>
	<u>2.875</u>	<u>100</u>
Carrying amount at 31 December	<u>2.875</u>	<u>100</u>

Notes

	31-12-2018	31-12-2017
	<u>DKK'000</u>	<u>DKK'000</u>
12 Other payables		
VAT and duties	1.240	0
Wages and salaries, personal income taxes, social security costs etc.	4.235	3.110
Holiday pay obligation	13.382	12.515
Other costs payable	0	10
Total other payables	<u>18.856</u>	<u>15.635</u>

13 Deferred income

Short-term deferred income consist of marketing and sales related expenses.

14 Contingent liabilities

Scandlines Catering ApS is jointly taxed with all other Danish Scandlines companies. Under the joint taxation scheme, each company is liable only for its own tax on the taxable income until the tax has been paid to the administration company (Scandlines infrastructure ApS). Scandlines infrastructure ApS, being the administration company, is then solely obliged to pay the tax on the joint taxation income.

The company is jointly and severally liable for the subsidiaries intra-group accounts in the Scandlines ApS Group's cash pool arrangement.

The Company participates in a Danish joint taxation arrangement in which Scandlines infrastructure ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

Notes

15 Assets charged and collateral

Debt of the ultimate parent company is secured by way of a charge on the ultimate parent company's "trademarks", such as Scandlines Catering ApS' Other fixtures, Inventories, Receivables and Bank deposits.

	31-12-2018	31-12-2017
At 31 December, that carrying amounts of assets provided as security are as follows:	DKK'000	DKK'000
Other fixtures and fittings, tools and equipment	2.975	4.012
Inventories	21.660	24.385
Receivables	94.402	160.776
Bank deposits	5.090	4.787

16 Transactions with related parties

There have not been transactions between the company and its related parties which are not carried out under normal market conditions.

17 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Scandferries ApS, Copenhagen

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Scandlines Infrastructure ApS, Copenhagen

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

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

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation because of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Business combinations

Business combinations with companies under control of the parent company of Scandlines Catering ApS (common control) is completed at the date of the combinations without adjusting comparative figures in accordance with book value method.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Fixed assets purchased in foreign currencies are translated using historical rates.

Income statement**Revenue**

Income from sale of goods for resale and finished goods is recognized in the income statement when delivery and transfer of risk to the buyer have taken place and provided that the income can be reliably measured and is expected to be received.

Other operating income

Other operating income and other operating expenses comprises income and cost of a secondary nature to the Entity's primary activities.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation and amortisation

Intangible assets and property, plant and equipment are amortized or depreciated straight-line on the basis of the individual estimate of their useful lives.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial income

Other financial income comprises interest income, realised and unrealised capital gains on securities, liabilities other than provisions and foreign currency transactions etc as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, realised and unrealised capital losses on securities, other than provisions and foreign currency transactions etc as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish in the Scandlines Group. Current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc**

Intellectual Assets include software and other intangible assets .

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

Property, plant and equipment

Leasehold improvements, vessels, land and buildings, harbour plant and harbour installations as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made based on the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment 3-5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount. Recoverable amount is the higher of value in use (present value of the future net payments) and selling price (broker assessment) less expected selling costs. Value in use is calculated by ferry line.

Profits and losses from the sales of property, plants and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits and losses are recognised in the income statement under other operating income/other operating expenses.

Costs related to planned periodical repairs and maintenance work (docking costs) are capitalized and depreciated straight-line over the period until the next anticipated docking, typically two years.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost of goods for resale, raw materials and consumables consist of acquisition price plus delivery costs.

Receivables

Receivables are measured at amortised cost, usually equaling nominal value less write-downs for bad debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

In accordance to the Danish Financial Statements Act §86, paragraph 4, a cash flow statement is not included in this annual report. Reference is made to the cash flow statement in the annual report for Scandferries ApS.