



SCAN-SHIPPING HOLDING A/S

Snorresgade 18-20
2300 Copenhagen S
CVR No. 32444199

Annual report 2023

The Annual General Meeting adopted the annual report on 17.05.2024

John Hemming

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2023	11
Consolidated balance sheet at 31.12.2023	12
Consolidated statement of changes in equity for 2023	14
Consolidated cash flow statement for 2023	15
Notes to consolidated financial statements	16
Parent income statement for 2023	21
Parent balance sheet at 31.12.2023	22
Parent statement of changes in equity for 2023	24
Notes to parent financial statements	25
Accounting policies	29

Entity details

Entity

SCAN-SHIPPING HOLDING A/S

Snorresgade 18-20

2300 Copenhagen S

Business Registration No.: 32444199

Registered office: Copenhagen

Financial year: 01.01.2023 - 31.12.2023

Phone number: +45 32668100

URL: www.scan-shipping.com

E-mail: cph@scan-shipping.dk

Board of Directors

Morten Jæpelt, Chairman

Klaus Henry Jepsen

Ulrik Kamstrup Jespersen

Sune Simonsen

Executive Board

Sune Simonsen, 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 SCAN-SHIPPING HOLDING A/S for the financial year 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

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, 17.05.2024

Executive Board

Sune Simonsen
Chief Executive Officer

Board of Directors

Morten Jæpelt
Chairman

Klaus Henry Jepsen

Ulrik Kamstrup Jespersen

Sune Simonsen

Independent auditor's report

To the shareholders of SCAN-SHIPPING HOLDING A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of SCAN-SHIPPING HOLDING A/S for the financial year 01.01.2023 - 31.12.2023, 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 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 17.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Anders Kreiner

State-Authorised Public Accountant
Identification No (MNE) mne26765

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	695,749	1,341,213	1,128,915	750,050	819,021
Gross profit/loss	80,478	113,841	107,914	71,926	63,358
EBITDA	(4,236)	26,415	28,281	(5,657)	(16,975)
Operating profit/loss	(5,854)	24,567	27,752	(7,077)	(18,492)
Net financials	(6,112)	(2,390)	734	(1,671)	1,857
Profit/loss before tax	(11,966)	22,177	28,486	(8,748)	(16,635)
Profit/loss for the year	(15,116)	11,752	17,772	(9,357)	(15,134)
Balance sheet total	220,307	283,675	348,669	222,241	218,953
Investments in property, plant and equipment	623	5,561	1,247	1,460	922
Equity	116,289	129,799	30,773	12,570	3,710
Average number of employees	229	237	245	242	249
Ratios					
Gross margin (%)	11.57	8.49	9.56	9.59	7.74
Net margin (%)	(2.17)	0.88	1.57	(1.25)	(1.85)
Return on equity (%)	(12.29)	14.64	82.01	(114.95)	(117.20)
Equity ratio (%)	52.78	45.76	8.83	5.66	1.69

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 Company's primary activities are logistics solutions, global transport and other related services in close cooperation with its subsidiaries and agents.

Development in activities and finances

Loss for the year amounts to DKK 11,966 before tax.

Equity totals DKK 116,289 thousand at 31.12.2023.

The Board of Directors considers this year's performance unacceptable.

The Parent, Scan-Shipping Holding A/S, has made a tax-free contribution of assets, contributing all assets and liabilities relating to the shipping activity to the company Scan-Shipping A/S (Business Registration No. 44498642). The tax-free contribution of assets takes effect in the annual report as of 01.01.2023. The contribution of assets has not affected the consolidated financial statements.

Profit/loss for the year in relation to expected developments

The financial results do not meet the expectations expressed in the annual report for 2022.

Outlook

The Board of Directors expects a loss for 2024 due to new investments, generally lower freight rates, a decline in global trade, and, thereby, drastically lower cargo volume and substantially higher vessel capacities than in previous years. Revenue for 2024 is estimated to be between DKK 700,000 thousand and DKK 800,000 thousand, and pre-tax loss is estimated to be between DKK 5,000 thousand and DKK 15,000 thousand.

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 18, 19 and 20 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 2023 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

	2023	2022
Supreme management body		
Total number of members	4	4
Underrepresented gender (%)	0.00	0.00
Target figures (%)	25.00	25.00
Year of expected achievement of target figures	2025	2025

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 Ultimate Parent, A. Simonsen Holding ApS, has one female board member out of three, corresponding to 33.3%.

The policy of Scan-Shipping 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. Scan-Shipping 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.

No female candidates were identified for the Board of Directors at Scan-Shipping Holding A/S in 2023. 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 Scan-Shipping Holding A/S before 2025. This target figure is considered achievable and ambitious.

	2023
Other management levels	
Total number of members	4
Underrepresented gender (%)	50.00
Target figures (%)	N/A
Year of expected achievement of target figures	N/A

In 2023, we had an equal gender distribution in the supreme management body.

Due to the equal gender distribution, no target figures have been set.

The policy of Scan-Shipping 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. Scan-Shipping 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.

Statutory report on data ethics policy

The Group established a data ethics policy in 2023 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 2024 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 2023

	Notes	2023 DKK'000	2022 DKK'000
Revenue	1	695,749	1,341,213
Other operating income	2	9,562	10,303
Cost of sales		(566,412)	(1,163,984)
Other external expenses	3	(58,421)	(73,691)
Gross profit/loss		80,478	113,841
Staff costs	4	(84,714)	(87,426)
Depreciation, amortisation and impairment losses	5	(1,618)	(1,848)
Operating profit/loss		(5,854)	24,567
Other financial income	6	2,845	2,790
Impairment losses on financial assets		(4,268)	0
Other financial expenses	7	(4,689)	(5,180)
Profit/loss before tax		(11,966)	22,177
Tax on profit/loss for the year	8	(3,150)	(10,425)
Profit/loss for the year	9	(15,116)	11,752

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Other fixtures and fittings, tools and equipment		3,189	4,008
Leasehold improvements		1,987	2,601
Property, plant and equipment	10	5,176	6,609
Fixed assets		5,176	6,609
Trade receivables		84,095	136,105
Receivables from group enterprises		20,191	18,720
Deferred tax	11	64	582
Other receivables		7,522	5,806
Prepayments	12	4,416	6,814
Receivables		116,288	168,027
Cash		98,843	109,039
Current assets		215,131	277,066
Assets		220,307	283,675

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital	13	1,000	1,000
Translation reserve		(6,754)	(3,719)
Retained earnings		122,043	132,518
Equity		116,289	129,799
Trade payables		56,260	87,501
Payables to group enterprises		24,843	41,903
Tax payable		2,119	8,682
Other payables		20,796	15,790
Current liabilities other than provisions		104,018	153,876
Liabilities other than provisions		104,018	153,876
Equity and liabilities		220,307	283,675
Unrecognised rental and lease commitments	15		
Contingent liabilities	16		
Transactions with related parties	17		
Group relations	18		
Pro-rata consolidated companies	19		
Subsidiaries	20		

Consolidated statement of changes in equity for 2023

	Contributed capital DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,000	(3,719)	132,518	129,799
Exchange rate adjustments	0	(3,035)	0	(3,035)
Other entries on equity	0	0	4,641	4,641
Profit/loss for the year	0	0	(15,116)	(15,116)
Equity end of year	1,000	(6,754)	122,043	116,289

Consolidated cash flow statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Operating profit/loss		(5,854)	24,567
Amortisation, depreciation and impairment losses		1,618	1,848
Working capital changes	14	5,681	(62,994)
Cash flow from ordinary operating activities		1,445	(36,579)
Financial income received		2,845	2,790
Financial expenses paid		(4,689)	(5,180)
Taxes refunded/(paid)		(9,195)	(7,031)
Cash flows from operating activities		(9,594)	(46,000)
Acquisition etc. of property, plant and equipment		(623)	(5,561)
Sale of property, plant and equipment		21	233
Cash flows from investing activities		(602)	(5,328)
Free cash flows generated from operations and investments before financing		(10,196)	(51,328)
Group contribution		0	90,000
Cash flows from financing activities		0	90,000
Increase/decrease in cash and cash equivalents		(10,196)	38,672
Cash and cash equivalents beginning of year		109,039	70,367
Cash and cash equivalents end of year		98,843	109,039
Cash and cash equivalents at year-end are composed of:			
Cash		98,843	109,039
Cash and cash equivalents end of year		98,843	109,039

Notes to consolidated financial statements

1 Revenue

	2023	2022
	DKK'000	DKK'000
Freight forwarding services related to shipping and logistics	695,749	1,341,213
Total revenue by activity	695,749	1,341,213

The Group's activities comprise freight forwarding services related to shipping and logistics 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.

2 Other operating income

Other operating income comprises management fees invoiced to group enterprises.

3 Fees to the auditor appointed by the Annual General Meeting

DKK'000	2023			2022		
	Deloitte	Others	Total	Deloitte	Others	Total
Statutory audit services	488	997	1.485	416	866	1.282
Other assurance engagements	35	23	58	0	5	5
Tax services	47	133	180	59	109	168
Other services	29	70	99	7	83	90
	599	1.223	1.822	482	1.063	1.545

4 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	75,086	78,344
Pension costs	4,682	4,824
Other social security costs	4,946	4,258
	84,714	87,426
Average number of full-time employees	229	237

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

5 Depreciation, amortisation and impairment losses

	2023	2022
	DKK'000	DKK'000
Depreciation on property, plant and equipment	1,618	1,848
	1,618	1,848

6 Other financial income

	2023	2022
	DKK'000	DKK'000
Financial income from group enterprises	109	139
Other financial income	2,736	2,651
	2,845	2,790

7 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Financial expenses from group enterprises	51	287
Other financial expenses	4,638	4,893
	4,689	5,180

8 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	2,234	10,370
Change in deferred tax	209	102
Adjustment concerning previous years	707	(47)
	3,150	10,425

9 Proposed distribution of profit/loss

	2023	2022
	DKK'000	DKK'000
Retained earnings	(15,116)	11,752
	(15,116)	11,752

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	15,089	5,494
Exchange rate adjustments	(322)	(178)
Transfers	(3,439)	8
Additions	532	91
Disposals	(881)	(392)
Cost end of year	10,979	5,023
Depreciation and impairment losses beginning of year	(11,081)	(2,893)
Exchange rate adjustments	167	94
Transfers	3,252	1
Depreciation for the year	(988)	(630)
Reversal regarding disposals	860	392
Depreciation and impairment losses end of year	(7,790)	(3,036)
Carrying amount end of year	3,189	1,987

11 Deferred tax

	2023 DKK'000	2022 DKK'000
Changes during the year		
Beginning of year	582	1,350
Recognised in the income statement	(209)	(102)
Other adjustments	(309)	(666)
End of year	64	582

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

Deferred tax assets

The tax asset has been recognised because expectations are that it will be possible to deduct it from the Group's future taxable income.

12 Prepayments

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

13 Contributed capital

The share capital consists of 1,000,000 shares, each with a par value of DKK 1.

14 Changes in working capital

	2023	2022
	DKK'000	DKK'000
Increase/decrease in receivables	46,953	106,230
Increase/decrease in trade payables etc.	(41,272)	(169,224)
	5,681	(62,994)

15 Unrecognised rental and lease commitments

	2023	2022
	DKK'000	DKK'000
Total liabilities under rental or lease agreements until maturity	12,243	7,367

16 Contingent liabilities

	2023	2022
	DKK'000	DKK'000
Recourse and non-recourse guarantee commitments	1,677	4,001
Contingent liabilities	1,677	4,001

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.

17 Transactions with related parties

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

18 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

19 Pro-rata consolidated companies

	Ownership %
Scan-Shipping Pakistan (Pvt.) Ltd., Pakistan	50.00
Scan-Shipping France S.A.S., France	55.00
Scan-Shipping Project Logistics A/S, Denmark	51.00
PT Scan-Shipping, Indonesia	75.00

20 Subsidiaries

	Ownership %
Scan-Shipping AB, Sweden	100.00
Scanway Shipping AS, Norway	100.00
OY Scan-Shipping AB, Finland	100.00
Scan-Shipping GmbH, Germany	100.00
Scan-Group Agencies Sp.z.o.o, Poland	100.00
Scan-Shipping (Pte.) Ltd., Singapore	100.00
Shipco-Shipping Jylland A/S, Denmark	100.00
Scan-Shipping Inc., USA	100.00
Scan-Shipping LLC, Ukraine	100.00
Scan-Shipping OU, Estonia	100.00
Shipco-Shipping AB, Sweden	100.00
Expa-Services (Pte.) Ltd., Singapore	100.00
Seaway Shipping AS, Norway	100.00
Scanway Shipping AB, Sweden	100.00
Scanway Shipping Real Estate AB, Sweden	100.00
Scan-Shipping d.o.o, Slovenia	100.00
Scan-Shipping Hong Kong Ltd., Hong Kong	100.00
Scan-Shipping (Thailand) Ltd., Thailand	100.00
Scan-Shipping (Turkey) Ltd., Turkey	100.00
Scan-Shipping Norway AS, Norway	100.00
Scan-Shipping LLC, United Arab Emirates	100.00
Scan-Shipping (Shanghai) Ltd., China	100.00
Scan-Shipping Colombo (Pte.) Ltd., Sri Lanka	100.00
Scan Group DMCC, United Arab Emirates	100.00
Scan-Shipping srl, Romania	100.00
Scan-Shipping A/S, Denmark	100.00
Scan-Shipping Vietnam Company Limited, Vietnam	100.00

Parent income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Revenue	1	0	534,289
Other operating income	2	14,738	14,967
Cost of sales		0	(459,774)
Other external expenses		(6,121)	(24,658)
Gross profit/loss		8,617	64,824
Staff costs	3	(7,986)	(43,590)
Depreciation, amortisation and impairment losses	4	(24)	(238)
Operating profit/loss		607	20,996
Income from investments in group enterprises		(11,420)	(3,372)
Income from investments in joint ventures		(5,619)	1
Other financial income	5	2,391	1,246
Other financial expenses	6	0	(1,437)
Profit/loss before tax		(14,041)	17,434
Tax on profit/loss for the year	7	(1,075)	(5,682)
Profit/loss for the year	8	(15,116)	11,752

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Other fixtures and fittings, tools and equipment		90	958
Property, plant and equipment	9	90	958
Investments in group enterprises		93,766	35,588
Receivables from group enterprises		29,337	25,955
Investments in joint ventures		424	155
Financial assets	10	123,527	61,698
Fixed assets		123,617	62,656
Trade receivables		0	55,313
Receivables from group enterprises		7,811	40,312
Deferred tax	11	0	542
Other receivables		69	1,249
Prepayments	12	61	115
Receivables		7,941	97,531
Cash		0	31,445
Current assets		7,941	128,976
Assets		131,558	191,632

Equity and liabilities

		2023	2022
	Notes	DKK'000	DKK'000
Contributed capital		1,000	1,000
Translation reserve		(6,754)	(3,719)
Retained earnings		122,043	132,518
Equity		116,289	129,799
Provisions for investments in group enterprises	13	3,754	1,897
Provisions for investments in joint ventures	14	365	0
Provisions		4,119	1,897
Trade payables		0	27,339
Payables to group enterprises		9,110	14,665
Joint taxation contribution payable		699	5,731
Other payables		1,341	12,201
Current liabilities other than provisions		11,150	59,936
Liabilities other than provisions		11,150	59,936
Equity and liabilities		131,558	191,632
Unrecognised rental and lease commitments	15		
Contingent liabilities	16		
Related parties with controlling interest	17		
Transactions with related parties	18		

Parent statement of changes in equity for 2023

	Contributed capital DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,000	(3,719)	132,518	129,799
Exchange rate adjustments	0	(3,035)	0	(3,035)
Other entries on equity	0	0	4,641	4,641
Profit/loss for the year	0	0	(15,116)	(15,116)
Equity end of year	1,000	(6,754)	122,043	116,289

Notes to parent financial statements

1 Revenue

	2022
	DKK'000
Freight forwarding services related to shipping and logistics	534,289
Total revenue by activity	534,289

The Company's activities comprise freight forwarding services related to shipping and logistics 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.

2 Other operating income

Other operating income comprises management fees invoiced to group enterprises

3 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	7,397	40,599
Pension costs	518	2,462
Other social security costs	71	529
	7,986	43,590
Average number of full-time employees	11	68

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

	2023	2022
	DKK'000	DKK'000
Depreciation on property, plant and equipment	24	238
	24	238

5 Other financial income

	2023	2022
	DKK'000	DKK'000
Financial income from group enterprises	2,391	1,107
Other financial income	0	139
	2,391	1,246

6 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Financial expenses from group enterprises	0	251
Other financial expenses	0	1,186
	0	1,437

7 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	699	5,731
Change in deferred tax	0	(49)
Adjustment concerning previous years	376	0
	1,075	5,682

8 Proposed distribution of profit and loss

	2023	2022
	DKK'000	DKK'000
Retained earnings	(15,116)	11,752
	(15,116)	11,752

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	3,653
Disposals on divestments etc.	(3,608)
Additions	72
Cost end of year	117
Depreciation and impairment losses beginning of year	(2,695)
Disposals on divestments etc	2,692
Depreciation for the year	(24)
Depreciation and impairment losses end of year	(27)
Carrying amount end of year	90

10 Financial assets

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000	Investments in joint ventures DKK'000
Cost beginning of year	158,786	52,914	154
Additions	75,042	818	665
Cost end of year	233,828	53,732	819
Impairment losses beginning of year	(123,198)	(26,959)	1
Exchange rate adjustments	(2,291)	(1,309)	565
Transfers	13,814	0	(13,814)
Share of profit/loss for the year	(11,420)	0	(5,619)
Investments with negative equity value depreciated over receivables	(19,768)	3,873	14,410
Investments with negative equity value transferred to provisions	1,857	0	365
Other adjustments	944	0	3,697
Impairment losses end of year	(140,062)	(24,395)	(395)
Carrying amount end of year	93,766	29,337	424

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

Investments in joint ventures	Ownership %
Scan-Shipping Pakistan (Pvt.) Ltd., Pakistan	50.00
Scan-Shipping France S.A.S., France	55.00
Scan-Shipping Project Logistics A/S, Denmark	51.00
PT Scan-Shipping, Indonesia	75.00

11 Deferred tax

	2023 DKK'000	2022 DKK'000
Changes during the year		
Beginning of year	542	493
Recognised in the income statement	0	49
Other changes	(542)	0
End of year	0	542

Deferred tax relates to fixed assets, trade receivables, tax loss carryforwards, etc.

12 Prepayments

Prepayments consist of prepaid costs.

13 Provisions for investments in group enterprises

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

14 Provisions for investments in associates

Provisions for investments in associates (joint ventures) relate to joint ventures with negative equity.

15 Unrecognised rental and lease commitments

	2023 DKK'000	2022 DKK'000
Total liabilities under rental or lease agreements until maturity	86	5,467
Of this, liabilities under rental or lease agreements with group enterprises	86	474

16 Contingent liabilities

	2022 DKK'000
Recourse and non-recourse guarantee commitments	1,220
Contingent liabilities	1,220

The Company is currently involved in a few lawsuits as part of its general operations. However, these lawsuits are not considered to have any material impact on the annual report.

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.

17 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 Scan-Shipping Holding A/S: Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S, the immediate parent company of Scan-Shipping 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 Scan-Shipping Holding A/S, and the estate of Arne Simonsen, the beneficial owner of the Group.

18 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.

Non-comparability

The Parent, Scan-Shipping Holding A/S, has made a tax-free contribution of assets, contributing all assets and liabilities relating to the shipping activity to the company Scan-Shipping A/S (Business Registration No. 44498642). The tax-free contribution of assets takes effect in the annual report as of 01.01.2023. The contribution of assets has not affected the consolidated financial statements.

Consequently, based on the above, the comparative figures of the Parent are not comparable.

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 Scan-Shipping Holding A/S (Parent) and subsidiaries in which Scan-Shipping 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.

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

On initial recognition, 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. 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.

Income from investments in joint ventures

Income from investments in joint ventures comprises the pro rata share of the individual joint ventures' profit/loss after pro rata 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.

Impairment losses on financial assets

Impairment losses on financial assets comprises impairment losses on financial assets which are not measured at fair value on a current basis.

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**

Other fixtures and fittings, tools and equipment as well as leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

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
Other fixtures and fittings, tools and equipment	3-8 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.

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.

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.

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 income taxes 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, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, 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 freight forwarding services related to shipping and logistics 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.