
Em. Z. Svitzer A/S

Sundkrogsgade 17, DK- 2100 København Ø

Annual Report for 1 January - 31 December 2024

CVR-nr. 29 18 55 81

*The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
13 May 2025*

Lise Demant
Chair

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Em. Z. Svitzer A/S for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and of the results of the Company operations for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 13 May 2025

Executive Board

Sonni Rix Laumann

Board of Directors

Lise Demant
Chair

Matthijs Schot
Deputy Chair

Sonni Rix Laumann

Lars Mathias Jonasson

Preben Zimmer
Staff Representative

Anders Bak-Pedersen
Staff Representative

Independent Auditor's Report

To the Shareholder of Em. Z. Svitzer A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Company for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

Management's Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

Independent Auditor's Report

and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Independent Auditor's Report

Hellerup, den 13 May 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33 77 12 31

Thomas Wraae Holm
statsautoriseret revisor
State Authorised Public Accountant
mne 30141

Philip Kjær
statsautoriseret revisor
State Authorised Public Accountant
mne 47826

Company Information

The Company

Em. Z. Svitzer A/S
Sundkrogsgade 17
DK-1263 København K

Telephone: + 45 39 19 39 19
E-mail: info@svitzer.com
Website: www.svitzer.com

CVR-No.: 29 18 55 81
Financial Period: 1 January - 31 December
Municipality of reg. office: København

Board of Directors

Lise Demant, Chair
Matthijs Schot, Deputy Chair
Sonni Rix Laumann
Lars Mathias Jonasson
Preben Zimmer
Anders Bak-Pedersen

Executive Board

Sonni Rix Laumann

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

| | <u>2024</u> TDKK | <u>2023</u> TDKK | <u>2022</u> TDKK | <u>2021</u> TDKK | <u>2020</u> TDKK |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Key figures | | | | | |
| Profit/loss | | | | | |
| Revenue | 442,271 | 416,967 | 394,710 | 339,569 | 331,056 |
| Profit/loss before financial income and expenses | 147,345 | 152,246 | 99,605 | 84,215 | 88,650 |
| Net financials | 10,956 | 12,164 | -3,372 | -1,556 | 209 |
| Net profit/loss for the year | 150,563 | 161,643 | 93,824 | 79,691 | 89,199 |
| Balance sheet | | | | | |
| Balance sheet total | 713,988 | 904,942 | 791,747 | 738,814 | 701,891 |
| Equity | 676,897 | 861,335 | 749,692 | 695,868 | 666,177 |
| Investment in property, plant and equipment | 12,315 | 22,458 | 6,862 | 59,699 | 85,726 |
| Numbers of employees | 176 | 179 | 183 | 166 | 156 |
| Ratios | | | | | |
| Profit margin | 33.3% | 36.5% | 25.2% | 24.8% | 26.8% |
| Return on assets | 20.6% | 16.8% | 12.6% | 11.4% | 12.6% |
| Return on equity | 19.6% | 20.1% | 13.0% | 11.7% | 14.4% |

Key figures have been compiled according to principles stated in Accounting policies.

Management's Review

Financial Statements of Em. Z. Svitzer A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Annual Report has been prepared under the same accounting policies as last year

Main activity

The company's main activities include towing, salvage and rescue services and activities.

Development in the year including special circumstances

The income statement of the Company for 2024 shows a profit of TDKK 150,563, and on 31 December 2024 the balance sheet of the Company shows equity of TDKK 676,897.

After the start of the Russian Ukraine crisis in 2023, with uncertainty in the market and increasing cost levels, the market stabilized during 2024, but the business was still affected to some extent. Cost levels continued to increase but also the demand for our services increased and resulted in higher activity and higher revenue. Due to the increasing price levels from the last couple of years, we increased our tariffs accordingly, which together with the higher activity, explains the higher revenue.

Expectations

We expect the towage market to continue to be uncertain as an effect of the Russian Ukraine crisis. Result for 2025 is expected to decline by 10-20% compared to 2024.

Environmental impact

The company strives to minimize environmental impacts through reducing waste in our processes. During 2024 we have continued our efforts to reduce fuel consumption, eliminate spills and increase recycling of waste.

Statement of corporate social responsibility in accordance with section 99(a) of the Danish Financial Statement Act

For information about corporate social responsibility, we refer to Svitzer Group A/S (CVR-no 44791447) latest annual report where the sustainability statement includes corporate social responsibility (<https://investor.svitzer.com/financial-reporting-presentations>). The Company produces no individual corporate social responsibility statement.

Management's Review

Statement regarding data ethics in accordance with section 99(d) of the Danish Financial Statement Act

To comply with the Danish Financial Statements, Act section 99d, Svitzer Group A/S (CVR-no 44791447) has, among other initiatives, established a policy that are incorporated into workflows and processes throughout the Svitzer Group.

For our statement, of data ethics, we refer to Svitzer Group A/S (CVR-no 44791447) (<https://investor.svitzer.com/governance>).

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

| | <u>Note</u> | <u>2024</u> TDKK | <u>2023</u> TDKK |
|--|-------------|---------------------|---------------------|
| Revenue | | 442,271 | 416,967 |
| Other operating revenue | | 0 | 21,019 |
| Other external expenses | | -132,809 | -129,408 |
| Gross profit/loss | | 309,462 | 308,578 |
| Staff expenses | 1 | -125,189 | -118,390 |
| Depreciation and impairment of property, plant and equipment | 5 | -36,928 | -37,942 |
| Profit/loss before financial income and expenses | | 147,345 | 152,246 |
| Financial income | 2 | 12,067 | 13,915 |
| Financial expenses | 3 | -1,111 | -1,751 |
| Profit/loss before tax | | 158,301 | 164,410 |
| Tax on profit/loss for the year | 4 | -7,738 | -2,767 |
| Net profit/loss for the year | | 150,563 | 161,643 |

Distribution of profit

Proposed distribution of profit

| | | | |
|--------------------------------|--|----------------|----------------|
| Proposed dividend for the year | | 150,000 | 335,000 |
| Retained earnings | | 563 | -173,357 |
| | | 150,563 | 161,643 |

Balance Sheet 31 December

Assets

| | <u>Note</u> | <u>2024</u> TDKK | <u>2023</u> TDKK |
|--------------------------------------|-------------|-----------------------|-----------------------|
| Ships | | 359,712 | 383,821 |
| In progress investments | | 73,882 | 578 |
| Property, plant and equipment | 5 | <u>433,595</u> | <u>384,399</u> |
| Fixed assets | | <u>433,595</u> | <u>384,399</u> |
| Inventories | | <u>4,135</u> | <u>5,762</u> |
| Trade receivables | | 26,463 | 26,742 |
| Receivables from group enterprises | | 226,175 | 458,835 |
| Other receivables | | 11,391 | 24,495 |
| Prepayments | | 12,230 | 3,956 |
| Receivables | | <u>276,259</u> | <u>514,028</u> |
| Cash at bank and in hand | | <u>0</u> | <u>753</u> |
| Current assets | | <u>280,394</u> | <u>520,543</u> |
| Assets | | <u>713,988</u> | <u>904,942</u> |

Balance Sheet 31 December

Liabilities and equity

| | <u>Note</u> | <u>2024</u> TDKK | <u>2023</u> TDKK |
|--|-------------|-----------------------|-----------------------|
| Share capital | | 5,000 | 5,000 |
| Retained earnings | | 521,897 | 521,334 |
| Proposed dividend for the year | | 150,000 | 335,000 |
| | | <hr/> | <hr/> |
| Equity | | <u>676,897</u> | <u>861,334</u> |
| Trade payables | | 9,749 | 18,411 |
| Payables to group enterprises | | 4,813 | 7,847 |
| Corporation tax | | 4,820 | 2,269 |
| Other payables | | 17,709 | 15,081 |
| | | <hr/> | <hr/> |
| Liabilities | | <u>37,091</u> | <u>43,608</u> |
| | | <hr/> | <hr/> |
| Liabilities and equity | | <u>713,988</u> | <u>904,942</u> |
| Contingent assets, liabilities and other financial obligations | 6 | | |
| Related parties and ownership | 7 | | |
| Accounting Policies | 8 | | |

Equity statement

| | Share capital | Retained earnings | Proposed dividend for the year | Total |
|-------------------------------------|---------------------|-----------------------|--------------------------------|-----------------------|
| | TDKK | TDKK | TDKK | TDKK |
| Equity at 1. January | 5,000 | 521,334 | 335,000 | 861,334 |
| Paid out dividend | | | -335,000 | -335,000 |
| <i>Net profit/loss for the year</i> | 0 | 563 | 150,000 | 150,563 |
| Equity at 31. December | <u>5,000</u> | <u>521,897</u> | <u>150,000</u> | <u>676,897</u> |

Share capital

The share capital consists of 5,000 shares of nominal value of TDKK 100. No shares carry any special rights.

Notes to the financial Statements

| | <u>2024</u> TDKK | <u>2023</u> TDKK |
|------------------------------------|-----------------------|-----------------------|
| 1 Staff expenses | | |
| Wages and salaries | 110,880 | 104,772 |
| Pensions | 13,141 | 12,317 |
| Other social security expenses | 1,168 | 1,301 |
| | <u>125,189</u> | <u>118,390</u> |
| Average number of employees | <u>176</u> | <u>179</u> |

Remuneration to the Executive Board has not been disclosed with § 98 B (3) of the Danish Financial Statements Act.

2 Financial income

| | | |
|--|----------------------|----------------------|
| Interest received from group enterprises | 11,874 | 13,830 |
| Other financial income | <u>193</u> | <u>85</u> |
| | <u>12,067</u> | <u>13,915</u> |

Notes to the financial Statements

| | <u>2024</u> TDKK | <u>2023</u> TDKK |
|--|---------------------|---------------------|
| 3 Financial expenses | | |
| Interest paid to group enterprises | 658 | 199 |
| Other financial expenses | 453 | 1,552 |
| | <u>1,111</u> | <u>1,751</u> |
| 4 Tax on profit/loss for the year | | |
| Current tax for the year | 4,820 | 2,269 |
| Adjustment of tax concerning previous year | 2,918 | 498 |
| | <u>7,738</u> | <u>2,767</u> |

Notes to the financial Statements

5 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment | Ships | In progress investments |
|---|---|-------------------|----------------------------|
| | TDKK | TDKK | TDKK |
| Cost at 1 January | 4,494 | 681,413 | 578 |
| Transfer | 0 | 578 | -578 |
| Additions for the year | 0 | 12,241 | 73,881 |
| Disposals for the year | 0 | -7,479 | 0 |
| Cost at 31 December | <u>4,494</u> | <u>686,753</u> | <u>73,881</u> |
| Impairment losses and depreciation at 1 January | 4,494 | 297,592 | 0 |
| Depreciation for the year | 0 | 37,064 | 0 |
| Impairment and depreciation of sold assets for the year | 0 | -7,478 | 0 |
| Impairment losses and depreciation at 31 December | <u>4,494</u> | <u>327,178</u> | <u>0</u> |
| Carrying amount at 31 December | <u>0</u> | <u>359,575</u> | <u>73,881</u> |
| Depreciated over | <u>3-5 years</u> | <u>3-25 years</u> | |

Notes to the financial Statements

6 Contingent assets, liabilities and other financial obligations

Contingent liabilities

Em. Z. Svitzer A/S is jointly taxed with the Danish companies in the Svitzer Group A/S (CVR-no 44791447). The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income.

Obligations

Em. Z. Svitzer A/S has lease obligations amounting to TDKK 1,696, all becomes due in 2025.

7 Related parties and ownership

Transactions

There is no disclosure requirement of transaction with related parties, as it is the assessment that all transactions are done on arm's length terms. All companies in the Svitzer Group A/S, the A. P. Moller Maersk Group, Copenhagen as well as A. P. Møller Holding A/S, Copenhagen are considered related parties. Transactions with related parties in 2024 covered towing and transport services, rental and financing.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Svitzer Salvage Holding A/S, Esplanaden 50, 1263 København K

Consolidated Financial Statements

The Company is included in the Group Annual Report of Svitzer Group A/S (CVR-no 44791447).

Accounting Policies

Basis of Preparation

Financial Statements of Em. Z. Svitzer A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2024 are presented in DKK.

Cash Flow statements

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Svitzer Group A/S (CVR-no 44791447), the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognized in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortized cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognized in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognized directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognized in financial income and expenses in the income statement.

Accounting Policies

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Accounting Policies

Income Statement

Revenue

Revenue from towing and related services is recognized in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Revenue is recognized exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise Port costs, costs related to chartered tonnage, fuel costs, insurance cost, repairs and administrative expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

Amortization, depreciation and impairment losses

Amortization, depreciation and impairment losses comprise amortization, depreciation and impairment of property, plant and equipment.

Other operating income

Other operating income includes activities which are not related to the principal activities of the Company, such as gains/losses from disposals.

Financial income and expenses

Financial income and expenses are recognized in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax comprises current and deferred tax as well as adjustments to previous years of those.

Income tax is tax on taxable profits and consists of tonnage tax and corporation tax. Tonnage tax is classified as tax when creditable in, or paid in lieu of, income tax.

Tax is recognized in the income statement to the extent it arises from items recognized in the income statement.

Accounting Policies

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

| | |
|--|-------------|
| Ships | 20-25 years |
| Dockings | 3-5 years |
| The ships' equipment | 5 years |
| Other fixtures and fittings, tools and equipment | 3-5 years |

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realizable value.

Receivables

Receivables are measured in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognized in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognized in the income statement in financial income and expenses.

Financial debts

Other debts are measured at amortized cost, substantially corresponding to nominal value.

Accounting Policies

Financial Highlights

Explanation of financial ratios

$$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$$

$$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$$

$$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$$