

**Fulmar Holding ApS**  
**Havneholmen 25, 8.**  
**DK-1561 Copenhagen V**  
**Business Registration No: 38 10 48 88**

**Annual report for 2020**  
**(1 January 2020 – 31 December 2020)**

The Annual General Meeting adopted the annual report on 26 April 2021

**Chairman of the Annual General Meeting**

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Name: Søren Poulsgaard Jensen

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## **Entity details**

### **Company**

Fulmar Holding ApS

Havneholmen 25, 8 th floor

1561 Copenhagen V, Denmark

Business Registration No: 38 10 48 88

Registered in: Copenhagen, Denmark

Financial year: 01.01.2020 – 31.12.2020

Phone: +45 33 15 15 15

Internet: [www.scandlines.com](http://www.scandlines.com)

E-mail: [scandlines@scandlines.dk](mailto:scandlines@scandlines.dk)

### **Board of Directors**

Nicolas Grant, Chairman of the Board

Ellen Marina Richardson

Luke Erik Bugeja

### **Executive Board**

Søren Poulsgaard Jensen

Per Johannesen Madsen

### **Company auditors**

Deloitte

Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P.O. Box 1600

2300 Copenhagen S, Denmark

## Management commentary

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b><u>MEUR</u></b>	<b><u>MEUR</u></b>	<b><u>MEUR</u></b>	<b><u>MEUR</u></b>
<b>Financial highlights</b>				
<b>Key figures</b>				
Other income	0.7	0.7	0.0	0.0
EBITDA	0.3	0.4	-11.1	0.0
Net financials	0.0	67.2	40.7	0.0
Profit/loss for the year	0.3	67.4	29.6	0.0
Total assets	994.6	982.3	1,143.5	0.0
Investments in property, plant and equipment	0.0	0.0	0.0	0.0
Equity	805.1	804.8	903.6	0.0
Average number of em- ployees	0.0	0.0	0.0	0.0
<b>Ratios</b>				
Return on equity (%)	0.0%	7.9%	6.6%	0.0%
Equity ratio (%)	80.9%	81.9%	79.0%	0.0%

The Company was established on 1 October 2016 and the first financial statements were for the period 1 October 2016 until 31 December 2017. Due to this, the Company only has 4 reportable financial years.

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

<b>Ratios</b>	<b>Calculation formula</b>	<b>Calculation formula reflects</b>
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

## Management commentary

### Primary Activities

The Company's primary activity is to own shares in associated companies.

### Development in Activities and Finances

The financial year 2020 shows a profit for the year of MEUR 0.3 which is MEUR 67.1 lower than 2019.

As of 31 December 2020, total assets were DKK 994.6 million (2019: DKK 982.3 million) with a total equity of DKK 805.1 million (2019: DKK 804.8 million).

In the light of the COVID-19 outbreak, the performance is considered satisfactory.

COVID-19 impacted all aspects of our business in 2020 where we primarily were impacted through our associated company as car and passenger traffic was immediately and dramatically affected by travel restrictions, quarantine measures and border closures imposed by political decision makers in Germany and Denmark from March to limit the spread of COVID-19. Traffic figures were most severely affected by the restrictions in the second quarter of 2020, and shopping traffic quickly rebounded during the summer on the back of temporary easing of restrictions, whereas leisure traffic increased slowly over the summer and early autumn. When new regional and national travel restrictions were introduced in Sweden, Denmark and Germany in the autumn, shopping and leisure traffic volumes dropped again.

Freight traffic was relatively stable during the outbreak of COVID-19 as we implemented precautionary measures to protect our employees, customers and partners while continuing to serve our customers.

We were able to avoid collective redundancies as we imposed strict cost control and made use of state salary compensation schemes in Germany and Denmark during 2020.

### Outlook and mid-term perspectives

In 2021, we expect car and passenger traffic as well as shopping and bus travel to be significantly impaired by the effects of COVID-19 until such time as the joint efforts to mitigate the impact of COVID 19 allow for the demand for travel to return. Freight traffic is expected to remain at a relatively stable and high level throughout the year.

We will maintain a strict focus on efficiency and cost control to alleviate the impact of these negative external effects in a period of continued uncertainty.

Scandlines will continue to focus on maintaining and strengthening the competitiveness of the traffic machine operations on the group's two Germany-Denmark routes as well as the port facilities and land-based BorderShops in Puttgarden and Rostock. As the impact of COVID-19 recedes, we are confident that leisure traffic will recover.

Due to the high degree of uncertainty and very low visibility, management is currently not in a position to provide precise financial guidance for 2021.

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

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

### **Unusual circumstances**

There are no unusual circumstances in 2020.

We refer to the description under “Development in Activities and Finances” in relation to COVID-19.

### **External environment**

The Company is not materially affected by the external environment due to the nature of the business being a holding company.

### **Intellectual capital resources**

The Company has no intellectual capital resources due to the nature of the business as a holding company.

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

The Company has no research and development activities.

### **Branches**

The Company has no branches.

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

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

## Financial statements

### Statement of comprehensive income

	<u>Notes</u>	<u>2020 MEUR</u>	<u>2019 MEUR</u>
Other income		0.7	0.7
<b>Total income</b>		<b>0.7</b>	<b>0.7</b>
Other external expenses		-0.4	-0.3
<b>Total costs</b>		<b>-0.4</b>	<b>-0.3</b>
<b>Result before amortisation and depreciation (EBITDA)</b>		<b>0.3</b>	<b>0.4</b>
<b>Result from operations (EBIT)</b>		<b>0.3</b>	<b>0.4</b>
Profit from investments in associated companies	5	12.1	79.6
Financial expenses	3	-12.1	-12.4
<b>Result before tax</b>		<b>0.3</b>	<b>67.6</b>
Tax for the year	4	0	-0.2
<b>Result for the year</b>		<b>0.3</b>	<b>67.4</b>
Other comprehensive income items that may be reclassified subsequently to profit or loss:			
Change in fair value and cash flow hedges		0	-0.6
<b>Total comprehensive income</b>		<b>0.3</b>	<b>66.8</b>
Attributable to owners		0.3	66.8

## Financial statements

### Statement of financial position

	<u>Notes</u>	<u>31.12.20</u> <u>MEUR</u>	<u>31.12.19</u> <u>MEUR</u>
<b>ASSETS</b>			
Investments in associated companies	5	988.0	975.9
<b>Non-current financial assets</b>		<b>988.0</b>	<b>975.9</b>
<b>Total non-current assets</b>		<b>988.0</b>	<b>975.9</b>
Receivables from associated companies		0.5	0.0
Cash		6.1	6.4
<b>Current assets</b>		<b>6.6</b>	<b>6.4</b>
<b>Total current assets</b>		<b>6.6</b>	<b>6.4</b>
<b>Assets</b>		<b>994.6</b>	<b>982.3</b>
	<u>Notes</u>	<u>31.12.20</u> <u>MEUR</u>	<u>31.12.19</u> <u>MEUR</u>
<b>EQUITY AND LIABILITIES</b>			
Share capital		0.0	0.0
Reserves		0.0	-1.9
Retained earnings		805.1	806.7
<b>Total equity</b>		<b>805.1</b>	<b>804.8</b>
Interest-bearing liabilities	6	177.5	177.3
<b>Total non-current liabilities</b>		<b>177.5</b>	<b>177.3</b>
Interest-bearing liabilities	6	11.9	0.0
Company tax		0.0	0.2
Other liabilities		0.1	0.0
<b>Total current liabilities</b>		<b>12.0</b>	<b>0.2</b>
<b>Total liabilities</b>		<b>189.5</b>	<b>177.5</b>
<b>Equity and liabilities</b>		<b>994.6</b>	<b>982.3</b>



## Financial statements

### Cash flow statement

	<u>Notes</u>	<u>31.12.20</u> <u>MEUR</u>	<u>31.12.19</u> <u>MEUR</u>
Result before amortisation and depreciation (EBITDA)		0.3	0.4
Adjustments for non-cash operating items, etc.		0.0	0.2
Working capital changes	7	<u>0.1</u>	<u>0.0</u>
<b>Cash flows from operating activities, gross</b>		<b>0.4</b>	<b>0.6</b>
Taxes paid/received		<u>0.0</u>	<u>0.2</u>
<b>Cash flows from operating activities, net</b>		<b>0.4</b>	<b>0.8</b>
Received dividends		0.0	221.3
Investment	5	<u>0.0</u>	<u>0.0</u>
<b>Cash flows to/from investing activities</b>		<b>0.0</b>	<b>221.3</b>
Payment of dividends		0.0	-165.6
Repayments of loans		0.0	-64.3
Interest and other		-0.8	-10.8
Fair value derivatives and FX adjustments		<u>0.1</u>	<u>-0.2</u>
<b>Cash flows to/from financing activities</b>		<b>-0.7</b>	<b>-240.9</b>
<b>Cash flows for the year, net</b>			
Cash at 1 January		6.4	25.2
Change in Cash		<u>-0.3</u>	<u>-18.8</u>
<b>Cash at 31 December</b>		<b>6.1</b>	<b>6.4</b>

## Financial statements

### Statement of changes in equity, MEUR

	<b>Share capital</b>	<b>Retai- ned ear- nings</b>	<b>Fair value adjustments of hedging instru- ments</b>	<b>Divi- dend</b>	<b>Total</b>
<b>Equity at 1 January 2020</b>	<b>0.0</b>	<b>806.7</b>	<b>-1.9</b>	<b>0.0</b>	<b>804.8</b>
<b>Comprehensive income/loss for the year</b>					
Result for the year	0.0	0.3	0.0	0.0	0.3
Other comprehensive income	0.0	-1.9	1.9	0.0	0.0
<b>Total equity 31 December 2020</b>	<b>0.0</b>	<b>805.1</b>	<b>0.0</b>	<b>0.0</b>	<b>805.1</b>

#### Share capital

Share capital is nominal EUR 26 thousand.

#### Dividend

In 2020, no dividends have been paid to the shareholders.

	<b>Share capital</b>	<b>Retai- ned ear- nings</b>	<b>Fair value adjustments of hedging instru- ments</b>	<b>Divi- dend</b>	<b>Total</b>
<b>Equity at 1 January 2019</b>	<b>0.0</b>	<b>855.5</b>	<b>-1.3</b>	<b>49.4</b>	<b>903.6</b>
<b>Comprehensive income/loss for the year</b>					
Payment dividend	0.0	0.0	0.0	-49.4	-49.4
Result for the year	0.0	67.4	0.0	0.0	67.4
Payment of extraordinary dividend	0.0	-116.2	0.0	0.0	-116.2
Other comprehensive income	0.0	0.0	-0.6	0.0	-0.6
<b>Total comprehensive income/loss 31 December 2019</b>	<b>0.0</b>	<b>806.7</b>	<b>-1.9</b>	<b>0.0</b>	<b>804.8</b>

#### Share capital

Share capital is nominal EUR 26 thousand.

#### Dividend

In 2019, there have been paid MEUR 49.4 in ordinary dividend to the shareholders and MEUR 116.2 in extraordinary dividend.

## Financial statements

### Overview of notes

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## Notes to the financial statements

### 1. Significant accounting estimates and judgements

#### Estimation uncertainty

Determining the carrying amount of certain assets and liabilities requires an estimate of how future events will affect the value of those assets and liabilities at the balance sheet date. Estimates that are significant to the Company's financial reporting are made, for instance, by reviewing investments in associated companies for impairment. They constitute a major portion of the Company's total assets.

Investments in associated companies are tested for impairment if events or other circumstances indicate that the carrying amount is not recoverable. Measuring associated companies requires significant estimates to be made when making different assumptions, including expected future cash flows, discount rate and terminal value growth rates. The sensitivity to changes in the assumptions applied - collectively and individually - may be significant.

Assumptions about the future and other estimation uncertainties at the balance sheet date are disclosed in the notes if they involve a material risk of changes that may lead to considerable adjustment of the carrying amounts of assets or liabilities within the next financial year.

Scandlines Infrastructure ApS ("Company") is governed i.a. by its Investment and Investors' Agreement dated 21 June 2018 ("IIA"). Given the absence of non-majority based control instruments, i.e. decisions being based on majority, control can predominantly be exerted by gaining a majority in the respective entity bodies. The highest single shareholder percentage is 65 %. For a vast number of important items, the IAA, however, regulates majority thresholds of 75 % and 90 % respectively (the "ordinary reserved matters" and the "super reserved matters"). This includes approval of, e.g., the business plan and annual budget of the Company. Therefore, the IIA does not allow for one shareholder alone to exert full control over the company. Based on this, the investment in Scandlines Infrastructure ApS has been recognised as an investment in associated companies.

### 2. Adoption of new and amended standards

The new and amended Standards and Interpretations that have been issued, but are not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended Standards and Interpretations, if applicable, when they become effective.

- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to IAS 37: Onerous Contracts - Cost of Fulfilling a Contract
- Annual Improvements to IFRS Standards 2018-2020
- Interest Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
- Classification of Liabilities as Current or Non-current

The Company does not expect any material impact from the issued but not yet effective IFRS standards that have not been implemented.

## Notes to the financial statements

### Notes, MEUR

	<u>2020</u>	<u>2019</u>
<b>3. Financial expenses</b>		
Interest to credit institutions etc.	-12.1	-12.4
	<u><b>-12.1</b></u>	<u><b>-12.4</b></u>

### 4. Tax for the year

The Company has a tax asset of MEUR 0.1 which has not been recognised in the balance sheet as of 31 December 2020.

### 5. Investments in associated companies

Key figures for associated company (100% basis):

	<u>2020</u>	<u>2019</u>
Current assets	99.8	81.0
Non-current assets	2,436.7	2,457.4
Current liabilities	-112.6	-73.6
Non-current liabilities	-903.9	-963.4
<b>Net assets of the associate</b>	<u><b>1,520.0</b></u>	<u><b>1,501.4</b></u>

	<u>2020</u>	<u>2019</u>
Revenue	272.6	475.0
Profit or loss from operations	33.1	141.3
<b>Profit/(loss) for the year</b>	<u><b>17.6</b></u>	<u><b>122.2</b></u>

Other comprehensive income	1.0	-0.6
<b>Total comprehensive income</b>	<u><b>18.6</b></u>	<u><b>121.6</b></u>

<b>Dividends declared by the associate during the year</b>	<u><b>0.0</b></u>	<u><b>221.3</b></u>
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	<u>31.12.20</u>	<u>31.12.19</u>
Net assets of associate	1,520.0	1,501.4
Proportion of the Entity's ownership interest in the associated companies (%)	65%	65%
<b>Carrying amount of the Entity's interest in the associated companies</b>	<u><b>988.0</b></u>	<u><b>975.9</b></u>

## Notes to the financial statements

### Notes, MEUR

#### 5. Investments in associated companies (continued)

Name of associate	<u>Principal activity</u>	<u>Place of incorporation and principal place of business</u>	<u>Proportion of ownership interest and voting rights held by the Entity</u>
Scandlines Infrastructure ApS	Holding	Copenhagen	65%

Due to the temporary decline in earnings in 2020 due to COVID-19, the value of the investment in Scandlines Infrastructure ApS has been tested, and the impairment test shows that the value is not impaired, primarily based on an expectation that earnings will be normalised again from 2022.

#### 6. Interest-bearing liabilities

	<u>31.12.20</u>	<u>31.12.19</u>
Bank debt	177.5	177.3
<b>Total non-current interest-bearing liabilities</b>	<b>177.5</b>	<b>177.3</b>
Bank debt	11.9	0.0
<b>Total current interest-bearing liabilities</b>	<b>11.9</b>	<b>0.0</b>
<b>Total current and non-current interest-bearing liabilities</b>	<b>189.4</b>	<b>177.3</b>
Please refer to note 8 with respect to financial risk etc.	<u>31.12.20</u>	<u>31.12.19</u>
<b>Distribution of currency, nominal principal</b>		
EUR	189.4	177.3
<b>Total interest-bearing liabilities</b>	<b>189.4</b>	<b>177.3</b>

#### Borrowings 2020

	<u>Currency</u>	<u>Fixed/float interest</u>	<u>Nominal value</u>	<u>Fair value</u>
Tranche 2 (expiry 2028)	EUR	Fixed	137.5	137.5
Tranche 3 (expiry 2032)	EUR	Fixed	53.9	53.9
			<b>191.4</b>	<b>191.4</b>

## Notes to the financial statements

### Notes, MEUR

#### 6. Interest-bearing liabilities (continued)

<b>Facilities 2020</b>	<b>Facility</b>	<b>Utilised</b>	<b>Remaining facilities</b>
Tranche 2 (expiry 2028)	137.5	137.5	0.0
Tranche 3 (expiry 2032)	53.9	53.9	0.0
	<b>191.4</b>	<b>191.4</b>	<b>0.0</b>

#### Borrowings 2019

	<b>Currency</b>	<b>Fixed/float interest</b>	<b>Nominal value</b>	<b>Fair value</b>
Tranche 2 (expiry 2028)	EUR	Fixed	129.6	129.6
Tranche 3 (expiry 2032)	EUR	Fixed	50.0	50.0
			<b>179.6</b>	<b>179.6</b>

<b>Facilities 2019</b>	<b>Facility</b>	<b>Utilised</b>	<b>Remaining facilities</b>
Tranche 2 (expiry 2028)	129.6	129.6	0.0
Tranche 3 (expiry 2032)	50.0	50.0	0.0
	<b>179.6</b>	<b>179.6</b>	<b>0.0</b>

The fair value of the bank debt is calculated at present value of future payment and payment of interest applying the actual yield curve which derives from the actual market interest (level 2 in the fair value hierarchy).

The existing loan agreement is subject to covenants.

	<b>31.12.20</b>	<b>31.12.19</b>
<b>7. Working capital changes</b>		
Increase (-)/decrease (+) in other liabilities	0.1	0.0
	<b>0.1</b>	<b>0.0</b>

#### 8. Financial risks and use of derivatives

##### Risk management policy

Financial market risks derive from operating, financing and investment activities. The Company's financial risks are primarily the risks related to the investment in Scandlines Infrastrucutre ApS, which has an annually approved group treasury policy that defines responsibilities, procedures and risk limits per risk type. There is an informal risk management policy in the Company with an ongoing dialogue with the Board of directors. The Company does not actively speculate in financial risks.

## Notes to the financial statements

### Notes, MEUR

#### 8. Financial risks and use of derivatives (continued)

Financial risk management is performed centrally for the group and includes the responsibility for identifying, measuring, managing and reporting of financial risks.

#### Risks related to foreign exchange rates

Foreign exchange rate risk derives primarily from operating cash flows and financing arrangement in other currencies than EUR.

#### Liquidity risks

The Company has a strong and stable cash flow in the financial years primarily from received dividends. The overall liquidity risk is considered to be low.

#### Interest risks

The interest rates on the loans are fixed and the Company is therefore not affected by changes in macro-economic interests. The interest risks are therefore considered low.

The Entity's debt falls due as follows (excl. interest):

<b>31.12.20</b>	<b>Within 1 year</b>	<b>1-5 years</b>	<b>After 5 years</b>	<b>Nominal values</b>
<b>Non-derivatives</b>				
Credit institutions and banks*	11.6	42.0	135.8	189.4
	<b>11.6</b>	<b>42.0</b>	<b>135.8</b>	<b>189.4</b>
<b>31.12.19</b>	<b>Within 1 year</b>	<b>1-5 years</b>	<b>After 5 years</b>	<b>Nominal values</b>
<b>Non-derivatives</b>				
Credit institutions and banks*	0.0	25.8	151.5	177.3
	<b>0.0</b>	<b>25.8</b>	<b>151.5</b>	<b>177.3</b>

\*Due to immaterial effects between fair values and nominal value, the difference is not shown.

#### Capital management

The Company regularly evaluates the need for adjusting the capital structure in order to match the requirement for returns on capital invested and flexibility to realise the strategic objectives.



## Notes to the financial statements

### Notes, MEUR

#### 8. Financial risks and use of derivatives (continued)

The entity's dividend policy is closely related to the existing loan agreement. This means that dividend may be allotted only if the assumptions determined in the loan agreement have been met. This ensures that dividend is allotted only if specific financial ratios have been observed.

Fair value hierarchy of financial instruments measured at fair value in the balance sheet (forward exchange transactions and interest rate swaps) are valued using an income approach (discounted cash flow). Expected future cash flows are based on relevant observable swap rates and forward exchange rates and discounted using a discount rate that reflects the credit risk of the relevant counterparties (level 2).

	<u>31.12.20</u>	<u>31.12.19</u>
Bank debt	189.4	177.3
<b>Financial liabilities measured at amortised cost</b>	<b><u>189.4</u></b>	<b><u>177.3</u></b>

#### 9. Related parties

Fulmar Holding ApS' only shareholder is Fulmar Investments ApS. Fulmar Holding ApS is indirectly ultimately owned by a consortium of infrastructure investors including First Sentier Investors (77.1 percent) and Federated Hermes (22.9 percent). European Diversified Infrastructure Fund II SCSp, managed by its General Partner, First Sentier Investors (Luxembourg) EDIF II GP S.à r.l. is considered the ultimate owner.

Related parties also include Scandlines Infrastructure ApS, the members of the Scandlines Infrastructure ApS' Executive Management and these persons' close family members.

During the period, there have been no transactions with related parties aside from intragroup transactions (primarily management fees, dividend etc.).

#### 10. Events after the balance sheet date

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

## Notes to the financial statements

### 11. Accounting policies

The financial statements are presented in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of reporting class C (medium) enterprises.

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

The Company was established on 1 October 2016 and in 2020, the purpose of the Entity is to hold shares in Scandlines Infrastructure ApS.

### Basis of accounting

The financial statements has been presented in MEUR, the functional currency of Fulmar Holding ApS. The financial statements are prepared under the historical cost convention. Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount before the change in classification and fair value net of selling costs. The accounting policies described below have been applied consistently throughout the financial year.

### Critical accounting policies

Management believes that the critical accounting policies are those applied to the financial statement, business combinations and non-current intangible assets. Below, each of those fields are described together with other accounting policies applied. Significant accounting estimates and judgements made when applying the entity's accounting policies are described in note 1 to the financial statements.

### Foreign currency translation

Translation adjustments of balances considered part of the total net investment in enterprises using a functional currency other than EUR are recognised in financial income or financial expenses in the income statement of the financial statements.

### Income statement

#### Other external expenses

These expenses comprise expenses incurred for administration and various corporate costs.

#### Share of profit or loss of associated companies

The proportionate share of associates profit or loss after tax and after elimination of the proportionate share of intercompany profits or losses is recognised in the income statement.

## Notes to the financial statements

### 11. Accounting policies (continued)

#### Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised exchange gains and losses on debt and foreign currency transactions, as well as surcharges and reliefs under the Danish Tax Prepayment Scheme, etc.

#### Taxation

Tax for the year, which consists of income tax, and the annual joint taxation contribution for Danish affiliated companies and changes in deferred tax, are recognised in the income statement by the portion attributable to profit or loss for the year and taken directly to other comprehensive income or equity by the portion attributable to entries directly in other comprehensive income or equity. Corrections concerning previous years are included in this item as well.

When settling joint taxation contributions, the current Danish income tax is allocated among the jointly taxed enterprises proportionally to their taxable income. Enterprises with tax losses receive joint taxation contributions from enterprises that could have used such losses to reduce their own taxable profit.

Income tax computed for the year are recognised in the balance sheet as current tax payable or receivable or as a joint taxation contribution for Danish enterprises, allowing for prepayments made. Pursuant to the Danish rules governing joint taxation, affiliated companies' liability for own income taxes is settled as and when the joint taxation contributions are paid to the administration company.

Deferred taxes are not recognised as they are not considered recoverable.

#### Assets

Current assets are defined as:

- Assets expected to be realised or are held for sale or consumption during the normal operating cycle, or
- Assets primarily held for trading or expected to be realised within one year of the balance sheet date, or
- Cash with no restrictions on use

All other assets are classified as non-current.

## Notes to the financial statements

### 11. Accounting policies (continued)

#### Investments in associated companies

Investments in associated companies are measured according to the equity method. This means that, in the balance sheet, investments are measured at the proportionate share of the enterprises' equity value, calculated applying the entity's accounting policies, plus the carrying amount of goodwill and plus or less the proportionate share of unrealised internal profits and losses.

Associated companies with a negative equity value are measured at EUR 0. If there are a legal or constructive obligation to cover the negative balance of the associate, this amount is recognised in liabilities.

#### Other assets

On initial recognition, other non-current assets and current assets are measured at cost. Subsequently, these assets are measured in one of the following categories:

- Held for trading: The asset is measured at fair value, and value adjustments are recognised through profit or loss
- Available for sale: The asset is measured at fair value, and value adjustments are recognised through other comprehensive income and transferred to a separate reserve in equity
- Loans and receivables: The asset is measured at amortised cost, and value adjustments are recognised through profit or loss

#### Impairment

The carrying amounts of non-current financial assets are reviewed regularly, at least once a year, to determine any indication of impairment. If such indication exists, the recoverable amount of the asset is determined. The recoverable amount is the higher of the asset's net selling price and value in use.

The value in use is calculated by discounting to net present value the expected future net cash flows from the asset – either from the asset itself or from the lowest cash-generating unit that the asset belongs to.

#### Receivables

Receivables are recognised at amortised cost net of write-downs for expected credit losses if an objective indication of impairment is estimated to exist. Such estimate is made on an individual basis.

#### Equity

##### Dividend

Proposed dividend is recognised as a liability at the time of adoption at the general meeting (time of declaration). Dividend expected to be paid for the year is disclosed as a separate equity item.

## Notes to the financial statements

### 11. Accounting policies (continued)

#### Foreign currency translation adjustments reserve

The reserve for foreign currency translation adjustments includes currency translation differences arising from the translation of financial statements of enterprises using a functional currency other than EUR as well as currency translation adjustments relating to assets and liabilities which represent part of net investments in such enterprises.

#### Liabilities

Current liabilities are defined as:

- Liabilities expected to be settled during the normal operating cycle, or
- Liabilities to be settled within twelve months after the balance sheet date

All other liabilities are classified as non-current.

## Statement by Management on the annual report

The Board of Directors and the Executive Management have today considered and approved the annual report of Fulmar Holding ApS for the financial year 1 January 2020 - 31 December 2020.

The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2020 and of the results of their operations for the financial year 1 January 2020 - 31 December 2020.

In our opinion, the management commentary contains a fair review of the development of the Company's business and financial matters, the results for the year and of the entity's financial position and the financial position as a whole of the entities included in the financial statements.

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

Copenhagen, 26 April 2021

### Executive Management

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Søren Poulsgaard Jensen, CEO

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Per Johannesen Madsen, CFO

### Board of Directors

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Nicolas Grant  
Chairman of the Board

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Ellen Marina Richardson

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Luke Erik Bugeja

## **Independent auditor's report**

### **To the shareholder of Fulmar Holding ApS**

#### **Opinion**

We have audited the financial statements of Fulmar Holding ApS for the financial year 1 January 2020 - 31 December 2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, and the cash flow statement. The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the entity's financial position at 31 December 2020, and of the results of their operations for the financial year 1 January 2020 - 31 December 2020 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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. We are independent of the entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's responsibilities for the financial statements**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, indi-

vidually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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 financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

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

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

Copenhagen, 26 April 2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

Kim Takata Mücke  
State-Authorised  
Public Accountant  
MNE no 10944

Bjarne Iver Jørgensen  
State-Authorised  
Public Accountant  
MNE no 35659