

## **Scandlines Danmark ApS**

Havneholmen 25, 8.  
DK-1561 Copenhagen  
CVR no. 18605600

### **Annual report 2023**

The Annual General Meeting adopted the annual report on 8 May 2024

**Chairman of the General Meeting**

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Name: Michael Guldmann Petersen

## Contents

Statement by Management on the annual report.....	3
Independent auditor's report.....	4
Company details .....	7
Management Commentary.....	8
Income statement for 2023.....	13
Balance sheet at 31-12-2023.....	14
Statement of changes in equity .....	16
Notes .....	17

## **Statement by Management on the annual report**

The Supervisory Board and the Executive Board have today considered and approved the annual report of Scandlines Danmark ApS for the financial year 1 January - 31 December 2023.

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 Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the management commentary gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 8 May 2024

### **Executive Board**

Michael Guldmann Petersen  
CEO

Jesper Mikkelsen Heilbuth  
CFO

### **Supervisory Board**

Frans Blach Rossen  
Chairman

Anette Ustrup  
Svendsen

Jakob Dornonville  
de la Cour

Gerlinde Waltraud Helene  
Krieger

Jan Raymond Saksaa

Michael Skeller Andersen

Dennis Pollow

## **Independent auditor's report**

### **To the Shareholders of Scandlines Danmark ApS**

#### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company as of 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Scandlines Danmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("The Financial Statements").

#### **Basis for Opinion**

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

#### **Statement on Management's Commentary**

Management is responsible for Management's Commentary.

Our opinion on the Financial Statements does not cover Management's 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 Management's Commentary and, in doing so, consider whether Management's Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

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

### **Management's Responsibilities for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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

Copenhagen, 8 May 2024  
**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31

Bo Schou-Jacobsen  
State Authorised Public Accountant  
mne28703

André Nielsen  
State Authorised Public Accountant  
mne46624

## Company details

### Company

Scandlines Danmark ApS  
Havneholmen 25, 8.  
DK-1561 Copenhagen

Central Business Registration No (CVR): 18605600  
Registered in: Copenhagen  
Financial year: 01.01.2023 - 31.12.2023

Phone: +4533151515  
Fax: +4535290201  
Website: [www.scandlines.dk](http://www.scandlines.dk)  
E-Mail: [scandlines@scandlines.dk](mailto:scandlines@scandlines.dk)

### Supervisory Board

Frans Blach Rossen, Chairman of the Board  
Anette Ustrup Svendsen  
Jakob Dornonville de la Cour  
Gerlinde Waltraud Helene Krieger  
Jan Raymond Saksaa\*  
Michael Skeller Andersen\*  
Dennis Pollow\*

### Executive Board

Michael Guldmann Petersen, CEO  
Jesper Mikkelsen Heilbuth, CFO

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

\*Employee elected member

## Management Commentary

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b><u>EUR'000</u></b>	<b><u>EUR'000</u></b>	<b><u>EUR'000</u></b>	<b><u>EUR'000</u></b>	<b><u>EUR'000</u></b>
<b>Financial highlights</b>					
<b>Key figures</b>					
Revenue	105,002	104,782	78,882	66,219	103,470
Other operating income	30,556	21,915	21,180	70,062	30,622
Gross profit/loss	95,297	91,730	76,029	102,024	103,575
Operating profit/loss	55,995	52,368	35,442	65,916	62,731
Net financials	25,240	19,018	8,964	3,984	12,408
Profit/loss for the year	79,821	78,872	43,336	69,351	74,772
Total assets	238,078	328,451	301,022	299,257	230,274
Investments in property, plant and equipment	36,018	19,174	15,760	9,284	11,502
Equity	211,395	276,574	274,313	230,978	161,626
Average numbers of employees	296	288	276	327	336
<b>Ratios</b>					
Gross margin (%)	90.8	87.5	96.4	154.1	100.1
Net margin (%)	76.0	75.3	54.9	104.7	72.3
Return on equity (%)	32.7	28.6	17.2	35.3	50.7
Equity ratio (%)	88.8	84.2	91.1	77.2	70.2
Revenue per employee	354.7	363.8	285.8	202.5	307.9

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

<b>Ratios</b>	<b>Calculation formula</b>
Gross margin (%)	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Net margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$
Revenue per employee	$\frac{\text{Revenue}}{\text{Average number of employees}}$



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## Management Commentary

2023

### *The gender composition of management bodies*

#### *Top management*

Total number of members	4
Underrepresented gender in	50%
Target figure in %	50%
Year for reaching the target	2023

#### *Other management*

Total number of members	22
Underrepresented gender in	14%
Target figure in %	36%
Year for reaching the target	2025

The qualitative information regarding the gender composition of the management appears under a separate section on page 12.

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## Management Commentary

### Primary activities

The Company's primary activities are to operate ferries on the route Puttgarden-Rødby.

### Development in activities and finances

The financial year 2023 shows a profit for the year of EUR 79,821 thousands (2022: EUR 78,872 thousands), which is EUR 949 higher than 2022.

As of 31 December 2023, total assets were EUR 238,078 thousands (2022: EUR 328,451 (thousands) with a total equity of EUR 211,395 thousands (2022: EUR 276,574 thousands).

The performance is considered satisfactory, as the company has achieved its objective for 2023, with a higher turnover and profit which was the objective for 2023.

For a detailed description of finances and activities, we refer to the Group Financial Statements of Scandlines Infrastructure ApS.

### Outlook

Traffic volumes in 2024 are expected to be slightly above 2023 volumes, with moderately growth in second half of 2024, where positive trends in the global economy are expected to materialize. Modest growth is expected in all segments, but Freight volumes is expected to have higher growth rates in Q4 2024 with the insertion of a new electric ferry on the Rødby-Puttgarden route in the second half of 2024.

We still expect to see consequences of inflation, high interest rates and a weak SEK, but will maintain strict cost control and focus on ensuring continuous efficiency enhancements to mitigate the general volatility in the economy and the effects of high inflation and interest rates in 2023, which still will impact 2024.

Scandlines' exposure for changes in fuel prices are mitigated by bunker surcharges and hedging.

Management expects revenue to increase moderately in 2024 and profitability to remain around the 2023 level.

### Particular risks

The most material financial risks are currency, oil and credit risks, which only occur in relation to the operating activities.

To mitigate the potential impact of the financial risks, the Company has taken an active approach to risk management with a view to identifying and reviewing risk areas and determining how to manage these risks.

## **Management Commentary**

We refer to the "Risk management" in the Group financial statements of Scandlines Infrastructure ApS for a detailed description.

### **Intellectual capital resources**

The Company continuously improves operational efficiency to maintain a strong competitive position against established competitors. In addition, qualified employees and management is critical to our success in the long term.

We refer to the "Risk management" in the Group financial statements of Scandlines Infrastructure ApS for a detailed description.

### **Staff**

The Company employed an average of 296 people in the financial year 2023 (2022: 288 employees).

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

### **Uncertainty in relation to recognition and measurement**

The Company has no material uncertainty in relation to recognition and measurement.

### **Unusual circumstances**

There are no unusual circumstances in 2023.

### **Research- and development activities**

The Company has no research- and development activities.

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## Management Commentary

### Branches

The Company has no branches.

### Statutory report on corporate social responsibility and data ethics cf. 99a and 99d of the Danish Financial Statements Act

For our statutory statement on social responsibility in accordance with sections 99a of the Danish Financial Statements Act, we refer to the Sustainability report from our parent company Scandlines Infrastructure Aps (CVR: 38 10 32 45). The report can be found here:

[Annual report and Sustainability report | Scandlines](#) where our account on Scandlines' data ethics policy is also available in accordance with section 99d of the Danish Financial Statements Act.

### Statutory report on the underrepresented gender cf. 99b of the Danish Financial Statements Act

The Supervisory Board of the Scandlines Danmark ApS , currently consist of two female members elected by the general assembly. This is unchanged compared to last year. At balance sheet date the general assembly elected board members consists of two females and two males. According to the Danish Financial Statements Act this is an equal gender composition as show on page 9.

For the gender composition of Management reference to page 9

At balance sheet date the proportion of women at other management levels is 3 out of a population of 22 which gives 14% women in other management.

Scandlines intend to improve this gender diversity over time and to further nurture the environment to increase the number of women in other management up to 36% in 2025.

Scandlines operates in the maritime industry where many of the jobs are gender specific due to the special working environment. The intake on the educations needed for a job in Scandlines is also gender specific which makes it challenging to find candidates of the underrepresented gender in many areas. Furthermore, the unemployment rate in Denmark is very low for the time being which also brings down the number of suitable candidates. Scandlines does not work with quota but always employs the best-suited candidate for the job. In 2023, Scandlines has worked towards making our advertisements for new jobs as gender neutral as possible to attract both genders to all our open positions.

In addition, Scandlines has signed the Charter of Women in shipping.

Scandlines will continue to have a focus on improving the balance of the underrepresented gender in the coming year, se more information here [Annual report and Sustainability report | Scandlines](#).

## Income statement for 1 January – 31 December

	<u>Notes</u>	<u>2023</u> <u>EUR'000</u>	<u>2022</u> <u>EUR'000</u>
Revenue	1	105,002	104,782
Other operating income	2	30,556	21,915
Costs of raw materials and consumables		-18,317	-17,776
Other external expenses		-19,450	-16,245
Other operating costs		-2,494	-946
<b>Gross profit / loss</b>		<b>95,297</b>	<b>91,730</b>
Staff costs	3	-26,943	-26,336
Depreciation and amortisation		-12,359	-13,026
<b>Operating profit/loss</b>		<b>55,996</b>	<b>52,368</b>
Results from investments in group enterprises	10	19,564	26,542
Financial income	4	11,313	3,425
Financial expenses	5	-5,638	-3,193
<b>Profit / loss before tax</b>		<b>81,235</b>	<b>79,142</b>
Tax on profit for the year	6	-1,414	-270
<b>Profit / loss for the year</b>	7	<b>79,821</b>	<b>78,872</b>

**Balance sheet at December**

	<u>Notes</u>	<u>31-12-2023</u> <u>EUR'000</u>	<u>31-12-2022</u> <u>EUR'000</u>
Software		22,621	20,653
<b>Intangible assets</b>	<b>8</b>	<b>22,621</b>	<b>20,653</b>
Vessels		23,012	24,946
Land and buildings		6,073	6,340
Plant and machinery		12,761	13,774
Other fixtures and fittings, tools and equipment		1,720	180
Leasing of property, plant and equipment		1,099	1,963
Assets under construction		44,160	19,508
<b>Tangible assets</b>	<b>9</b>	<b>88,825</b>	<b>66,711</b>
Investments in subsidiaries	10	67,715	48,066
Investments in associated companies	10	14	98
Deposits		381	378
<b>Fixed assets investments</b>		<b>68,110</b>	<b>48,542</b>
<b>Fixed Assets</b>		<b>179,557</b>	<b>135,906</b>
Finished goods		157	291
<b>Inventories</b>		<b>157</b>	<b>291</b>
Trade receivables		14,196	13,127
Receivable from affiliated companies		42,085	178,199
Other receivables		1	1
Prepayments	11	2,012	853
<b>Receivables</b>		<b>58,294</b>	<b>192,180</b>
<b>Cash</b>		<b>71</b>	<b>74</b>
<b>Current assets</b>		<b>58,522</b>	<b>192,545</b>
<b>Assets</b>		<b>238,078</b>	<b>328,451</b>

**Balance sheet at December**

	<u>Notes</u>	<u>31-12-2023</u> <u>EUR'000</u>	<u>31-12-2022</u> <u>EUR'000</u>
Contributed capital		67.236	67.236
Reserve for net revaluation under the equity method		22,496	2,931
Retained earnings		121,663	171,407
Proposed dividend		0	35,000
<b>Equity</b>		<b><u>211,395</u></b>	<b><u>276,574</u></b>
Other payables	12	1,586	1,554
Leasing debt		1,121	2,016
<b>Non-current liabilities</b>		<b><u>2,707</u></b>	<b><u>3,570</u></b>
Trade payables		8,518	12,717
Payable to affiliated companies		4,242	25,303
Other payables	12	10,197	9,671
Deferred income	13	1,018	616
<b>Current liabilities other than provisions</b>		<b><u>23,975</u></b>	<b><u>48,307</u></b>
<b>Liabilities other than provisions</b>		<b><u>26,683</u></b>	<b><u>51,877</u></b>
<b>Equity and liabilities</b>		<b><u>238,078</u></b>	<b><u>328,451</u></b>
Contingent Liabilities	14		
Assets charged and collateral	15		
Transactions with related parties	16		
Group relations	17		
Events after the balance sheet date	18		
Summary of significant accounting policies	19		

## Statement of changes in equity

	<b>Contributed capital</b>	<b>Reserve for revaluation under the equity method</b>	<b>Retained earnings</b>	<b>Proposed dividend</b>	<b>Total</b>
	<b>EUR'000</b>		<b>EUR'000</b>	<b>EUR'000</b>	<b>EUR'000</b>
<b>Equity at 1 January 2023</b>	67.236	2,931	171,407	35,000	276,574
Profit / loss for the year	0	19,565	60,256	0	79,821
Ordinary dividend	0	0	0	-35,000	-35,000
Paid extraordinary dividend	0	0	-110,000	0	-110,000
<b>Equity at 31 December 2023</b>	<b>67.236</b>	<b>22,496</b>	<b>121,663</b>	<b>0</b>	<b>211,395</b>

The share capital consists of 500.000 shares of DKK 1.000 nominal.



## Notes

	<b>31-12-2023</b>	<b>31-12-2022</b>
	<b>EUR'000</b>	<b>EUR'000</b>
<b>1 Revenue</b>		
Ferry transport	105,002	104,782
<b>Total</b>	<b>105,002</b>	<b>104,782</b>

Revenue from ferry transport is generated as part of the crossing from Denmark to Germany.

<b>2 Other operating income</b>		
Rent income from harbor, land and buildings	300	300
Shared Service Center	29,475	20,684
Other miscellaneous income	863	931
<b>Total</b>	<b>30,556</b>	<b>21,915</b>

Rent income from harbor, land and buildings includes leasehold income from the ferries.

<b>3 Staff costs</b>		
Salaries and wages	-23,473	-23,217
Pension costs	-2,396	-2,287
Other social security expenses	-237	-204
Other personnel expenses	-837	-628
<b>Total staff costs</b>	<b>-26,943</b>	<b>-26,336</b>
Average number of employees	296	288

	<b>Remuneration to management 2023</b>	<b>Remuneration to management 2022</b>
Salary	1,387	1,666
Bonus	1,500	1,674
Severance cost	500	0
Pension	196	220
<b>Total Executive Management</b>	<b>3,583</b>	<b>3,560</b>
Supervisory Board	26	24

The figures stated relates to the Executive Board's remuneration for handling the whole Scandlines Infrastructure Group. Thus, only a minor part of the total remuneration is directly related to the work performed in Scandlines Danmark ApS.

## Notes

	<b>31-12-2023</b>	<b>31-12.2022</b>
	<b>EUR'000</b>	<b>EUR'000</b>
<b>4 Financial income</b>		
Interest from affiliated companies	11,313	3,425
<b>Total financial income</b>	<b>11,313</b>	<b>3,425</b>
<b>5 Financial expenses</b>		
Interest to affiliated companies	-4,780	-1,480
Foreign exchange losses	-796	-1,158
Other interest expenses	-62	-555
<b>Total financial expenses</b>	<b>-5,638</b>	<b>-3,193</b>
<b>6 Tax on profit/loss for the year</b>		
Current tax	-1,414	-270
<b>Total tax on profit for the year</b>	<b>-1,414</b>	<b>-270</b>
<p>The Company is committed to tonnage tax until 2030. The Company does not expect to withdraw from the scheme and therefore no deferred tax of tonnage tax assets and liabilities have been recognised.</p>		
<b>7 Proposed distribution of profit / loss</b>		
Proposed dividend	0	35,000
Reserve for net revaluation under the equity method	19,565	2,931
Retained earnings	60,256	40,941
<b>Profit / loss for the year</b>	<b>79,821</b>	<b>78,872</b>

## Notes

### 8 Intangible assets

EUR'000

Software

Cost at 1 January	48,244
Additions	552
Transfer	6,937
Disposals	-2,523
<b>Cost at 31 December</b>	<b>52,210</b>
Amortization at 1 January	-27,591
Amortization for the year	-5,519
Disposals	2,521
<b>Depreciation and amortization at 31 December</b>	<b>-30,589</b>
<b>Carrying amount at 31 December</b>	<b>22,621</b>

### 9 Tangible assets

Land and  
Buildings

Plant and  
machinery

Vessels

Cost at 1 January	19,135	64,138	141,618
Additions	4	0	1,823
Transfer	42	0	116
<b>Cost at 31 December</b>	<b>19,181</b>	<b>64,138</b>	<b>143,557</b>
Depreciation at 1 January	-12,796	-50,364	-116,672
Depreciation for the year	-312	-1,013	-3,873
Disposals			
<b>Depreciation at 31 December</b>	<b>-13,108</b>	<b>-51,377</b>	<b>-120,545</b>
<b>Carrying amount at 31 December</b>	<b>6,073</b>	<b>12,761</b>	<b>23,012</b>

## Notes

<b>9 Tangible assets (continued)</b>	<b>Other Fixtures and fittings, tools and equipment</b>	<b>Leasing of property, plant and equipment</b>	<b>Asset under construction*</b>
Cost at 1 January	2,137	5,065	19,508
Additions	23	523	33,094
Transfer	1,806	0	-8,902
Disposals	-1,139	-575	0
<b>Cost at 31 December</b>	<b>2,827</b>	<b>5,013</b>	<b>43,700</b>
Depreciation at 1 January	-1,957	-3,102	0
Depreciation for the year	-289	-1,352	0
Disposed	1,139	540	0
<b>Depreciation at 31 December</b>	<b>-1,107</b>	<b>-3,914</b>	<b>0</b>
<b>Carrying amount at 31 December</b>	<b>1,720</b>	<b>1,099</b>	<b>43,700</b>

\*Assets under construction contain both intangible and tangible projects, which at the point of capitalisation are properly classified. The practice is unchanged from previous years.

### Commitments related to tangible assets

Scandlines has in 2021 entered into a contract with Cemre Shipyard, Turkey, to build an emission-free ferry for the Puttgarden-Rødby route. As of 31 December 2023 Scandlines has a remaining commitment of EUR 31 million. (2022: Commitment of EUR 46 million).

<b>10 Fixed assets investments</b>	<b>Investments in subsidiaries</b>	<b>Investments in associated companies</b>
Cost at 1 January	45.220	13
Additions	0	0
<b>Cost at 31 December</b>	<b>45.220</b>	<b>13</b>
Revaluations 1 January	2,846	85
Share of profit/loss for the year	19,648	-1,259
Write of negative capital shares	0	1,175
<b>Revaluations 31 December</b>	<b>22,495</b>	<b>1</b>
<b>Carrying amount at 31 December</b>	<b>67,715</b>	<b>14</b>

## Notes

### 10 Fixed assets investments (continued)

	Registered in	Corporate form	Equity interest %
Investments in subsidiaries and associated companies:			
Scandlines Catering ApS	Copenhagen	ApS	100
Scandlines Gedser-Rostock ApS	Copenhagen	ApS	100
Scandlines Schiff GmbH & Co. KG	Hamburg	KG	50
Scandlines Schiff Verwaltungs GmbH	Hamburg	GmbH	50

	Equity	Profit/Loss
	EUR'000	EUR'000
Investments in subsidiaries and associated companies:		
Scandlines Catering ApS	2,795	-635
Scandlines Gedser-Rostock ApS	64,920	20,284
Scandlines Schiff GmbH & Co. KG	-1,175	-1,260
Scandlines Schiff Verwaltungs GmbH	25	1

All recognized amounts are based on latest available financial information.

**31-12-2023**      **31-12-2022**  
**EUR'000**            **EUR'000**

### 11 Prepayments

Prepayments consist of prepaid leasing and IT services etc.

### 12 Other payables

VAT and duties	1,770	724
Holiday pay obligations	2,709	2,632
Wages and salaries etc.	6,513	5,359
Customer loyalty program (SMILE)	644	2,304
Other costs payable	147	206
	<b>11,783</b>	<b>11,225</b>

## Notes

	<b>31-12-2023</b>	<b>31-12-2022</b>
	<b>EUR'000</b>	<b>EUR'000</b>
<b>12 Other payables (continued)</b>		
Other payables falls due as following:		
Current portion of non-current payables within 1 year	10,197	9,671
Non-current payables between 1 and 5 years	157	117
Non-current payables over 5 years	1,429	1,437
<b>Total non-current payables</b>	<b>11,783</b>	<b>11,225</b>

### 13 Deferred income

Deferred income consist of prepaid tickets.

### 14 Contingent liabilities

The Group is party to ongoing investigations from public authorities, the outcome and impact of which remain uncertain. Based on external expert advice, management does not currently believe that the basis for the investigations have any merit and, if necessary, the Group will defend itself against them. The timeframe for the investigations being concluded may be after the Group's next financial year-end. Any potential financial impact is currently uncertain and not possible to quantify.

The Group's Danish companies are jointly and severally liable for tax on the Group's jointly taxed income, etc. The total amount of corporation tax due is stated in the financial statements of Scandlines Infrastructure ApS, which is the management company in relation to joint taxation.

The Group's Danish companies are also jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any subsequent corrections to corporation taxes and withholding taxes may result in the Company's liability constituting a larger amount.

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

### 15 Assets charged and collateral

The bank debt of Scandlines ApS is secured by collateral in the Company's receivables from Group entities, vessels and other assets as well as cash.

The Company have joint and several liability with the other group enterprises for the group financing arrangement.

### 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.

## Notes

### **17 Group relations**

Name and registered office of the Parent Company preparing consolidated Financial Statements for the smallest group:

Scandlines Infrastructure ApS  
Copenhagen

Name and registered office of the Parent Company preparing consolidated Financial Statements for the largest group:

Scandlines Infrastructure ApS  
Copenhagen

### **18 Events after the balance sheet date**

No events have occurred in the period from the balance sheet date until the date of release of this annual report that would materially affect the evaluation of the annual report.

## Notes

### 19 Summary of significant 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) and the Company has adopted the IFRS Accounting Standards IFRS 9, 15 and 16.

The Financial Statement have been presented in TEUR.

The accounting policies applied remain unchanged to previous years.

#### 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 Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation because of a prior event, and it is probable that future economic benefits will flow out of the Company, 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 Financial Statements 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.

#### 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**

Revenue relating to passenger and cargo ferrying is recognised in the income statement when the control of the service has passed to the customer at the departure time of the vessel.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### **Other operating income**

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

#### **Costs of raw materials and consumables**

The operating expenses for vessels comprise consumables applied for current operations of vessels, expenses of unplanned shipyard and expenses of current maintenance of safety level on the vessels. Furthermore expenses for changes to the hulls of the vessels or for accommodation construction which did not increase the value in use are included.

Dry docking costs are recognised in the carrying amount of vessels when incurred and depreciated over the period until the next dry docking.

#### **Other external expenses**

Other external expenses include expenses relating to the Company's ordinary activities, including expenses for it-costs, marketing costs, premises and various corporate costs, etc. This item also includes write-downs of receivables recognized in current assets.

#### **Staff costs**

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

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

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 subsidiaries and associated companies**

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

**Financial income**

Financial income comprises interest income, currency gains etc. as well as tax relief under the Danish Tax Prepayment Scheme etc.

**Financial expenses**

Financial expenses comprise interest expenses, bank charges, currency losses 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 Company 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).

The Company joined the tonnage tax scheme with effect from 1 January 2002. Accordingly, the taxable income related to passenger and cargo ferrying has been calculated based on the tonnage for the year. Income related to other activities is taxed under the ordinary rules of corporate tax law.

The Company is committed to tonnage tax until 2030. The Company does not expect to withdraw from the scheme and therefore no deferred tax of tonnage tax assets and liabilities has been recognised.

**Balance sheet****Intangible assets**

Intellectual property rights include software and other intangible assets.

The basis of amortization is cost less estimated residual value after the end of useful life. The remaining intangible assets are amortized on a straight-line basis using the estimated useful life of three to five years.

## Property, plant and equipment

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 on the basis of the following estimated useful lives of the assets:

Vessels	35-45 years
Docking assets	2-5 years
Buildings	40 years
Harbor facilities and harbor installations	40 years
Other fixtures and fittings, tools and equipment	3-5 years

The carrying amounts of property, plant and equipment are reviewed regularly, at least once a year, to determine any indication of impairment. If such indication exists, the recoverable amount of the asset is determined.

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 in respect of vessels) less expected selling costs.

Gains 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. Gains 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-five years.

## Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at EUR 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

### **Inventories**

Inventories are measured at cost based on the FIFO method. Where the net realizable value is lower than the FIFO cost price, inventories are written down to this lower value. The cost of inventory consists of the acquisition price plus delivery costs.

### **Receivables**

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

### **Receivables / Payables from affiliated companies**

Receivables or payable from affiliated companies comprises intercompany trade balances, deposits and debt in the intercompany Cash pool managed by affiliated Company. The Cash pool comprises cash in various currencies and interest is applied on the cash position by arm-lengths principle.

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at amortized cost, which usually corresponds to the nominal amount.

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Leases**

For financial reporting purposes, leases are divided into capitalizable leases and short term leases where all leasing contracts with a term over 12 months are recognised as leasing assets on the balance sheet. Leases with a term less than 12 months are classified as short term leases. For leasing assets, cost is present value of future minimum lease payments. The internal rate of return of the lease or group's alternative borrowing rate is applied as a discount factor for determining the present value. Assets held under leases are depreciated and written down for impairment in accordance with the accounting policies applied by the group to similar proprietary non-current assets or over the lease period depending on the terms and conditions of the lease

The related lease commitment for assets under leases is recognised in the balance sheet by an amount equivalent to the capitalised lease commitment. The interest portion of the lease payment or the year is recognised in the income statement as a financial expense. Lease payments on short-term leases are recognized in profit and loss on a straight-line basis over the lease period unless other systematic better reflect the benefit from the use of the asset. The remaining rental and lease commitments of such leases are disclosed in the notes to the consolidated financial statements. In the event of leases under which assets are leased out, an amount equal to the net investment in the lease is recognised as a receivable in the balance sheet. The asset is derecognised, and any gains or losses in the respect are taken to profit or loss.

**Long term liabilities**

Other long term liabilities comprise long term holiday allowance.

**Other financial liabilities**

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

**Income tax receivable or payable**

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.

**Deferred income**

Deferred income comprises received income for recognition in subsequent financial years.

**Consolidated Financial Statements**

With reference to the Danish Financial Statements Act §112(2), the Company has not prepared Consolidated Financial Statements. The Company's Financial Statements is included in the Consolidated Financial Statements of Scandlines Infrastructure ApS.

**Cash flow statement**

The Company has according to the Danish Financial Statements Act §86(4) omitted to produce a cash flow statement.