

Van Oord DMC ApS

c/o Bird & Bird
Sundkrogsgade 21, 1., 2100 København Ø

CVR no. 37 64 95 89

Annual report 2021

Approved at the Company's annual general meeting on 11 July 2022

Chair of the meeting:

Govert van Oord
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Govert van Oord

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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Van Oord DMC ApS for the financial year 1 January - 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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

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

Copenhagen, 11 July 2022
Executive Board:

Govert van Oord

Govert van Oord
CEO

Job de Groot

Jacobus Martinus de Groot
Manager

Independent auditor's report

To the shareholders of Van Oord DMC ApS

Opinion

We have audited the financial statements of Van Oord DMC ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements 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 the financial statements.

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 11 July 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Kennet Hartmann
State Authorised Public Accountant
mne40036

Management's review

Company details

Name	Van Oord DMC ApS
Address, Postal code, City	c/o Bird & Bird Sundkrogsgade 21, 1., 2100 København Ø
CVR no.	37 64 95 89
Established	27 April 2016
Registered office	København
Financial year	1 January - 31 December
Executive Board	Govert van Oord, CEO Jacobus Martinus de Groot, Manager

Management commentary

Business review

The main activities in the company is to own 50 % of the partnership Fehmarn Belt Contractors I/S and the other 50 % is owned by Boskalis Denmark ApS. The purpose of the partnership Fehmarn Belt Contractors I/S is to carry out work in relation to the future Fehmarnbelt fixed link, which is to be constructed as an immersed tunnel, across the Baltic Sea between the island of Fehmarn in Germany and the island of Lolland in Denmark.

Financial review

The income statement for 2021 shows a profit of DKK 953,740 against a loss of DKK 633,458 last year, and the balance sheet at 31 December 2021 shows equity of DKK 184,403. The result for the year is satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end. COVID-19 has no impact on the Company's financial position.

Financial statements 1 January - 31 December

Income statement

Note	DKK	<u>2021</u>	<u>2020</u>
	Gross profit/loss	757,248	-812,178
	Result from investments in joint ventures	-116,310	0
3	Financial income	440,271	230,008
	Financial expenses	-5,416	-51,288
	Profit/loss before tax	<u>1,075,793</u>	<u>-633,458</u>
4	Tax for the year	-122,053	0
	Profit/loss for the year	<u><u>953,740</u></u>	<u><u>-633,458</u></u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>953,740</u>	<u>-633,458</u>
		<u><u>953,740</u></u>	<u><u>-633,458</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in joint ventures	0	116,310
		0	116,310
	Total fixed assets	0	116,310
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	89,280	0
		89,280	0
	Receivables		
	Receivables from group enterprises	35,319,120	248,057,550
		35,319,120	248,057,550
	Total non-fixed assets	35,408,400	248,057,550
	TOTAL ASSETS	35,408,400	248,173,860
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	50,000	50,000
	Retained earnings	134,403	-819,337
	Total equity	184,403	-769,337
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	547,004	307,461
	Payables to joint ventures	12,651,375	239,890,405
	Other payables	22,025,618	8,745,331
		35,223,997	248,943,197
	Total liabilities other than provisions	35,223,997	248,943,197
	TOTAL EQUITY AND LIABILITIES	35,408,400	248,173,860

- 1 Accounting policies
- 2 Staff costs
- 6 Contractual obligations and contingencies, etc.
- 7 Collateral
- 8 Related parties

Financial statements 1 January - 31 December**Statement of changes in equity**

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	50,000	-185,879	-135,879
Transfer through appropriation of loss	0	-633,458	-633,458
Equity at 1 January 2021	50,000	-819,337	-769,337
Transfer through appropriation of profit	0	953,740	953,740
Equity at 31 December 2021	50,000	134,403	184,403

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Van Oord DMC ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Revenue includes invoicing of purchased services.

Gross profit/loss

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Profit from investments in joint ventures

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in jointly controlled entities are presented a separate line item in the income statement. Only proportionate elimination of intra-group gains/losses is made.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in joint ventures

Equity investments in jointly controlled entities are measured according to the equity method.

On initial recognition, equity investments in jointly controlled entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in jointly controlled entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

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

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Financial statements 1 January - 31 December**Notes to the financial statements****1 Accounting policies (continued)****Liabilities**

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

2 Staff costs

The Company has no employees.

DKK	2021	2020
3 Financial income		
Interest receivable, group entities	440,271	176,205
Other financial income	0	53,803
	<u>440,271</u>	<u>230,008</u>
4 Tax for the year		
Estimated tax charge for the year	109,172	0
Tax adjustments, prior years	12,881	0
	<u>122,053</u>	<u>0</u>

5 Investments

DKK	Investments in joint ventures
Cost at 1 January 2021	0
Value adjustments at 1 January 2021	116,310
Profit/loss for the year	-116,310
Carrying amount at 31 December 2021	<u>0</u>

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Joint ventures					
Fehmarn Belt Contractors	I/S	Rødby	50%	0	-116,310

6 Contractual obligations and contingencies, etc.

As administration company, the Company is jointly taxed with other Danish group companies and is jointly and severally liable with other group companies in the joint taxation arrangement for payment of income taxes for income years from 2016 onwards as well as withholding taxes in interest, royalties and dividends.

7 Collateral

Financial statements 1 January - 31 December

Notes to the financial statements

The Company owns a part of the partnership Fehmarn Belt Contractors I/S and is jointly and severally obligated with other owners of any obligations and contingencies belonging to the partnership Fehmarn Belt Contractors I/S.

The total debt in Fehmarn Belt Contractors I/S is approximately EUR 63,2 Million (EUR 78,3 Million at 31 December 2020). Furthermore, Fehmarn Belt Contractors I/S has issued a performance guarantee through a financial institute of EUR 63,5 million.

8 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Van Oord Dredging and Marine Contractors B.V.	Postbox 8574 3009 AN Rotterdam The Netherlands	Postbox 8574 3009 AN Rotterdam The Netherlands