



Shipco Transport Holding A/S

Snorresgade 18-20
2300 Copenhagen S
CVR No. 18936488

Annual report 2022

The Annual General Meeting adopted the annual report on 11.05.2023

John Hemming

Chairman of the General Meeting

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Entity details

Entity

Shipco Transport Holding A/S

Snorresgade 18-20

2300 Copenhagen S

Business Registration No.: 18936488

Registered office: Copenhagen

Financial year: 01.01.2022 - 31.12.2022

URL: www.shipco.com

Board of Directors

Klaus Henry Jepsen, Chairman

Morten Jæpelt

Sune Simonsen

Christian Møgelvang

Ulrik Kamstrup Jespersen

Executive Board

Morten Jæpelt, Chief Executive Officer

Bank

A/S Arbejdernes Landsbank

Vesterbrogade 5

1502 Copenhagen V

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Shipco Transport Holding A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022.

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, 11.05.2023

Executive Board

Morten Jæpelt

Chief Executive Officer

Board of Directors

Klaus Henry Jepsen

Chairman

Morten Jæpelt

Sune Simonsen

Christian Møgelvang

Ulrik Kamstrup Jespersen

Independent auditor's report

To the shareholders of Shipco Transport Holding A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Shipco Transport Holding A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the 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 consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the 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 consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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, 11.05.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Anders Kreiner

State-Authorised Public Accountant
Identification No (MNE) mne26765

Christian Sanderhage

State-Authorised Public Accountant
Identification No (MNE) mne23347

Management commentary

Financial highlights

	2022	2021	2020	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	7,793,164	6,724,798	3,596,552	3,505,260	3,455,306
Gross profit/loss	1,694,112	1,365,673	757,967	723,204	682,508
EBITDA	905,625	689,317	196,106	169,422	140,438
Operating profit/loss	891,628	678,395	186,064	158,793	128,468
Net financials	8,707	(1,880)	(5,138)	(637)	3,808
Profit/loss before tax	900,335	676,515	180,926	158,156	132,276
Profit/loss for the year	668,956	528,672	147,327	119,206	92,333
Balance sheet total	1,883,478	1,895,897	916,459	812,273	802,831
Investments in property, plant and equipment	20,536	18,697	8,743	21,310	41,355
Equity	919,736	732,271	320,533	301,743	266,314
Average number of employees	3,047	2,864	2,624	2,617	2,546
Ratios					
Gross margin (%)	21.74	20.31	21.07	20.63	19.75
Net margin (%)	8.58	7.86	4.10	3.40	2.67
Return on equity (%)	80.99	100.43	47.35	41.97	37.33
Equity ratio (%)	48.83	38.62	34.98	37.15	33.17

The average number of employees represents the total number of employees in the consolidated enterprises of the Group at 31 December, including proportionally consolidated enterprises.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

Primary activities

The primary activities of the Shipco Transport Group are worldwide shipping services.

Development in activities and finances

EBITDA for the year is DKK 905,625 thousand, and the profit for the year amounts to DKK 900,335 thousand before tax.

Equity totals DKK 919,736 thousand at 31.12.2022.

The cargo volume increased in 2022, however, not to the same extent as the financial turnover, as freight rates were at a historically high level throughout the year.

Profit/loss for the year in relation to expected developments

The financial results are better than expected and as expressed in the annual report for 2021. The Board of Directors finds them very satisfactory.

Outlook

The Board of Directors expects positive results in 2023 but not at the same level as in 2022. The global cargo volume is significantly down from previous years and freight rates are close to historically low levels, thus impacting financial results throughout the industry.

Use of financial instruments

Price risks

The Group is to a wide extent dependent on the development in global shipping prices and in the USD exchange rate.

Currency exposure

Due to foreign activities, results, cash flows and equity are affected by the exchange rate movements in a number of foreign currencies. Exchange rate adjustments of investments in subsidiaries are recognised directly in equity. It is not company policy to hedge the above risks by means of financial instruments as purchase and sale of shipping services to a wide extent take place in the same foreign currency.

Interest rate exposure

Reasonable changes in the interest rate level will have no material impact on the Group. Consequently, no agreements are made on hedging of interest rate exposure.

Group relations

Please refer to notes 19, 20 and 21 in the consolidated financial statements for a specification of the group relations.

Statutory report on corporate social responsibility

Please refer to the management commentary in the annual report for 2022 of the Ultimate Parent, A. Simonsen Holding ApS, Business Registration No. 40129774, which can be found on cvr.dk.

Statutory report on the underrepresented gender

The policy of Shipco Transport Holding A/S is to secure the best professional competence possible at all levels in the Company. The members of Management are solely appointed based on their qualifications and not their gender. By doing so, equal opportunities for both genders are secured, provided that the candidates applying for

the management positions possess the professional skills required. Shipco Transport Holding A/S supports gender equality in relation to career opportunities and salary conditions. Our equal opportunities policy is put into practice in the Company's employee manual, and we always encourage our female colleagues to apply for leadership positions. When recruiting for management positions, we strive to have both genders represented. Furthermore, we focus on developing leadership talents of both genders.

At the time of the presentation of the annual report, the Board of Directors of Shipco Transport Holding A/S has no female members. In contrast, the Parent, A.S. Scan Holding A/S, has two female board members out of five, corresponding to 40%. The Ultimate Parent, A. Simonsen Holding ApS, has one female board member out of three, corresponding to 33.3%.

No female candidates were identified for the Board of Directors at Shipco Transport Holding A/S in 2022. However, based on a specific assessment of the Company's situation, including the competencies to be present on the Board of Directors, the target is to have at least one female candidate for the Board of Directors at Shipco Transport Holding A/S before 2025. This target figure is considered achievable and ambitious.

In relation to the general gender equality policy, please refer to the management commentary in the annual report for 2022 of the Ultimate Parent, A. Simonsen Holding ApS, Business Registration No. 40129774. Furthermore, no specific gender composition policy has been determined for other management levels at Shipco Transport Holding A/S, given that the Company does not have more than 50 employees.

Statutory report on data ethics policy

The Group established a data ethics policy in 2022 as part of its IT security policies.

The following initiatives have been implemented as part of the work on data ethics and policies on this subject:

- System-supported personal data policies, ensuring that we process all personal data under existing laws.
- We strive to ensure that all agreements we enter into explain how we process, monitor, and protect personal data.
- Internal data security guidelines to ensure availability, confidentiality, and integrity of data processing.
- Confidentiality and secrecy clauses for relevant employees.

The Group will continue its work on data ethics in 2023 through the training of employees and communications about data ethics.

Events after the balance sheet date

No events have occurred or been recorded between the balance sheet date and the date of presentation of these financial statements, which would influence the evaluation of this annual report.

Consolidated income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Revenue	1	7,793,164	6,724,798
Other operating income		1,187	554
Cost of sales		(5,813,632)	(5,101,980)
Other external expenses	2	(286,607)	(257,699)
Gross profit/loss		1,694,112	1,365,673
Staff costs	3	(788,487)	(676,356)
Depreciation, amortisation and impairment losses	4	(13,997)	(10,922)
Operating profit/loss		891,628	678,395
Other financial income	5	23,860	10,786
Other financial expenses	6	(15,153)	(12,666)
Profit/loss before tax		900,335	676,515
Tax on profit/loss for the year	7	(231,379)	(147,843)
Profit/loss for the year	8	668,956	528,672

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Land and buildings		25,486	26,892
Other fixtures and fittings, tools and equipment		29,008	26,196
Leasehold improvements		12,311	8,064
Property, plant and equipment	9	66,805	61,152
Other receivables		88,357	64,363
Financial assets	10	88,357	64,363
Fixed assets		155,162	125,515
Trade receivables		394,627	767,383
Receivables from group enterprises		53,614	77,807
Deferred tax	11	0	14,973
Other receivables		101,902	77,526
Prepayments	12	29,446	49,052
Receivables		579,589	986,741
Cash		1,148,727	783,641
Current assets		1,728,316	1,770,382
Assets		1,883,478	1,895,897

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital	13	1,320	1,320
Translation reserve		(21,697)	4,794
Retained earnings		440,113	271,157
Proposed dividend for the financial year		500,000	455,000
Equity		919,736	732,271
Deferred tax	11	5,251	0
Provisions		5,251	0
Mortgage debt		12,259	14,698
Other payables		8,780	9,359
Non-current liabilities other than provisions	14	21,039	24,057
Current portion of non-current liabilities other than provisions	14	465	467
Trade payables		714,617	885,627
Payables to group enterprises		66,658	66,878
Tax payable		29,805	81,359
Other payables		125,907	105,238
Current liabilities other than provisions		937,452	1,139,569
Liabilities other than provisions		958,491	1,163,626
Equity and liabilities		1,883,478	1,895,897
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
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Consolidated statement of changes in equity for 2022

	Contributed capital DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000	Total DKK'000
Equity beginning of year	1,320	4,794	271,157	455,000	732,271
Ordinary dividend paid	0	0	0	(455,000)	(455,000)
Exchange rate adjustments	0	(26,491)	0	0	(26,491)
Profit/loss for the year	0	0	168,956	500,000	668,956
Equity end of year	1,320	(21,697)	440,113	500,000	919,736

Consolidated cash flow statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Operating profit/loss		891,628	678,395
Amortisation, depreciation and impairment losses		13,997	10,922
Working capital changes	15	190,930	(17,118)
Cash flow from ordinary operating activities		1,096,555	672,199
Financial income received		23,860	10,786
Financial expenses paid		(15,153)	(12,666)
Taxes refunded/(paid)		(262,709)	(73,099)
Cash flows from operating activities		842,553	597,220
Acquisition etc. of property, plant and equipment		(20,536)	(18,697)
Sale of property, plant and equipment		1,089	524
Cash flows from investing activities		(19,447)	(18,173)
Free cash flows generated from operations and investments before financing		823,106	579,047
Loans raised		0	541
Repayments of loans etc.		(3,020)	(1,465)
Dividend paid		(455,000)	(138,000)
Cash flows from financing activities		(458,020)	(138,924)
Increase/decrease in cash and cash equivalents		365,086	440,123
Cash and cash equivalents beginning of year		783,641	343,518
Cash and cash equivalents end of year		1,148,727	783,641
Cash and cash equivalents at year-end are composed of:			
Cash		1,148,727	783,641
Cash and cash equivalents end of year		1,148,727	783,641

Notes to consolidated financial statements

1 Revenue

	2022 DKK'000	2021 DKK'000
NVOCC services	7,793,164	6,724,798
Total revenue by activity	7,793,164	6,724,798

2 Fees to the auditor appointed by the Annual General Meeting

DKK'000	2022			2021		
	Deloitte	Others	Total	Deloitte	Others	Total
Statutory audit services	359	3.372	3.731	382	2.594	2.976
Other assurance engagements	0	74	74	0	135	135
Tax services	45	801	846	0	797	797
Other services	42	473	515	31	647	678
	446	4.720	5.166	413	4.173	4.586

3 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	701,258	597,603
Pension costs	30,061	25,151
Other social security costs	57,168	53,602
	788,487	676,356
Average number of full-time employees	3,047	2,864

According to section 98b(3) of the Danish Financial Statements Act, information on Management's remuneration is not disclosed.

4 Depreciation, amortisation and impairment losses

	2022 DKK'000	2021 DKK'000
Depreciation on property, plant and equipment	13,997	10,922
	13,997	10,922

5 Other financial income

	2022	2021
	DKK'000	DKK'000
Financial income from group enterprises	1,520	1,334
Other financial income	22,340	9,452
	23,860	10,786

6 Other financial expenses

	2022	2021
	DKK'000	DKK'000
Other financial expenses	15,153	12,666
	15,153	12,666

7 Tax on profit/loss for the year

	2022	2021
	DKK'000	DKK'000
Current tax	201,472	148,560
Change in deferred tax	20,469	(3,898)
Adjustment concerning previous years	9,438	3,181
	231,379	147,843

8 Proposed distribution of profit/loss

	2022	2021
	DKK'000	DKK'000
Ordinary dividend for the financial year	500,000	455,000
Retained earnings	168,956	73,672
	668,956	528,672

9 Property, plant and equipment

	Land and buildings DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	29,827	86,168	22,125
Exchange rate adjustments	(533)	679	962
Additions	703	13,313	6,520
Disposals	(655)	(7,908)	(764)
Cost end of year	29,342	92,252	28,843
Depreciation and impairment losses beginning of year	(2,935)	(59,972)	(14,061)
Exchange rate adjustments	30	(507)	(430)
Depreciation for the year	(891)	(10,369)	(2,737)
Reversal regarding disposals	(60)	7,604	696
Depreciation and impairment losses end of year	(3,856)	(63,244)	(16,532)
Carrying amount end of year	25,486	29,008	12,311

10 Financial assets

	Other receivables DKK'000
Cost beginning of year	64,363
Additions	28,124
Disposals	(4,130)
Cost end of year	88,357
Carrying amount end of year	88,357

11 Deferred tax

	2022 DKK'000	2021 DKK'000
Changes during the year		
Beginning of year	14,973	10,598
Recognised in the income statement	(20,469)	3,898
Other adjustments	245	477
End of year	(5,251)	14,973

Deferred tax consists of balances on fixed assets, trade receivables, tax loss carryforwards, etc.

12 Prepayments

Prepayments comprise various prepaid expenses. Prepayments are measured at cost.

13 Contributed capital

	Number	Par value DKK'000	Nominal value DKK'000
A Shares	1,100	1	1,100
B Shares	220	1	220
	1,320		1,320

14 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due within 12 months 2021 DKK'000	Due after more than 12 months 2022 DKK'000
Mortgage debt	465	467	12,259
Other payables	0	0	8,780
	465	467	21,039

Outstanding liabilities after five years from 2022 amount to DKK 0 thousand. Mortgage debt is secured by way of a mortgage deed on land and buildings at a book value of DKK 23,937 thousand.

15 Changes in working capital

	2022 DKK'000	2021 DKK'000
Increase/decrease in receivables	368,180	(529,407)
Increase/decrease in trade payables etc.	(177,250)	512,289
	190,930	(17,118)

16 Unrecognised rental and lease commitments

	2022 DKK'000	2021 DKK'000
Total liabilities under rental or lease agreements until maturity	390,180	240,511
Of this, liabilities under rental or lease agreements with group enterprises	261,601	138,139

17 Contingent liabilities

	2022 DKK'000	2021 DKK'000
Recourse and non-recourse guarantee commitments	1,804	1,857
Contingent liabilities	1,804	1,857

The Company participates in a Danish joint taxation arrangement in which A. Simonsen Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

18 Transactions with related parties

Transactions with related parties are made on an arm's length basis.

19 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
A. Simonsen Holding ApS, Snorresgade 18-20, 2300 Copenhagen S

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S

20 Pro-rata consolidated companies

	Ownership %
International Cargo Terminals Korea Co., Ltd., Korea	55.00
Shipco Transport (Philippines) Inc., the Philippines	51.00
SSC Consolidation NV, Belgium	50.00
SSC Consolidation BV, the Netherlands	50.00
SSC Consolidation LLC, United Arab Emirates	50.00
SSC Consolidation Holding BV, the Netherlands	50.00
SSC Consolidation S.A.S., France	50.00
Saco Shipping SPA, Chile	50.00
Chile Ports Service SPA, Chile	50.00
Shipco Transport Vietnam Limited, Vietnam	51.00
Shipco Transport Co. Ltd., Korea	51.00
Shipco Transport (pvt) Ltd., Pakistan	50.00
Shipco Transport Jamaica Limited, Jamaica	60.00
Shipco Transport Limited, Trinidad and Tobago	60.00
Shipco Transport Cambodia Co. Ltd., Cambodia	51.00
Shipco Cambodia Holding pte. Ltd., Singapore	51.00
NGS World Transport Ltd., New Zealand	50.00

21 Subsidiaries

	Ownership %
SSNYC Inc., USA	100.00
Shipco Transport Inc., USA	100.00
Worldwide Alliance Inc., USA	100.00
Shipco Transport (Chile) S.A., Chile	100.00
Shipco Transport (HK) Ltd., Hong Kong	100.00
PT Shipco Transport Indonesia, Indonesia	100.00
Shipco Transport (Japan) Ltd., Japan	100.00
Shipco Transport Pte. Ltd., Singapore	100.00
Shipco Transport (Thailand) Ltd., Thailand	100.00
Bangkok Resource Center Ltd., Thailand	100.00
Shipco Transport Sdn. Bhd., Malaysia	100.00
Shipco DMCC, United Arab Emirates	100.00
Shipco Transport Sp.z.o.o., Poland	100.00
Shipco Transport AB, Sweden	100.00
OY Shipco Transport AB, Finland	100.00
Shipco Transport AS, Norway	100.00
Shipco Transport BV, the Netherlands	100.00
Shipco Transport Eesti AS, Estonia	100.00
Shipco Transport GmbH, Germany	100.00
Shipco Transport Ltd., United Kingdom	100.00
Shipco Transport Ltd., Ireland	100.00
Shipco Transport NV, Belgium	100.00
Shipco Transport Denmark A/S, Denmark	100.00
Shipco Transport Ltd., Ukraine	100.00
Shipco Transport (Shanghai) Ltd., China	100.00
Shipco Transport SIA, Latvia	100.00
Shipco Transport UAB, Lithuania	100.00
Shipco Transport (Taiwan) Co. Ltd., Taiwan	100.00
Shipco Transport Lanka (Pvt) Ltd., Sri Lanka	100.00
Shipco Transport Bulgaria EOOD, Bulgaria	100.00
Shipco Transport S.R.L., Romania	100.00
Shipco Transport Ltd., New Zealand	100.00
Shipco Transport d.o.o., Slovenia	100.00

	Ownership %
Shipco Transport LLC, Russia	100.00
Shipco Transport (Canada) Inc., Canada	100.00
Shipco-IT Private Limited, India	100.00
Shipco Transport Ltd., Turkey	100.00

Parent income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Other operating income		209,099	151,230
Other external expenses		(188,237)	(132,164)
Gross profit/loss		20,862	19,066
Staff costs	1	(18,994)	(14,147)
Depreciation, amortisation and impairment losses	2	(38)	(36)
Operating profit/loss		1,830	4,883
Income from investments in group enterprises		571,884	424,543
Income from investments in joint ventures		119,832	99,899
Other financial income	3	1,008	3,254
Other financial expenses	4	(154)	(136)
Profit/loss before tax		694,400	532,443
Tax on profit/loss for the year	5	(25,444)	(3,771)
Profit/loss for the year	6	668,956	528,672

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Other fixtures and fittings, tools and equipment		47	85
Property, plant and equipment	7	47	85
Investments in group enterprises		195,665	221,823
Investments in joint ventures		209,041	118,651
Financial assets	8	404,706	340,474
Fixed assets		404,753	340,559
Receivables from group enterprises		590,254	446,649
Deferred tax	9	0	1,464
Other receivables		1,448	727
Receivables		591,702	448,840
Cash		28,506	13,514
Current assets		620,208	462,354
Assets		1,024,961	802,913

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		1,320	1,320
Translation reserve		0	(4,999)
Reserve for net revaluation according to equity method		338,770	275,902
Retained earnings		79,646	5,048
Proposed dividend for the financial year		500,000	455,000
Equity		919,736	732,271
Deferred tax	9	14,943	0
Provisions for investments in group enterprises	10	1,092	1,302
Provisions		16,035	1,302
Payables to group enterprises		69,945	53,309
Tax payable		1,639	1,533
Other payables		17,606	14,498
Current liabilities other than provisions		89,190	69,340
Liabilities other than provisions		89,190	69,340
Equity and liabilities		1,024,961	802,913
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Related parties with controlling interest	13		
Transactions with related parties	14		

Parent statement of changes in equity for 2022

	Contributed capital DKK'000	Translation reserve DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000
Equity beginning of year	1,320	(4,999)	275,902	5,048	455,000
Ordinary dividend paid	0	0	0	0	(455,000)
Exchange rate adjustments	0	0	(26,491)	0	0
Transfer to reserves	0	4,999	0	(4,999)	0
Profit/loss for the year	0	0	89,359	79,597	500,000
Equity end of year	1,320	0	338,770	79,646	500,000

	Total DKK'000
Equity beginning of year	732,271
Ordinary dividend paid	(455,000)
Exchange rate adjustments	(26,491)
Transfer to reserves	0
Profit/loss for the year	668,956
Equity end of year	919,736

Notes to parent financial statements

1 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	18,404	13,632
Pension costs	539	469
Other social security costs	51	46
	18,994	14,147
Average number of full-time employees	9	10

According to section 98b(3) of the Danish Financial Statements Act, information on Management's remuneration is not disclosed.

2 Depreciation, amortisation and impairment losses

	2022 DKK'000	2021 DKK'000
Depreciation on property, plant and equipment	38	36
	38	36

3 Other financial income

	2022 DKK'000	2021 DKK'000
Financial income from group enterprises	156	130
Other financial income	852	3,124
	1,008	3,254

4 Other financial expenses

	2022 DKK'000	2021 DKK'000
Financial expenses from group enterprises	117	92
Other financial expenses	37	44
	154	136

5 Tax on profit/loss for the year

	2022	2021
	DKK'000	DKK'000
Current tax	1,639	1,533
Change in deferred tax	16,443	255
Adjustment concerning previous years	7,362	1,983
	25,444	3,771

6 Proposed distribution of profit and loss

	2022	2021
	DKK'000	DKK'000
Ordinary dividend for the financial year	500,000	455,000
Retained earnings	168,956	73,672
	668,956	528,672

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	242
Cost end of year	242
Depreciation and impairment losses beginning of year	(157)
Depreciation for the year	(38)
Depreciation and impairment losses end of year	(195)
Carrying amount end of year	47

8 Financial assets

	Investments in group enterprises DKK'000	Investments in joint ventures DKK'000
Cost beginning of year	52,365	12,207
Additions	0	1,382
Disposals	(18)	0
Cost end of year	52,347	13,589
Revaluations beginning of year	169,458	106,444
Exchange rate adjustments	(24,452)	(2,039)
Share of profit/loss for the year	571,884	119,832
Dividend	(569,036)	(28,941)
Investments with negative equity value depreciated over receivables	(571)	(88)
Investments with negative equity value transferred to provisions	844	(1,055)
Other adjustments	(4,809)	1,299
Revaluations end of year	143,318	195,452
Carrying amount end of year	195,665	209,041

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

Investments in joint ventures	Ownership %
International Cargo Terminals Korea Co., Ltd., Korea	55.00
Shipco Transport (Philippines) Inc., the Philippines	51.00
SSC Consolidation NV, Belgium	50.00
SSC Consolidation BV, the Netherlands	50.00
SSC Consolidation LLC, United Arab Emirates	50.00
SSC Consolidation Holding BV, the Netherlands	50.00
SSC Consolidation S.A.S., France	50.00
Saco Shipping SPA, Chile	50.00
Chile Ports Service SPA, Chile	50.00
Shipco Transport Vietnam Limited, Vietnam	51.00
Shipco Transport Co. Ltd., Korea	51.00
Shipco Transport (pvt) Ltd., Pakistan	50.00
Shipco Transport Jamaica Limited, Jamaica	60.00
Shipco Transport Limited, Trinidad and Tobago	60.00
Shipco Transport Cambodia Co. Ltd., Cambodia	51.00
Shipco Cambodia Holding pte. Ltd., Singapore	51.00
NGS World transport Ltd. (New Zealand)	50.00

9 Deferred tax

	2022	2021
	DKK'000	DKK'000
Changes during the year		
Beginning of year	1,464	1,719
Recognised in the income statement	(16,443)	(255)
Other changes	36	0
End of year	(14,943)	1,464

10 Provisions for investments in group enterprises

Provisions for investments in group enterprises relate to group enterprises with negative equity.

11 Unrecognised rental and lease commitments

	2022	2021
	DKK'000	DKK'000
Total liabilities under rental or lease agreements until maturity	652	731
Of this, liabilities under rental or lease agreements with group enterprises	379	364

12 Contingent liabilities

The Parent has issued letters of support to several subsidiaries.

The Company participates in a Danish joint taxation arrangement in which A. Simonsen Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

13 Related parties with controlling interest

Related parties are the A. Simonsen Holding ApS Group as well as the Board of Directors and the Executive Board of the Company.

Related parties with control of Shipco Transport Holding A/S: Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S, the immediate parent company of Shipco Transport Holding A/S, A.S. Scan Holding A/S, Snorresgade 18-20, 2300 Copenhagen S, the higher-level parent company of Scan Group A/S, A. Simonsen Holding ApS, Snorresgade 18-20, 2300 Copenhagen S, the ultimate parent company of Shipco Transport Holding A/S, and Arne Simonsen, the beneficial owner of the Group.

14 Transactions with related parties

Transactions with related parties are made on an arm's length basis.

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 to these consolidated financial statements and parent financial statements are consistent with those applied last year. However, some comparative figures have been reclassified in the parent financial statements, with no changes in equity or results. Income from investments in group enterprises has decreased by DKK 99,899 thousand. Income from investments in joint ventures has increased by DKK 99,899 thousand. Investments in group enterprises have decreased by DKK 118,651 thousand. Investments in joint ventures have increased by DKK 118,651 thousand.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result 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 as a result 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.

Consolidated financial statements

The consolidated financial statements include Shipco Transport Holding A/S (Parent) and subsidiaries in which Shipco Transport Holding A/S either directly or indirectly holds more than 50% of the voting rights or in any other way have controlling influence. Jointly controlled entities are consolidated on a pro rata basis.

All entities, which are partly owned at present, are considered jointly controlled entities and have therefore been recognised on a pro rata basis.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet under deferred income, and they are recognised in the income statement, when such adverse development is realised.

Profit or loss from divestment of enterprises

Profits or losses from divestment or winding-up of enterprises are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment and winding-up, respectively, including any non-amortised goodwill and estimated selling or winding-up expenses.

Foreign currency translation

Foreign currency transactions are translated applying the exchange rate at the transaction date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date are recognised in the income statement as financial income or financial expenses.

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 rate 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.

If the foreign subsidiaries meet the criteria of independent entities, their income statements and balance sheets are translated applying the exchange rates at the balance sheet date. Exchange differences that arise from translation of foreign subsidiaries' equity at the beginning of the year, applying the exchange rates at the balance sheet date, are recognised directly in equity.

Income statement

Revenue

Revenue is recognised in the income statement if delivery to the Group's customers or cooperators has taken place before year-end and if the income can be computed reliably and receipt is expected. Revenue is recognised net of VAT, duties and sales discounts.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Costs relating to revenue are accrued according to the method of revenue recognition. Other costs relating to the financial year in terms of time are charged to the income statement.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

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

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

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 intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities 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 its Ultimate Parent, A. Simonsen Holding ApS, and all of the Ultimate Parent's other Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Land and buildings, other fixtures and fittings, tools and equipment as well as leasehold improvements are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The basis of depreciation is cost less estimated residual value after the end of useful life.

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

Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	15-50 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	3-10 years

Estimated useful lives and residual values are reassessed annually.

On initial recognition, lease contracts regarding property, plant and equipment in which the Company holds all material risks and advantages related to the ownership (finance leasing) are measured in the balance sheet at fair value or present value, if lower, of future lease payments. At the computation of present value, the internal interest rate of the lease contract or an approximate value is used as discount factor. Assets held under finance leases are then treated as the Company's other property, plant and equipment.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in subsidiaries are recognised in the balance sheet at the pro rata share of the enterprises' equity in accordance with the Parent's accounting policies plus or minus unrealised intra-group profits and losses and plus or minus the residual value of positive, or negative, goodwill calculated according to the purchase method.

Subsidiaries with negative equity are measured at zero value, and any receivable from these enterprises is written down by the Parent's share of such negative equity. If the negative equity exceeds the amounts receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Net revaluation of investments in subsidiaries is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost less amortisation of goodwill.

Investments in joint ventures

Investments in joint ventures are recognised and measured according to the equity method. This means that

investments are measured at the pro rata share of the joint ventures' equity value plus or minus unrealised pro rata intra-group profits and losses.

Joint ventures with negative equity value are measured at DKK 0. Any receivables from these joint ventures are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant joint venture, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in joint ventures is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in joint ventures are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value. Provisions for bad and doubtful debts are made at net realisable value.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other provisions

Other provisions comprise subsidiaries with negative equity. If the negative equity exceeds the amounts receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

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.

Tax payable or receivable

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.

Segment information

The Group's activities comprise NVOCC services on the world market. Consequently, it is not relevant to provide further disclosures on business segments by activity, just as it is not relevant to provide disclosures on geographical markets.