

**BLUE WATER  
SHIPPING  
TOGETHER  
WE CREATE  
SOLUTIONS**

# **Annual Report 2022**

**Blue Water Shipping A/S | CVR NO. 40 51 66 11**

# Table of Contents

<b>Entity details</b>	<b>3</b>
<b>Statement by Management</b>	<b>4</b>
<b>Independent auditor's report</b>	<b>5</b>
<b>Statement on the Management commentary</b>	<b>7</b>
<b>Management commentary</b>	<b>9</b>
Primary activities	9
Development in activities and finances	9
Profit/loss for the year in relation to expected developments	9
Outlook	9
Blue Water in brief	10
Financial Highlights	11
Knowledge resources	15
ESG (Environment, Social, Governance) and sustainability in Blue Water	15
Statutory report on the underrepresented gender	16
Statutory report on data ethics policy	17
Events after the balance sheet date	17
<b>Income statement for 2022</b>	<b>18</b>
<b>Balance sheet at 31.12.2022</b>	<b>19</b>
<b>Statement of changes in equity for 2022</b>	<b>22</b>
<b>Cash flow statement for 2022</b>	<b>23</b>
<b>Notes</b>	<b>25</b>
<b>Accounting policies</b>	<b>34</b>
Reporting class	34
Consolidated financial statements	34
Recognition and measurement	34
Foreign currency translation	34
Derivative financial instruments	34
Income statement	37
Balance sheet	38
Cash flow statement	40

## Entity details

### Entity

Blue Water Shipping A/S  
Trafikhavnskaj 9  
6700 Esbjerg

**CVR NO.:** 40516611  
**Registered in:** Esbjerg  
**Financial year:** 01.01.2022 - 31.12.2022

**Phone:** +45 7913 4144  
**E-mail:** esbjerg@bws.net  
**Web:** www.bws.net

### Board of Directors

Kurt Skov, Chairman  
Jørgen Dencker Wisborg, Deputy Chairman  
Jørgen Meyer, Deputy Chairman  
Anne Roed Skov  
Niels Stie Kaalund  
Merete Søby  
Robert Steen Kledal

### Executive Board

Søren Nørgaard Thomsen, CEO  
Dan Gregers Nissen, COO  
Thomas Bek, COO  
Flemming Busch, CFO

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Dokken 8  
6700 Esbjerg

The annual General Meeting adopted the Annual Report on 21.03.2023.

### Chairman of the General Meeting

Jørgen Dencker Wisborg, Deputy Chairman

## Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Blue Water Shipping A/S for the financial year 01.01.2022 - 31.12.2022.

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

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

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Esbjerg, 21.03.2023

## Executive Board

**Søren Nørgaard Thomsen**  
CEO

**Dan Gregers Nissen**  
COO

**Thomas Bek**  
COO

**Flemming Busch**  
CFO

## Board of Directors

**Kurt Skov**  
Chairman

**Jørgen Dencker Wisborg**  
Deputy Chairman

**Jørgen Meyer**  
Deputy Chairman

**Anne Roed Skov**

**Niels Stie Kaalund**

**Merete Søby**

**Robert Steen Kledal**

# Independent auditor's report

To the shareholders of Blue Water Shipping A/S

## Opinion

We have audited the financial statements of Blue Water Shipping A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant 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 Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

## Basis for opinion

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

## Management's responsibility 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the 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 responsibility 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 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity 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.

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.

Esbjerg, 21.03.2023

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR-No. 33963556

#### **Jørn Jepsen**

*State Authorised Public Accountant  
Identification number (MNE) mne24824*

#### **Peder Rene Pedersen**

*State Authorised Public Accountant  
Identification number (MNE) mne23334*





## Management commentary

### Primary activities

The Company's activities comprise international transport, freight forwarding and logistics services.

### Development in activities and finances

In 2022, the transport and logistic market continued to be volatile, starting with significant capacity constraints leading to historically high freight rates and hence making operation in the market challenging for both clients and transport and logistic companies. Then in the later part of 2022, the constraints decreased, and the rates plunged as fast and significantly as they went up. In the second half of 2022, the majority of the world went into a period of economic slowdown and insecurity driven by the energy crisis and inflation rates reaching levels not seen in recent years. This, combined with a normalised demand for goods, led to a decline in transport volumes within General Cargo.

Despite the challenging circumstances, Blue Water continued our strong customer focus and ability to create solutions to satisfy our customers' needs, with a main focus to deliver to our promises. This is exactly the Blue Water purpose: Together, we create solutions.

Financially, 2022 was not a satisfactory year for Blue Water. The Profit before tax is DKK 74 million – which despite the volatile and very challenging year, is below our expectations for the Entity. The positive drivers for the 2022 result are our General Road, General Cargo Sea & Air and Reefer Sea business units, but offset negatively by our Port Services Business Unit. The disappointing result in the Port Services is driven by one specific joint venture which also is the main reason for the high tax on profit.

Blue Water continues to be deeply concerned about Russia's military actions in Ukraine. We continuously follow the situation and assess how the increasing sanctions impact our activities and ability to service our customers. Blue Water ceased activities in Russia during 2022.

### Profit/loss for the year in relation to expected developments

Considering the many market and world events with highs and lows which have affected most of the business year, Blue Water performed well, with exception of the joint venture in the Port Services Business Unit.

Overall, the profit before tax was expected at DKK 80 million

### Outlook

In general, the results for 2023 will be positively affected by an increase in the activity level in the Energy, Ports and & Projects. For General Cargo Road, General Cargo Sea & Air and Reefer Logistics, we expect a more challenging year than 2022. We expect the 2023 result to be higher than 2022, driven mainly by the successful implementation of our new offices in Australia, Guyana and Türkiye.

Overall, the Profit before tax in 2023 is expected to be above DKK 90 million, with a positive cash flow.

## **Blue Water in brief**

Blue Water is a global transport and logistics company headquartered in Denmark.

Our skilled people offer complete and tailor-made solutions to any shipping and transport requirement worldwide. Blue Water's ambition has always been to provide the industry with the best customer service and the highest quality.

Responsibility is deeply rooted in our core values. We focus on being a constructive and trusted partner and co-player in an ever-changing and challenging global market where responsibility is vital to success.

Today, we are represented with more than 70 offices worldwide. In every Blue Water office, we combine our strong global network with local expertise – thereby adding value and providing our clients with services beyond transporting cargo in a safe and efficient way.

We operate in these dedicated business units: General Cargo Road, General Cargo Sea & Air, Reefer Logistics, Marine Logistics, North Atlantic and the division: Energy, Ports & Projects.

## Management commentary

### Financial Highlights

KEY FIGURES (DKK '000)	2022	2021	2020	2019	2018
Revenue	6.719.064	5.490.427	4.616.134	5.117.656	4.447.760
Gross profit/loss	545.351	468.771	548.897	545.653	386.108
EBITDA	39.642	44.231	117.418	109.652	(44.895)
Operating profit/loss	32.926	36.892	108.933	96.724	(57.827)
Net financials	(16.850)	(2.975)	(1.178)	324	534
Profit/loss for the year	69.583	86.912	134.791	133.237	(18.263)
Balance sheet total	1.527.757	1.341.642	1.115.703	1.094.646	1.129.656
Investments in property, plant and equipment	10.105	7.689	3.324	2.209	12.076
Equity	438.243	384.600	340.685	256.794	180.974
Net Interest – bearing debt	(20.378)	(216.143)	(232.555)	(192.437)	(93.242)

RATIOS	2022	2021	2020	2019	2018
Gross margin (%)	8,12	8,54	11,89	10,66	8,68
Financial gearing (%)	(0,05)	(0,56)	(0,68)	(0,75)	(0,52)
Return on equity (%)	16,91	23,97	45,12	60,87	(10,10)
Equity ratio (%)	28,69	28,67	30,54	23,46	16,02

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

RATIOS	CALCULATION FORMULA	RATIOS REFLECT
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The Entity's operating gearing.
Financial gearing (%)	$\frac{\text{Net interest-bearing debt}}{\text{Equity}}$	The Entity's financial gearing.
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

Net interest-bearing debt is defined as interest-bearing liabilities, including income tax payable, net of interest-bearing assets, including cash and income tax receivable.



Sea  
Freight



# Management commentary

## Risk management

In order to continue a sustainable business with a global presence, we must expect and adjust to the constant dynamics in the markets and develop new business opportunities. It is key for us to manage the associated risks in a systematic and model-based approach to secure and create value from the short to the long term.

Executive Management and the Board of Directors review a risk report with our biggest risks annually. This report is based on a bottom-up exercise with inclusion of management teams in all organizational areas and includes risks that could cause significant disruptions to the business over a three-year horizon. Below is a more detailed overview of our key risks.

## Particular risks

	THE RISK?	THE IMPACT?	THE MITIGATION ACTION?
<b>Economic development</b>	Due to its large global presence, Blue Water is dependent on the domestic and global economies and development. The business is influenced by the total market volume available for transport in each product segment throughout the market where we operate.	Domestic and Global recession decrease trade and hence the need for transport and logistics solutions resulting in lower revenue.	The business model is asset-light, ensuring an operational flexibility, which facilitates adjustments of operating expenses to the overall level of activity. In addition, the business activities are spread globally and on the different client segments, which minimises local impact on corporate level.
<b>Contractual liabilities</b>	Blue Water may be held liable if damages on goods or disputes occur.	Claims, lawsuits and reputational damages	The risk will be covered through contractual relationships with clients and subcontractors, through determination of maximum compensation for major transport projects and via our insurance policy. In addition, Blue Water has high focus on delivery of the agreed quality to clients from subcontractors and in this connection minimization of defects before, during and after the execution of the transport assignments.
<b>IT security breaches</b>	Disruption to IT systems, such as virus attacks and breaches of data security, may happen where reliable IT systems and infrastructure are critical for our ability to operate effectively.	Customers' or other individuals' privacy could be compromised if confidential information was disclosed and breaches of IT security could have a severe impact on Blue Water's ability to maintain operations and hence on its financial situation.	IT security technologies and controls are in place to help prevent intruders from causing damage to systems and gaining access to critical data and systems. Continuity plans are in place in the event of non-availability of IT systems. Awareness campaigns, access controls and intrusion detection and prevention systems have been implemented. Internal audits of IT security controls are conducted to detect and mitigate any breaches.
<b>Currency impact and tax disputes</b>	Exchange rate fluctuations, disputes with tax authorities and changes to tax legislation are external factors. Blue Water's foreign exchange risk is most significant in USD, while the EUR exchange rate risk is regarded as low due to Denmark's fixed rate policy towards EUR.	Blue Water's cash flow, statement of comprehensive income and balance sheet can be impacted significantly by currency fluctuations. Changes to tax legislation or loss of major tax cases could result in significant tax adjustments and fines and could lead to a higher-than-expected tax level for Blue Water.	Trade with subsidiary companies outside Europe is primarily in USD or currencies dependent on the US currency. Blue Water regularly evaluates hedging of its positions in USD and currencies dependent on the US currency. Applicable taxes are paid in jurisdictions where the business activity generates profits, and transfer pricing are frequently controlled in a structured manner.
<b>Credit risks and Cash flow</b>	Loss on debtors due to clients becoming insolvent is a risk. Blue Water handles a large volume of clients of all sizes in many different segments, and hence insolvency is likely and prevalent. In the project-based divisions, large outlays are a part of business, and this puts pressure on the positive cash flow in periods during the year.	Loss on debtors has a potential impact on Blue Water's financial results and cash flow. Large Cash flow fluctuations can result in high interest costs due to usage of bank facilities.	Blue Water has a strict credit policy, which includes credit insurance insofar as possible and ensures that potential losses are handled before becoming considerable. As part of Blue Water's policy, capital procurement and placement of excess liquidity are controlled at group level insofar as is appropriate. Furthermore, Blue Water has liquidity measures in the shape of excess liquidity and credits, which must be available to Blue Water at any time.



Courier  
Transport



## Management commentary

### Knowledge resources

With reference to maintaining and strengthening our position among the leading providers of services within Blue Water's business areas, it is essential that Blue Water and Group will continue to be able to attract and retain the most skilled and service-minded staff. Blue Water strongly focuses on being an attractive workplace and on further developing the staff's competences. This is done through the ongoing execution of transport assignments, goal-oriented courses and education as well as through a talent development program called Blue Water Academy.

## ESG (Environment, Social, Governance) and sustainability in Blue Water

### Statutory report on ESG and sustainability

Blue Water is continuously working to understand our environmental and societal impact as well as the challenges around us to ensure that our business conduct and operations are steered towards relevant material issues and an economy that benefits life on the planet. As we move forward in searching for, integrating, and acting on solutions for positive impact, we aspire to be transparent and inviting about our ongoing efforts, results and plans for ESG and sustainability.

In our Sustainability Report 2022 (<https://bws.kontainer.com/cdn/xZbCx5/sustainability-report-2022.pdf>), we present the tangible results of our commitment to sustainability throughout the Blue Water Group. Among many achievements in 2022, we have calculated our first scope 3 emissions, made progress in health and safety and continuously upgraded our governance practices and structures. We have increased our services in renewables, and we have engaged further in the shipment of carbon for storage purposes.

We are continuously focusing on integrated approach to sustainability efforts and reporting through cross-functional alignment and implementation, demonstrating our belief that sustainability is an integrated part of what makes us a responsible business.

To ensure alignment and integration, we have established a cross functional sustainability team, reporting directly to Executive Management Board, represented by the Chief Compliance Officer. This team works closely with local management and business units, as well as Group Functions, to drive sustainability initiatives and embed practices into our daily operations.

### Material ESG issues

In the period of 2022-2023, we have practiced and initiated the process of conducting an overall and formalised materiality assessment focusing on material issues for internal and external stakeholders. These are presented in our Sustainability Report 2022.

### Preparing for future reporting requirements

Currently, we are preparing to meet future regulatory requirements on sustainability. As result, we foresee that our sustainability reports will also change in both scope and content in the years to come ensuring stronger alignment to international reporting frameworks and standards.

It is expected that from the financial year 2025, new reporting requirements will be introduced for larger companies throughout the member states of the EU. The new reporting requirement, the Corporate Sustainability Reporting Directive (CSRD) and the underlying reporting standards, European Sustainability Reporting Standards (ESRS), will apply to Blue Water. Therefore, we are deeply focused on preparing for the new reporting frameworks and

scope for sustainability reporting, and throughout 2023 we will begin the processes of establishing proper reporting capacity and principles to adhere to the regulations to come.

Essentially, we will prepare the conducting of a double materiality assessment examining sustainability matters that are simultaneously 1) financially material in influencing our business value and outlook for our company, and 2) material to people, planet and the market in the world around us. A focus that is directly linked to our company vision and strategy for sustainability and responsibility.

### **Policies**

Our engagement to sustainability and responsible business conduct is reflected in our global policy frameworks, i.e., Global Environmental Policy, Global Quality Policy, Global Health and Safety Policy, Global Tax Policy, and Global Privacy Policy. Further information can be found in our Sustainability Report 2022 and at below link.

<http://www.bws.net/about/policies>

## **Statutory report on the underrepresented gender**

Pursuant to article 139C of the Danish Companies Act the board of directors of Blue Water Shipping A/S is under an obligation to set out targets for the underrepresented gender's representation on the board of directors unless there already is an equal representation of genders on the board of directors.

At this point in time the board of directors of Blue Water Shipping A/S comprises 7 persons of which 5 persons are of the male gender and 2 persons are of the female gender. According to guidelines published by the Danish Business Authority (Erhvervsstyrelsen) such gender distribution is considered as an equal gender representation. The board of directors therefore has not set up new targets for ratio of males to females on the board of directors.

For other levels of management, which includes members of the two levels of management below the board of directors a target for the underrepresented gender has been set at 20% to be reached before the end of 2025. By the end of 2022, the percentage of representation of the underrepresented gender was 11%. The targets and policies for Blue Water Shipping is detailed further in our Sustainability Report 2022 under Diversity, equality and inclusion.



## Statutory report on data ethics policy

At Blue Water, we process large amounts of data for and about customers and employees daily. Thus, we have a great responsibility in ensuring data ethics and security to protect sensitive information, comply with regulations, maintain customer trust, protect business assets and respect ethical considerations.

We have implemented a variety of measures for data security and ethics such as:

- › Risk management to identify and evaluate the potential risks to sensitive data and help determine which security measures are needed.
- › Access controls to help prevent unauthorised access and data breaches.
- › Firewalls to help prevent unauthorised access to our network by monitoring and controlling incoming and outgoing network traffic.

In addition, we regularly update software and back up data to protect against known security vulnerabilities and ensure that data can be recovered in the event of a data loss or disaster.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## Income statement for 2022

All numbers in DKK '000

	Note	2022	2021
Revenue	1	6.719.064	5.490.427
Cost of sales		(5.734.684)	(4.633.069)
Other external expenses		(439.029)	(388.587)
<b>Gross profit/loss</b>		<b>545.351</b>	<b>468.771</b>
Staff costs	2	(505.709)	(424.540)
Depreciation, amortisation and impairment losses	3	(6.716)	(7.339)
<b>Operating profit/loss</b>		<b>32.926</b>	<b>36.892</b>
Income from investments in group enterprises		58.347	61.681
Other financial income	4	1.689	3.268
Other financial expenses	5	(18.539)	(6.243)
<b>Profit/loss before tax</b>		<b>74.423</b>	<b>95.598</b>
Tax on profit/loss for the year	6	(4.840)	(8.686)
<b>Profit/loss for the year</b>	<b>7</b>	<b>69.583</b>	<b>86.912</b>

## Balance sheet at 31.12.2022

### Assets

All numbers in DKK '000

	Note	2022	2021
Goodwill		300	599
<b>Intangible assets</b>	8	<b>300</b>	<b>599</b>
Other fixtures and fittings, tools and equipment		13.653	8.776
Leasehold improvements		13.253	15.435
<b>Property, plant and equipment</b>	9	<b>26.906</b>	<b>24.211</b>
Investments in group enterprises		273.625	206.182
Deposits		2.644	2.593
<b>Financial assets</b>	10	<b>276.269</b>	<b>208.775</b>
<b>Fixed assets</b>		<b>303.475</b>	<b>233.585</b>
Trade receivables		870.779	767.315
Contract work in progress	11	55.861	0
Receivables from group enterprises		220.356	284.348
Deferred tax	12	3.721	3.536
Other receivables		35.035	25.720
Prepayments	13	30.239	23.171
<b>Receivables</b>		<b>1.215.991</b>	<b>1.104.090</b>
Other investments		50	50
<b>Other investments</b>		<b>50</b>	<b>50</b>
<b>Cash</b>		<b>8.241</b>	<b>3.917</b>
<b>Current assets</b>		<b>1.224.282</b>	<b>1.108.057</b>
<b>Assets</b>		<b>1.527.757</b>	<b>1.341.642</b>

## Balance sheet at 31.12.2022

### Equity and liabilities

All numbers in DKK '000

	Note	2022	2021
Contributed capital	14	50.000	50.000
Reserve for net revaluation according to the equity method		120.057	68.684
Retained earnings		268.186	240.916
Proposed dividend		0	25.000
<b>Equity</b>		<b>438.243</b>	<b>384.600</b>
Deposits		525	245
<b>Non-current liabilities other than provisions</b>	15	<b>525</b>	<b>245</b>
Contract work in progress	11	0	2.933
Trade payables		819.266	696.525
Payables to group enterprises		216.395	192.874
Joint taxation contribution payable		4.186	3.631
Other payables		49.142	60.834
<b>Current liabilities other than provisions</b>		<b>1.088.989</b>	<b>956.797</b>
<b>Liabilities other than provisions</b>		<b>1.089.514</b>	<b>957.042</b>
<b>Equity and liabilities</b>		<b>1.527.757</b>	<b>1.341.642</b>
Unrecognised rental and lease commitments	17		
Contingent liabilities	18		
Assets charged and collateral	19		
Related parties with controlling interest	20		
Transactions with related parties	21		
Group relations	22		



## Statement of changes in equity for 2022

All numbers in DKK '000

	<i>Contributed capital</i>	<i>Reserve for net revaluation according to the equity method</i>	<i>Retained earnings</i>
Equity beginning of year	50.000	68.684	240.916
Ordinary dividend paid	0	0	0
Exchange rate adjustments	0	9.060	0
Profit/loss for the year	0	42.313	27.270
<b>Equity end of year</b>	<b>50.000</b>	<b>120.057</b>	<b>268.186</b>

	<i>Proposed dividend</i>	<b>Total</b>
Equity beginning of year	25.000	384.600
Ordinary dividend paid	(25.000)	(25.000)
Exchange rate adjustments	0	9.060
Profit/loss for the year	0	69.583
<b>Equity end of year</b>	<b>0</b>	<b>438.243</b>

## Cash flow statement for 2022

All numbers in DKK '000

	Note	2022	2021
Operating profit/loss		32.926	36.892
Amortisation, depreciation and impairment losses		6.716	7.339
Working capital changes	16	19.938	27.908
<b>Cash flow from ordinary operating activities</b>		<b>59.580</b>	<b>72.139</b>
Financial income received		2.446	2.594
Financial expenses paid		(19.311)	(5.570)
Taxes refunded/(paid)		(4.470)	(9.564)
<b>Cash flows from operating activities</b>		<b>38.245</b>	<b>59.599</b>
Acquisition etc. of property, plant and equipment		(9.131)	(7.688)
Sale of property, plant and equipment		18	76
Acquisition of fixed asset investments		(872)	(649)
Sale of fixed asset investments		784	363
<b>Cash flows from investing activities</b>		<b>(9.201)</b>	<b>(7.898)</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>29.044</b>	<b>51.701</b>
Repayments of loans etc.		280	0
Dividend paid		(25.000)	(50.000)
<b>Cash flows from financing activities</b>		<b>(24.720)</b>	<b>(50.000)</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>4.324</b>	<b>1.701</b>
Cash and cash equivalents beginning of year		3.917	2.216
<b>Cash and cash equivalents end of year</b>		<b>8.241</b>	<b>3.917</b>
Cash and cash equivalents at year-end are composed of:			
Cash		8.241	3.917
<b>Cash and cash equivalents end of year</b>		<b>8.241</b>	<b>3.917</b>



Road  
Transport





# Notes

All numbers in DKK '000

Note	2022	2021
<b>1 Revenue</b>		
General Cargo	4.158.982	3.272.352
Oil & energy	777.397	634.962
Reefer	1.782.685	1.583.113
	<b>6.719.064</b>	<b>5.490.427</b>
<p>The company has not provided geographical segment information in the notes, as it is the management's assessment of activities only linked to transport owned by Blue Water Shipping A/S in Denmark. Our business in Denmark is based on transactions in our global network rather than in individual countries or regions.</p>		
<b>2 Staff costs</b>		
Wages and salaries	464.837	389.883
Pension costs	31.760	27.492
Other social security costs	9.112	7.165
	<b>505.709</b>	<b>424.540</b>
Average number of full-time employees	<b>867</b>	<b>804</b>
<b>Remuneration of Management</b>		
Executive Board	5.364	5.734
Board of Directors	511	302
	<b>5.875</b>	<b>6.036</b>
<b>3 Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	299	300
Depreciation of property, plant and equipment	6.436	7.090
Profit/loss from sale of intangible assets and property, plant and equipment	(19)	(51)
	<b>6.716</b>	<b>7.339</b>
<b>4 Other financial income</b>		
Financial income from group enterprises	1.490	2.355
Other interest income	63	2
Other financial income	136	911
	<b>1.689</b>	<b>3.268</b>
<b>5 Other financial expenses</b>		
Financial expenses from group enterprises	4.754	673
Other interest expenses	13.785	5.570
	<b>18.539</b>	<b>6.243</b>

## Notes

All numbers in DKK '000

Note	2022	2021
<b>6 Tax on profit/loss for the year</b>		
Current tax	5.023	4.480
Change in deferred tax	(185)	4.073
Adjustment concerning previous years	2	133
	<b>4.840</b>	<b>8.686</b>
<b>7 Proposed distribution of profit/loss</b>		
Ordinary dividend for the financial year	0	25.000
Retained earnings	69.583	61.912
	<b>69.583</b>	<b>86.912</b>

## Notes

All numbers in DKK '000

Note			
<b>8</b>	<b>Intangible assets</b>		<i>Goodwill</i>
	Cost beginning of year		2.498
	<b>Cost end of year</b>		<b>2.498</b>
	Amortisation and impairment losses beginning of year		(1.899)
	Amortisation for the year		(299)
	<b>Amortisation and impairment losses end of year</b>		<b>(2.198)</b>
	<b>Carrying amount end of year</b>		<b>300</b>
<b>9</b>	<b>Property, plant and equipment</b>	<i>Other fixtures and fittings, tools and equipment</i>	<i>Leasehold improvements</i>
	Cost beginning of year	77.284	25.512
	Additions	10.105	0
	Disposals	(1.412)	0
	<b>Cost end of year</b>	<b>85.977</b>	<b>25.512</b>
	Depreciation and impairment losses beginning of the year	(68.508)	(10.077)
	Depreciation for the year	(4.254)	(2.182)
	Reversal regarding disposals	438	0
	<b>Depreciation and impairment losses end of the year</b>	<b>(72.324)</b>	<b>(12.259)</b>
	<b>Carrying amount end of year</b>	<b>13.653</b>	<b>13.253</b>

## Notes

All numbers in DKK '000

Note

	<i>Investment in group enter- prises</i>	<i>Deposits</i>
<b>10 Financial assets</b>		
Cost beginning of year	144.501	2.593
Exchange rate adjustments	9.067	0
Additions	0	835
Disposals	0	(784)
<b>Cost end of year</b>	<b>153.568</b>	<b>2.644</b>
Revaluations beginning of year	61.681	0
Share of profit/loss for the year	58.347	0
Other adjustments	29	0
<b>Revaluations end of year</b>	<b>120.057</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>273.625</b>	<b>2.644</b>

<b>Investments in subsidiaries</b>	<i>Registered in</i>	<i>Corporation form</i>	<i>Equity interest %</i>
Blue Water International A/S	Esbjerg, Denmark	A/S	100.0

### 11 Contract work in progress

The amount comprises vendor's invoices not received and not yet invoiced but performed transactions.

	<b>2022</b>	<b>2021</b>
<b>12 Deferred tax</b>		
Intangible assets	200	290
Property, plant and equipment	3.521	3.246
<b>Deferred tax</b>	<b>3.721</b>	<b>3.536</b>
<b>Changes during the year</b>		
Beginning of year	3.536	7.609
Recognised in the income statement	185	(4.073)
<b>End of year</b>	<b>3.721</b>	<b>3.536</b>

### Deferred tax assets

The Company's deferred tax asset is a result of temporary differences between the carrying amount and tax-based value of property, plant and equipment.

Based on budgets, the Company's management expects the tax asset to be reduced in line with depreciation of fixed assets.



## Notes

All numbers in DKK '000

Note

### 13 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

---

<b>14 Contributed capital</b>	<i>Number</i>	<i>Par value</i>	<i>Nominal value</i>
Share capital	50.000.000	0,001	50.000
	<b>50.000.000</b>		<b>50.000</b>

---

## Notes

All numbers in DKK '000

Note	<i>Due after more than 12 months 2022</i>	
<b>15 Non-current liabilities other than provisions</b>		
Deposits		525
		<b>525</b>
	<b>2022</b>	<b>2021</b>
<b>16 Change in working capital</b>		
Increase/decrease in receivables	(111.655)	(159.111)
Increase/decrease in trade payables etc.	131.593	187.019
	<b>19.938</b>	<b>27.908</b>
<b>17 Unrecognised rental and lease commitments</b>		
Liabilities under rental or lease agreements until maturity in total	<b>222.796</b>	<b>219.730</b>
Liabilities under rental agreements or leases with group enterprises until expiry	160.500	190.758
<b>18 Contingent liabilities</b>		
Recourse and non-recourse guarantee commitments	70.756	49.639
Contingent liabilities	<b>70.756</b>	<b>49.639</b>

### Lawsuits

The Entity is involved in a few lawsuits. These lawsuits will in the opinion of the managements not have material influence on the Entity financial position.

The Entity participates in a Danish joint taxation arrangement in which Blue Water Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

## Notes

Note

**19 Assets charged and collateral**

The entity has provided surety for bank commitments in group affiliated companies. Bank commitment is DKK 241.207k as of 31.12.2022.

**20 Related parties with controlling interest**

Blue Water Holding A/S, Esbjerg (parent company)  
Blue Water Fonden, Esbjerg (ultimate parent)

**21 Transactions with related parties**

In the annual report only transactions with related parties, which have not been completed under normal circumstances, will be informed. There have been no such transactions.

**22 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
Blue Water Holding A/S, Esbjerg

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Blue Water Holding A/S, Esbjerg





Rail  
Transport



## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

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

### Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.



Oil, Gas  
& Projects



## Income statement

### Revenue

Revenue from the sale is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting profit of a forwarding job is booked as income at the time when the transport of the shipment in question starts.

Revenue is recognized at the time when the service is delivered.

### Logistics services

Logistic services consist of freight logistics, transportation of goods by road and other forms of transportation. Logistic services are characterised by short delivery time as most transports are completed within days. Revenue is recognised at the time when the transport of the shipment in question starts.

### Stevedore services

Stevedore services consists of loading and unloading, stowage, lashing & securing of cargo on board vessels as well as handling of interim storage of goods in transport. Most stevedore services are completed within a day. Revenue from stevedore services is recognised when the service in question starts.

### Sea services

Sea services consist of services related to sea freight. Sea services are delivered within several days and typically delivered when the goods arrive in the port of arrival.

### Agency services

Agency services consist of facilitating services on behalf of customers from external suppliers. Revenue from agency services is recognised when the facilitated services has been provided and accepted by the customer.

### Revenue from other activities

Other activities primarily consist of rental of commercial properties, servicing cruiseliners entering ports and environment & recycling activities. Revenue from other activities is recognised either over time or at a point in time depending the specific service.

The company has not provided geographical segment information in the notes, as it is the management's assessment of activities only linked to transport owned by Blue Water Shipping A/S in Denmark. Our business in Denmark is based on transactions in our global network rather than in individual countries or regions.

### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

### Other external expenses

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

### Staff costs

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

### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

### **Income from investments in group enterprises**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

### **Other financial income**

Other financial income comprises interest income payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

### **Other financial expenses**

Other financial expenses comprise interest expenses payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### **Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

## **Balance sheet**

### **Goodwill**

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If it is not possible to estimate the useful life reliably, it is set at 10 years. Useful lives are reassessed on an annual basis.

#### **Goodwill 5-10 years**

Goodwill is written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

Leasehold improvement, other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

**Other fixtures and fittings, tools and equipment 3-10 years****Leasehold improvement 5-10 years**

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

**Investments in group enterprises**

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

**Contract work in progress**

Contract work in progress is measured at the costs incurred at the balance sheet date.

**Deferred tax**

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

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

**Prepayments**

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

**Other investments (current assets)**

Securities recognised under current assets comprise listed bonds and investments measured at fair value (market price) at the balance sheet date. Deposits under fixed assets are measured at amortised cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### **Joint taxation contributions payable or receivable**

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

## **Cash flow statement**

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

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

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

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

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