

**Fulmar Investments ApS**

**Havneholmen 25, 8.**

**DK-1561 Copenhagen V**

**CVR No: 38 10 49 69**

**Annual report for 2021**

The Annual General Meeting adopted the annual report on 21 April 2022

**Chairman of the Annual General Meeting**

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Name: Carsten Nørland

## **Contents**

	<b><u>Page</u></b>
Company details	1
Management commentary	2
 <b>Consolidated Financial Statements</b>	
Statement of comprehensive income	5
Balance sheet	6
Cash flow statement	8
Statement of changes in equity	9
Overview of notes	10
Notes	11
 <b>Parent Financial Statements</b>	
Statement of comprehensive income	25
Balance sheet	26
Cash flow statement	27
Statement of changes in equity	28
Overview of notes	29
Notes to the Financial Statements	30
 Statement by the Executive Management on the annual report	33
Independent auditor's report	34

## **Company details**

### **Company**

Fulmar Investments ApS  
Havneholmen 25, 8th floor  
DK-1561 Copenhagen V, Denmark  
CVR No: 38 10 49 69  
Registered in: Copenhagen, Denmark  
Financial year: 01.01.2021 – 31.12.2021  
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Internet: [www.scandlines.com](http://www.scandlines.com)  
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### **Board of Directors**

Nicolas Grant, Chairman  
Ellen Marina Richardson  
Desmond Luis Wilkins

### **Executive Board**

Carsten Ramsø Nørland  
Per Johannesen Madsen

### **Company auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Management commentary

	<b>2021</b>	<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><u>MEUR</u></b>
<b>Financial highlights</b>					
<b>Key figures</b>					
Other income	0.7	0.7	0.7	0.0	0.0
EBITDA	0.3	0.1	0.2	-11.2	0.0
Net financials	-24.7	-53.2	9.5	7.7	0.0
Profit/loss for the year	-24.4	-52.7	9.3	-3.5	0.0
Total assets	1,012.6	994.9	986.3	1,144.0	0.0
Equity	63.5	87.9	140.6	131.9	0.0
Average number of employees	0	0	0	0	0
<b>Ratios</b>					
Return on equity (%)	-32.2%	-46.1%	-6.8%	-2.7%	0.0%
Equity ratio (%)	6.3%	8.8%	14.3%	11.5%	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.

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>
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$

## Management commentary

### Primary Activities

The Company's primary activities is to own associated companies.

### Development in Activities and Finances

The financial year 2021 shows a loss for the year of MEUR -24.4 which is MEUR 28.3 lower than 2020.

As of 31 December 2021, total assets were EUR 1,012.6 million (2020: EUR 994.9 million) with a total equity of EUR 63.5 million (2020: EUR 87.9 million).

The performance is not considered satisfactory.

The investment in Scandlines improved operational and financial performance in 2021 despite of continued negative effects of COVID-19. Traffic volumes increased and entailed revenue growth and improved profitability as travel restrictions eased compared to the historically difficult market conditions in 2020. Furthermore, Scandlines continued to invest in long-term competitiveness and a greener fleet.

Despite the continued negative effects of COVID-19, the traffic machine and Border-Shops grew revenue to EUR 328 million in 2021 from EUR 273 million the prior year, which was marked by longer periods of travel restrictions.

### Outlook

COVID-19 continued to impact our business in large parts of 2021 as car and passenger traffic was significantly affected by travel restrictions and quarantine measures imposed by political decision makers in Germany and Denmark to limit the spread of COVID-19.

Traffic figures were most severely affected by the restrictions in the first half of 2021, and traffic rebounded swiftly during the summer on the back of the introduction of COVID-19 certificates until restrictions were reinstated in the autumn. Freight traffic grew despite the continued impact from COVID-19 and countermeasures.

We continued to take precautionary measures to protect our employees, customers and partners during the outbreak of COVID-19. We maintained contingency planning and ensured compliance with recommendations and regulatory demands through training sessions and other proactive initiatives.

In 2022, we expect car and passenger traffic as well as shopping and bus travel to be significantly impaired by the effects of COVID-19. Freight traffic is expected to remain at a relatively stable and high level throughout the year.

Due to the high degree of uncertainty and very low visibility, management is currently not in a position to provide precise financial guidance for 2022.

**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 2021, except for what is described above.

**External environment**

The Company is not directly 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.

## Consolidated Financial Statements

### Statement of comprehensive statement

	<u>Notes</u>	<u>2021 MEUR</u>	<u>2020 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	-0.6
<b>Total costs</b>		<b>-0.4</b>	<b>-0.6</b>
<b>Result from operations (EBIT)</b>		<b>0.3</b>	<b>0.1</b>
Profit from investments in associated companies	6	41.9	12.1
Financial expenses	4	-66.6	-65.3
<b>Result before tax</b>		<b>-24.4</b>	<b>-53.1</b>
Tax for the year	5	0.0	0.4
<b>Result for the year</b>		<b>-24.4</b>	<b>-52.7</b>
<b>Total comprehensive income</b>		<b>-24.4</b>	<b>-52.7</b>
Attributable to owners of the parent company		-24.4	-52.7

## Consolidated Financial Statements

### Statement of financial position

	<u>Notes</u>	<u>31-12-21 MEUR</u>	<u>31-12-20 MEUR</u>
<b>ASSETS</b>			
Investments in associated companies	6	<u>1,000.7</u>	<u>988.0</u>
<b>Non-current financial assets</b>		<u><b>1,000.7</b></u>	<u><b>988.0</b></u>
Receiveables from associated companies		1.5	0.3
Cash		<u>10.4</u>	<u>6.6</u>
<b>Current assets</b>		<u><b>11.9</b></u>	<u><b>6.9</b></u>
<b>Assets</b>		<u><b>1,012.6</b></u>	<u><b>994.9</b></u>



## Consolidated Financial Statements

### Statement of financial position

	<u>Notes</u>	<u>31-12-21 MEUR</u>	<u>31-12-20 MEUR</u>
<b>EQUITY AND LIABILITIES</b>			
Share capital		0.0	0.0
Retained earnings		<u>63.5</u>	<u>87.9</u>
<b>Total equity</b>		<u><b>63.5</b></u>	<u><b>87.9</b></u>
Bank debt	7	177.7	177.5
Payables to owners	7	<u>770.4</u>	<u>717.5</u>
<b>Total non-current liabilities</b>		<u><b>948.1</b></u>	<u><b>895.0</b></u>
Bank debt	7	0.0	11.9
Payables to associated companies		0.8	0.0
Trade payables		<u>0.2</u>	<u>0.1</u>
<b>Total current liabilities</b>		<u><b>1.0</b></u>	<u><b>12.0</b></u>
<b>Total liabilities</b>		<u><b>949.1</b></u>	<u><b>907.0</b></u>
<b>Equity and liabilities</b>		<u><b>1.012,6</b></u>	<u><b>994.9</b></u>

## Consolidated Financial Statements

### Cash flow statement

	<u>Notes</u>	<u>2021 MEUR</u>	<u>2020 MEUR</u>
Result before amortisation and depreciation (EBITDA)		0.3	0.1
Adjustments for non-cash operating items, etc.		-0.4	0.0
Working capital changes	8	-0.1	-3.7
<b>Cash flows from operating activities, net</b>		<b>-0.2</b>	<b>-3.6</b>
Received dividend from affiliated company		29.3	0.0
<b>Cash flows to/from investing activities</b>		<b>29.3</b>	<b>0.0</b>
Repayments of internal loans		0.0	0.0
Repayments of external loans		0.0	0.0
Interest and other		-25.5	-0.2
<b>Cash flows to/from financing activities</b>		<b>-25.5</b>	<b>-0.2</b>
<b>Cash flows for the year, net</b>			
Cash at 1 January		6.6	10.4
Change in Cash		3.6	-3.8
Fair value derivatives and foreign currency exchange adj.		0.2	0.0
<b>Cash at 31 December</b>		<b>10.4</b>	<b>6.6</b>

## Consolidated Financial Statements

### Statement of changes in equity

2021	Share capital	Retained earnings	Total
	MEUR	MEUR	MEUR
Equity at 1 January 2021	0.0	87.9	87.9
Comprehensive income/loss for the year			
Result for the year	0.0	-24.4	-24.4
Equity at 31 December 2021	0.0	63.5	63.5

#### Share capital

Share capital is nominal EUR 26 thousand.

2020	Share capital	Retained earnings	Fair value adjustments of hedging instruments	Total
	MEUR	MEUR	MEUR	MEUR
Equity at 1 January 2020	0.0	142.4	-1.8	140.6
Comprehensive income/loss for the year				
Result for the year	0.0	-52.7	0.0	-52.7
Other comprehensive income	0.0	-1.8	1.8	0.0
Equity at 31 December 2020	0.0	87.9	0.0	87.9

#### Share capital

Share capital is nominal EUR 26 thousand.

## Consolidated Financial Statements

### Overview of notes

	No.
Significant accounting estimates and judgements	1
Adoption of new and amended standards	2
Staff costs	3
Financial expenses	4
Tax for the year	5
Investments in associated companies	6
Interest-bearing liabilities	7
Working capital changes	8
Fees to auditors appointed by the Annual General Meeting	9
Financial risks and use of derivatives	10
Guarantees, contingent liabilities and collateral	11
Related parties	12
Events after the balance sheet date	13
Significant accounting policies	14

## Notes to the consolidated Financial Statements

### 1. Significant accounting estimates and judgements

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 Group's financial reporting are made, for instance, by reviewing investments in associated companies for impairment. They constitute a major portion of the Group'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.

### Judgement related to classifications of investments in associates

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.

### Applied materiality in preparation of the Financial Statements

In preparing the consolidated Financial Statements, Management seeks to improve the information value of the consolidated Financial Statements, the notes to the statements by presenting the information in a way that supports the understanding of the group's performance in the reporting period. This objective is achieved by presenting fair transactional aggregation levels on line items and other financial information, emphasizing information that is considered of material importance to the user and making relevant rather than generic descriptions throughout the consolidated Financial Statements. All disclosures are made in compliance with the International Financial Reporting Standards, the Danish Financial Statements Act and other relevant regulations, ensuring a true and fair view throughout the annual report.

## Notes to the consolidated Financial Statements

### Notes, MEUR

#### 2. Adoption of new and amended standards

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2021:

- Interest Rate Benchmark Reform – Phase 2 – amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

The Group also elected to adopt the following amendments early:

- Annual Improvements to IFRS Standards 2018–2020, and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12. 7

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### 3. Staff costs

The Executive Management and Board of Directors did not receive remuneration in the financial period.

#### 4. Financial expenses

	<u>2021</u>	<u>2020</u>
Interest to credit institutions etc.	-13.8	-12.1
Interest to owners	<u>-52.8</u>	<u>-53.2</u>
	<b><u>-66.6</u></b>	<b><u>-65.3</u></b>

#### 5. Tax for the year

The Group has a tax asset of 2.4 MEUR which has not been recognised in the balance sheet as of 31 December 2021.



## Notes to the consolidated Financial Statements

### Notes, MEUR

#### 6. Investments in associated companies

	<u>31-12-21</u>	<u>31-12-20</u>
Key figures for associated company (100% basis):		
Current assets	128.4	99.8
Non-current assets	2,420.2	2,436.7
Current liabilities	-177.9	-112.6
Non-current liabilities	-831.3	-903.8
<b>Net assets of the associate</b>	<b><u>1,539.4</u></b>	<b><u>1,520.0</u></b>
Revenue	372.6	272.6
Profit or loss from operations	85.5	33.1
<b>Profit/(loss) for the year</b>	<b><u>61.3</u></b>	<b><u>17.6</u></b>
Other comprehensive income	3.1	1.0
<b>Total comprehensive income</b>	<b><u>64.4</u></b>	<b><u>18.6</u></b>
<b>Dividends declared by the associate during the year</b>	<b><u>45.0</u></b>	<b><u>0.0</u></b>
Net assets of associate	1,539.4	1,520.0
Proportion of the Group's ownership interest in the associate (%)	65%	65%
<b>Carrying amount of the Group's interest in the associate</b>	<b><u>1,000.7</u></b>	<b><u>988.0</u></b>

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

The carrying amount of the investments in associated companies is tested for impairment if an indication of impairment exists. No indications of impairment exists and therefore no impairment testing has been carried out.

## Notes to the consolidated Financial Statements

### Notes, MEUR

#### 7. Interest-bearing liabilities

Bank debt	177.7	177.5
Payables to owners	770.4	717.5
<b>Total non-current interest-bearing liabilities</b>	<b>948.1</b>	<b>895.0</b>
Bank debt	0.0	11.9
<b>Total current interest-bearing liabilities</b>	<b>0.0</b>	<b>11.9</b>
<b>Total current and non-current interest-bearing liabilities</b>	<b>948.1</b>	<b>906.9</b>

Please refer to note 9 with respect to financial risk etc.

#### Distribution of currency, nominal principal

EUR	948.1	906.9
<b>Total interest-bearing liabilities</b>	<b>948.1</b>	<b>906.9</b>

The Group's debt falls due as follows (incl. interest)

Current portion of non-current debt within 1 year	0.0	11.9
Non-current liabilities between 1 and 5 years	56.2	42.0
Non-current liabilities over 5 years	891.9	853.0
<b>Total non-current interest-bearing liabilities</b>	<b>948.1</b>	<b>906.9</b>

#### Movement in interest-bearing liabilities

Interest-bearing liabilities at 1 January	906.9	841.5
Accrued interests	66.6	65.3
Paid interests	-25.5	-0.2
Other adjustments	0.1	0.3
<b>Total non-current interest-bearing liabilities</b>	<b>948.1</b>	<b>906.9</b>



## Notes to the consolidated Financial Statements

### Notes, MEUR

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

##### Borrowings 2021

	<u>Currency</u>	<u>Fixed/float interest</u>	<u>Nominal value</u>	<u>Fair value</u>
Tranche 2 (expiry 2028)	EUR	Fixed	129.6	133.1
Tranche 3 (expiry 2032)	EUR	Fixed	50.0	52.6
Payables to owners	EUR	Fixed	770.4	755.0
			<u>950.0</u>	<u>940.7</u>

<b>Facilities 2021</b>	<u>Facility</u>	<u>Utilised</u>	<u>Remaining facilities</u>
Tranche 2 (expiry 2028)	129.6	129.6	0.0
Tranche 3 (expiry 2032)	50.0	50.0	0.0
	<u>179.6</u>	<u>179.6</u>	<u>0.0</u>

##### 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	142.5
Tranche 3 (expiry 2032)	EUR	Fixed	53.9	57.5
Payables to owners	EUR	Fixed	717.5	699.1
			<u>908.9</u>	<u>899.1</u>

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

The fair value of the bank debt and payables to owners are 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).

## Notes to the consolidated Financial Statements

### Notes, MEUR

The loan from owners has an annual interest rate of 8 percent. The loan has a maturity of 29 years from the effective date in 2018, and no required repayment before that date. The loan can be redeemed by the Company at anytime at fair value.

The Consolidated Fulmar Groups bank debt is subject to covenants related to a ratio between free cash flow and consolidated debt service. The Group prepares semi-annual compliance certificates to the banks and the Company has in 2021 been significant above the minimum ratio.

	<u>31-12-21</u>	<u>31-12-20</u>
<b>8. Working capital changes</b>		
Increase (-)/decrease (+) in trade payables	-0.1	-3.7
	<u>-0.1</u>	<u>-3.7</u>
<b>9. Fees to auditors appointed by the Annual General Meeting</b>		
Statutory audit	0.0	0.0
	<u>0.0</u>	<u>0.0</u>

### 10. Financial risks and use of derivatives

#### Risk management policy

Financial market risks derive from operating, financing and investment activities. The Group's financial risks are primarily the risks related to the investment in Scandlines Infrastructure 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. Financial risk management is performed centrally for the group and includes the responsibility for identifying, measuring, managing and reporting of financial risks.

#### Liquidity risks

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

The company expects to receive dividends from Scandlines Infrastructure ApS in 2022. The purpose of the dividend is to serve the Company's debt obligations in line with the shareholders' agreed dividend policy and approved budget for 2022.

## Notes to the consolidated Financial Statements

### Notes, MEUR

#### Interest risks

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

#### 31.12.21

	Within 1 year	1-5 years	After 5 years	Nominal value	Book value
<b>Financial liabilities measured at amortised cost</b>					
Credit institutions and banks*	9.4	89.2	134.7	233.3	177.7
Payables to owners**	0.0	0.0	1,411.5	1,411.5	770.4
	<b>9.4</b>	<b>89.2</b>	<b>1,546.2</b>	<b>1,644.8</b>	<b>948.1</b>

#### 31.12.20

	Within 1 year	1-5 years	After 5 years	Nominal value	Book value
<b>Financial liabilities measured at amortised cost</b>					
Credit institutions and banks*	25.1	77.3	155.9	258.3	189.4
Payables to owners**	0.0	0.0	1,411.5	1,411.5	717.5
	<b>25.1</b>	<b>77.3</b>	<b>1,567.4</b>	<b>1,669.8</b>	<b>906.9</b>

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

\*\*Interest on debt to owners are payable to the extent that the Company receives dividend to support the payment.

#### Capital management

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

The Group'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 agreement have been met. This ensures that dividend is allotted only if specific financial ratios have been observed.

## Notes to the consolidated Financial Statements

### 11. Guarantees, contingent liabilities and collateral

The Group's bank debts, as disclosed in note 7, are obtained by the subsidiary of the Group, Fulmar Holding ApS. All assets at any time belonging to the Group including recognised as well as not recognised assets are pledged as collateral for the bank debts.

### 12. Related parties

Fulmar Investments ApS' primary shareholders are FS Argon Gas S.à.r.l. and Federated Hermes International (Hermes Infrastructure Fund I LP, Hermes Infrastructure (SAP I) LP and Hermes Infrastructure Fund II LP). Fulmar Investments 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.

The members of the Fulmar Investments ApS' Executive Management and these persons' close family members. Related parties also include all companies owned by Fulmar Investments ApS. The activities of the Fulmar Group (Fulmar Investments ApS and Fulmar Holding ApS) are managed by Scandlines Infrastructure ApS Group.

During the period, there have been no transactions with related parties aside from intragroup transactions (primarily management loans, etc.) which have been eliminated in the consolidated Financial Statements.

The companies included in the consolidated Financial Statements are:

<u>Company</u>	<u>Ownership</u>	<u>Country</u>
<b>Holding company</b>		
Fulmar Investments ApS	100%	Denmark
<b>Subsidiaries</b>		
Fulmar Holding ApS	100%	Denmark



## Notes to the consolidated Financial Statements

### 13. 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.

### 14. Significant accounting policies

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

The significant accounting policies applied for these Financial Statements are consistent with those applied last year.

#### Basis of accounting

The Financial Statements are presented in MEUR, the functional currency of Fulmar Investments ApS. The Financial Statements are prepared under the historical cost convention, with the exception of derivatives, which are measured at fair value. 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 significant accounting policies described below have been applied consistently through-out the financial year.

#### Critical accounting policies

Management believes that the significant accounting policies applied to the consolidated Financial Statements of business combinations and investments in associated companies to be those most important to the group. Below, each of those fields are described together with other significant accounting policies applied. Significant accounting estimates and judgements made when applying the group's significant accounting policies are described in note 1 to the consolidated Financial Statements.

## Description of significant accounting policies applied

### Consolidated Financial Statements

The consolidated Financial Statements include Fulmar Investments ApS (the Parent) and subsidiaries, in which Fulmar Investments ApS exercises control over their financial and operating policies. Control is achieved by the Parent either directly or indirectly owning or holding more than 50% of the voting rights or in any other way controlling the relevant enterprise (affiliated company). Fulmar Investments ApS and its affiliated companies are together referred to as the Group.

The consolidated Financial Statements are prepared on the basis of the Financial Statements of the Parent and the subsidiaries by aggregating uniform Financial Statement items and subsequently eliminating intercompany transactions, intercompany shareholdings and balances as well as unrealised intercompany gains and losses.

## Notes to the consolidated Financial Statements

### 14. Significant accounting policies (continued)

The consolidated Financial Statements are based on Financial Statements prepared in compliance with the Group's significant accounting policies.

Investments in subsidiaries are offset by the proportionate share of such enterprises' equity value at the time of acquisition.

### Foreign currency translation

#### Functional currency and presentation currency

Financial Statement items for each of the Group's enterprises are measured applying the functional currency that is used in the primary economic environment in which the enterprise operates. The consolidated Financial Statements are presented in EUR, the Parent's functional currency and presentation currency.

#### Translation of transactions and amounts

On initial recognition, foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of transaction. Currency gains and losses resulting from the settlement of these transactions as well as from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement as Financial income or cost except when deferred in equity as qualifying for cash flow hedges.

### Income statement

#### Other external expenses

These expenses comprise expenses incurred for administration of the Group, including corporate costs.

#### Share of profit or loss of associates

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 consolidated income statement.

#### 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 equity by the portion attributable to entries directly in equity. Corrections concerning previous years are included in this item as well.

## Notes to the consolidated Financial Statements

### 14. Significant accounting policies (continued)

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 tax assets are not recognised as they are not considered recoverable.

### Assets

#### Investments in associates

Investments in subsidiaries 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 Group's significant accounting policies.

#### Impairment

The carrying amounts of investments in associates 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.

#### Fair value adjustment of hedging instruments

The hedging reserve includes the accumulated net change in the fair value of hedging instruments which meet the criteria for hedging future cash flows with the transaction hedged not having been carried out yet.



## Notes to the consolidated Financial Statements

### 14. Significant accounting policies (continued)

#### Liabilities

Current liabilities are defined as:

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

All other liabilities are classified as non-current.

#### Interest-bearing liabilities

On initial recognition, debts to credit institutions and similar interest bearing debt are measured at fair value (equivalent to the proceeds received).

Subsequently, interest-bearing liabilities are measured at amortised cost equal to the capitalised value using the effective interest method; the difference between the proceeds and the nominal amount is recognised in the income statement in "Financial expenses" over the term of the loan.

#### Cash flow statement

The Group's cash flow statement is presented using the indirect method and shows cash flows from operating, investing and financing activities for the year as well as the Group's cash and cash equivalents at the beginning and end of the financial year.

Cash flows from operating activities are calculated based on profit before amortisation and depreciation (EBITDA) and special items, adjusted for the cash flow effect of special items, non-cash operating items, working capital changes, financial expenses paid and income tax paid.

Cash flows from financing activities comprise payments arising from changes in the size or composition of the Group's share capital, dividend paid as well as the incurrence of mortgage debt and raising of and repayment of mortgage loans other long-term debt and short-term bank debt, including interests,.

Cash and cash equivalents comprise cash at bank and in hand.



## **Parent Company Financial Statements**

## **Parent Company Financial Statementss**

### **Contents:**

Statement of comprehensive income	25
Balance sheet	26
Cash flow statement	27
Statement of changes in equity	28
Overview of notes	29
Notes	30

## Parent Financial Statements

### Comprehensive Financial Statement

	<u>Notes</u>	<u>2021 MEUR</u>	<u>2020 MEUR</u>
Administrative expenses		<u>-0.2</u>	<u>-0.2</u>
<b>Total costs</b>		<u><b>-0.2</b></u>	<u><b>-0.2</b></u>
 <b>Result before financial income and expenses (EBIT)</b>		 <u><b>-0.2</b></u>	 <u><b>-0.2</b></u>
 Income/loss from affiliated company	4	 28.6	 0.3
Net financials	3	<u>-52.8</u>	<u>-53.2</u>
<b>Result before tax</b>		<u><b>-24.4</b></u>	<u><b>-53.1</b></u>
 Tax for the year		 <u>0.0</u>	 <u>0.4</u>
<b>Result for the year</b>		<u><b>-24.4</b></u>	<u><b>-52.7</b></u>
 <b>Total comprehensive income/loss</b>		 <u><b>-24.4</b></u>	 <u><b>-52.7</b></u>

## Parent Financial Statements

### Statement of financial position

#### Assets

	<u>Notes</u>	<u>31-12-21 MEUR</u>	<u>31-12-20 MEUR</u>
Investments in affiliated companies	4	833.7	805.1
<b>Total non-current assets</b>		<b>833.7</b>	<b>805.1</b>
Cash		0.6	0.5
<b>Total current assets</b>		<b>0.6</b>	<b>0.5</b>
<b>Assets</b>		<b>834.3</b>	<b>805.6</b>

#### Equity and liabilities

Share capital		0.0	0.0
Retained earnings		63.5	87.9
<b>Total equity</b>		<b>63.5</b>	<b>87.9</b>
Payables to owners	5	770.5	660.3
<b>Total non-current liabilities</b>		<b>770.5</b>	<b>660.3</b>
Payables to owners	5	0.0	57.4
Payables to affiliated companies		0.3	0.0
<b>Total current liabilities</b>		<b>0.3</b>	<b>57.4</b>
<b>Total liabilities</b>		<b>770.8</b>	<b>717.7</b>
<b>Equity and liabilities</b>		<b>834.3</b>	<b>805.6</b>

## Parent Financial Statements

### Cash flow statement

	<u>Notes</u>	<u>31-12-21 MEUR</u>	<u>31-12-20 MEUR</u>
Result before amortisation and depreciation (EBITDA)		-0.2	-0.2
Adjustments for non-cash operating items, etc.		0.1	0.1
Working capital changes		-0.1	-3.6
<b>Cash flows from operating activities, gross</b>		<b>-0.2</b>	<b>-3.8</b>
Taxes paid		0.0	0.0
<b>Cash flows from operating activities, net</b>		<b>-0.2</b>	<b>-3.8</b>
Interest and other		0.2	0.3
<b>Cash flows to/from financing activities</b>		<b>0.2</b>	<b>0.3</b>
<b>Cash flows for the year, net</b>			
Cash at 1 January		0.5	4.0
Change in Cash		0.0	-3.4
Fair value derivatives and FX adjustments		0.1	-0.1
<b>Cash at 31 December</b>		<b>0.6</b>	<b>0.5</b>

## Parent Financial Statements

### Statement of changes in equity

2021	Share capital	Retained earnings	Total
	MEUR	MEUR	MEUR
Equity at 1 January 2021	0.0	87.9	87.9
Comprehensive income/loss for the year			
Result for the year	0.0	-24.4	-24.4
Equity at 31 December 2021	0.0	63.5	63.5

#### Share capital

Share capital is nominal EUR 26 thousand.

2020	Share capital	Retained earnings	Fair value adjustments of hedging instruments	Total
	MEUR	MEUR	MEUR	MEUR
Equity at 1 January 2020	0.0	142.4	-1.8	140.6
Comprehensive income/loss for the year				
Result for the year	0.0	-52.7	0.0	-52.7
Other comprehensive income	0.0	-1.8	1.8	0.0
Equity at 31 December 2020	0.0	87.9	0.0	87.9

#### Share capital

Share capital is nominal EUR 26 thousand.

## Parent Financial Statements

### Overview of notes

	<u>No.</u>
Significant accounting estimates	1
Staff costs	2
Net financials	3
Investments in affiliated companies	4
Payables to owners	5
Related parties	6
Guarantees, contingent liabilities and collateral	7
Events after the balance sheet date	8
Significant accounting policies	9

## Parent Financial Statements

### 1. Significant accounting estimates

#### 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 Parent's financial reporting are made, for instance, by reviewing investments in subsidiaries for impairment. They constitute a major portion of the Parent's total assets.

Subsidiaries are tested for impairment if events or other circumstances indicate that the carrying amount is not recoverable. Measuring subsidiaries 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.

Particular risks of the Group are discussed in the management commentary and note 9 to the consolidated Financial Statements.

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.

#### Notes, MEUR

### 2. Staff costs

The Executive Management and Board of Directors did not receive remuneration in the financial period.

### 3. Net financials

Interest to owners

	2021	2020
	-52.8	-53.2
	<u>-52.8</u>	<u>-53.2</u>



## Parent Financial Statements

Notes, MEUR

	<u>31-12-21</u>	<u>31-12-20</u>
<b>4. Investments in affiliated companies</b>		
Total cost statement:		
Cost at 1 January	910.4	910.4
Cost at 31 December	910.4	910.4
Revaluations at 1 January	-105.3	-105.6
Result for the year	28.6	0.3
Revaluations at 31 December	-76.7	-105.3
<b>Carrying amount at 31 December</b>	<b>833.7</b>	<b>805.1</b>

Investments in affiliated companies comprise:

<b>Name of affiliate</b>	<b>Principal activity</b>	<b>Place of incorporation and principal place of business</b>	<b>Proportion of ownership interest and voting rights held by the Company</b>
Fulmar Holding ApS	Holding	Copenhagen	100%

The carrying amount of the Parent's investments in affiliated companies is tested for impairment if an indication of impairment exists. Impairment tests conducted have not resulted in a need for write-downs.

### 5. Payables to owners

For specification of payables to owners refer to note 7 of the consolidated Financial Statements.

### 6. Related parties

For specification of related parties refer to note 12 of the consolidated Financial Statements.

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

## Parent Financial Statements

### 7. Guarantees, contingent liabilities and collateral

The Company is jointly and severally liable for tax on the Group's jointly taxed income, etc. The total amount of corporation tax due is stated in the Financial Statements of Fulmar Investments ApS, which is the management company in relation to joint taxation. The Group's companies are also jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any subsequent corrections to corporation taxes and withholding taxes may result in the Company's liability constituting a larger amount.

### 8. Events after the balance sheet date

No events 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.

### 9. Significant accounting policies

The parent 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 B enterprises. The significant accounting policies applied for these Financial Statements are consistent with those applied last year.

#### Description of significant accounting policies applied

Compared to the significant accounting policies described for the consolidated Financial Statements (see note 14 to the consolidated Financial Statements), the significant accounting policies applied by the Parent are different in the following respects:

#### Investments in affiliates

Investments in affiliates 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 significant accounting policies.

## Parent Financial Statements

### 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 Investments ApS for the financial year 1 January 2021 - 31 December 2021.

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 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 December 2021 and of the results of their operations and cash flows for the financial year 1 January 2021 - 31 December 2021.

In our opinion, the management commentary contains a fair review of the development of the Group's and the Parent's business and financial matters, the results for the year and of the Parent's financial position and the financial position as a whole of the entities included in the consolidated Financial Statements.

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

Copenhagen, 21 April 2022

#### Executive Management

  
Carsten Ramsø Nørland, CEO  
Per Johannesen Madsen, CFO

#### Board of Directors

  
Nicolas Grant  
Chairman of the Board  
Ellen Marina Richardson  
Desmond Luis Wilkins

## **Independent auditor's report**

### **To the shareholders of Fulmar Investments ApS**

#### **Opinion**

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2021 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Fulmar Investments ApS for the financial year 1 January - 31 December 2021, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("Financial Statements").

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

#### **Statement on Management commentary**

Management is responsible for Management commentary.

Our opinion on the Financial Statements does not cover 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 Management commentary and, in doing so, consider whether Management commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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



Based on the work we have performed, in our view, Management commentary is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management commentary.

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

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

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

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.



- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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.

Hellerup, 21 April 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

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State Authorised Public Accountant  
Mne8703

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