



NorSea Denmark A/S

Kanalen 1, 6700 Esbjerg

Annual report 2024

Approved at the Company's annual general meeting

on 25 / 3 - 2025

Kenneth Hansen

CVR no. 49 67 77 15

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Company information

Company	NorSea Denmark A/S Kanalen 1 DK-6700 Esbjerg
	Telephone: + 45 7911 1900
	Website: www.norseagroup.dk
	E-mail: dk@norseagroup.com
	CVR no.: 49 67 77 15
	Registered office: Esbjerg

Board of Directors	Lars Haug (Chairman) Øyvind Bjørnevik Kenneth Hansen
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Executive Board / CEO	Jesper Høj-Hansen
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Auditors	PricewaterhouseCoopers Statsautoriseret revisionspartnerselskab Esbjerg Brygge 28 DK-6700 Esbjerg
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Financial highlights

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020*</u>
	DKK mill.	DKK mill.	DKK mill.	DKK mill.	DKK mill.
Income statement:					
Revenue	616,5	631,9	464,5	308,7	241,4
Profit before financial income and expenses	7,4	15,4	8,7	-16,4	-15,6
Financial income and expenses, net	-2,9	-2,3	-0,3	-0,1	-0,4
Profit for the year	3,5	11,8	12,3	-16,5	-15,1
Cash generated from operations before changes in working capital	10,8	19,5	16,8	-8,7	-6,8
Balance sheet:					
Total assets	188,3	182,8	128,6	113,9	115,8
Investment in property, plant and equipment	16,0	11,9	10,0	4,6	23,2
Equity	50,9	47,4	35,6	23,3	19,8
Employees:					
Average number of employees	443	415	308	218	217
Key figures:					
Return on invested capital (ROIC)	5,2	11,6	7,9	-13,4	-8,3
Assets/Equity	3,7	3,9	3,6	4,9	5,8
Return on equity (ROE)	7,1	28,4	41,6	-76,4	27,8
EBITDA margin	2,6	3,7	3,4	-2,8	-2,6

*The company's property activities have been with accounting effect demerged per 1 January 2020. Financial highlights are not adjusted.

The financial ratios have been calculated as follows:

Return on invested capital (ROIC)	$\frac{\text{Profit before financial income and expenses/profit for year} \times 100}{\text{Average invested capital}}$
Assets/Equity	$\frac{\text{Total assets}}{\text{Equity}}$
Return on equity (ROE)	$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average Equity}}$
EBITDA margin	$\frac{\text{Earnings before interest, taxes, depreciation, and amortization} \times 100}{\text{Total sales}}$

Management's review

Operating activities

The primary operations of NorSea Denmark A/S involve serving as a comprehensive one-stop-shop service provider catering to the needs of the Offshore Energy Industry. We specialize in delivering innovative and sustainable solutions across supply chain and logistics services, including port services, ship agency, customs advisory/declarations, trucking, forwarding, warehousing, supply chain activities, offshore maintenance, maritime construction, and maintenance projects, as well as on- and offshore-manning and technician services. Additionally, we offer infrastructure solutions such as office and meeting facilities, and lease of buildings and yards. Our key operational hub is located in Esbjerg, from where we extend our services to global customers both within Denmark and internationally.

Our business operations are structured into the following key areas:

- Energy Solutions
- Port services
- Agency
- Logistics
- Facility

Development in activities and financial matters

In 2024, we maintained our strong position in the Oil & Gas market. We continued stable delivery and development both operationally and on a project basis. We also expanded our activities in the wind and defense industries with double-digit growth rates. Additionally, we increased our presence in multiple locations, where our global network with our owner Wilhelmsen was strengthened and further integrated. This provides us with unique opportunities to offer our customers the same stable deliveries and services regardless of their location.

2024 was also a historic year for Norsesea as we celebrated our 50th anniversary with staff and partners following the opening of the Suset festival at our base. We took this opportunity to recognize the many excellent colleagues who make a tremendous daily effort for our customers and with the Norsesea DNA, optimize, improve, and secure everyday life for us all.

Our results for 2024 were lower than expected, mainly due to the first quarter where several projects were postponed or canceled, and operational costs were too high. Adjustments in the organization in spring 2024 and positive developments in several markets meant that the rest of 2024 was delivered on budget. We are therefore back on the growth trajectory that will continue into 2025.

In 2024, Norsesea continued to ensure greener operations and solutions for its customers. This included installing 1,708 solar panels, implementing a new electric machinery pool, and bought one of Denmark's first electric trucks to connect the value chain in the Energy sector emission-free. We became climate partners with Esbjerg Municipality and reduced our emissions to meet the goal of becoming CO2 neutral in our operations by 2030.

In current market conditions, we consider the pre-tax result of 4.5 million DKK as unsatisfactory and under budget. We also see that our earnings-to-turnover ratio needs improvement, especially considering market volatility with energy crises, historically high inflation, all of which require increased focus on risk management and profitability.

We expect a year with a decreasing activity level in the Oil & Gas market due to the completion of the Tyra platform. However, we anticipate an increase in the Wind & Defense market. Common to both is that 2025 will continue to be a year focused on efficient and sustainable solutions for our customers and maintaining a high investment level, ensuring that infrastructure, machinery, the green agenda, and skills are well-founded for future growth. We therefore expect a pre-tax result for 2025 of 9 million DKK.

Corporate social responsibility

Corporate Social Responsibility (CSR) is a pivotal focus area at NorSea, underscoring our commitment to driving and fostering a sustainable value chain within the Offshore Energy Supply sector. We prioritize Environmental, Social, and Governance (ESG) considerations, viewing them as integral components of our sustainability initiatives. ESG encompasses environmental stewardship, social impact, and effective governance practices. Upholding a steadfast dedication to ESG principles guides our actions and informs our decision-making processes across the organization.

We use a materiality analysis to identify the parts of our business that we believe have the most impact on the environment and in the communities where we operate. In the analysis, we have identified 14 material topics and 4 strategic themes that we focus on in further work.

The four strategic themes are:

- Decarbonization and green growth
- Health, safety, and environment
- Diversity, inclusion, and equality
- Compliance, adherence, and value chain

The themes are closely linked to our long-term strategy and in line with our intentions to actively contribute to the UN Sustainable Development Goals. We have linked several measurement parameters to these themes, which are reported quarterly to the board of NorSea Group and to our owners in Wilh. Wilhelmsen Holding ASA.

Statement on corporate social responsibility pursuant to Section 99a of the Danish Financial Statements Act

In accordance with Section 99a, paragraph 7 of the Danish Financial Statements Act, reference is made to the statement on corporate social responsibility in the ESG report of WILH. WILHELMSSEN HOLDING ASA, reg. no. 995 277 905, Strandveien 20, 1366 Lysaker, Norway, which can be found below:

Latest report is available at <https://www.wilhelmsen.com/globalassets/investor-relations/annual-report/wilhelmsen-annual-report-2024.pdf>

Statement on data ethics policy pursuant to Section 99d of the Danish Financial Statements Act:

In accordance with Section 99 d, paragraph 3 of the Danish Financial Statements Act, reference is made to the statement on policy and data ethics in the ESG report of WILH. WILHELMSEN HOLDING ASA, reg. no. 995 277 905, which can be found below:

Latest report is available at <https://www.wilhelmsen.com/globalassets/investor-relations/annual-report/wilhelmsen-annual-report-2024.pdf>

Particular risks

General risks

Our main business is closely tied to the Offshore Energy Industry thus our activity level is sensitive to changes in the political environment around the security of energy being from renewable and from the traditional hydrocarbons sources.

Current political developments with war in Europe increases the need for provision of Energy from Denmark together with approval of using the Danish offshore underground as CO2 storage decrease our business risk in our hydrocarbon related business areas.

Financial risks

Currency risks

Activities abroad imply that profit/loss, cash flows and equity are affected by the foreign exchange and interest rate development relating to a number of currencies. Our primary trade currency is DKK and only 4% of the revenue for 2024 was in foreign currency, covering EUR, GBP, NOK and USD.

Credit risks

These risks primarily relate to customers. Customers are credit rated on a regular basis and mortgage liabilities are based on a floating rate of interest.

Events after the balance sheet date

Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

Statement by the Board of Directors and the Executive

Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of NorSea Denmark A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Esbjerg, 25 / 3 2025

CEO

Jesper Høj-Hansen

Board of Directors

Lars Haug
Chairman

Øyvind Bjørnevik

Kenneth Hansen

Independent Auditor's Report

To the Shareholders of Norsesea Denmark 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 Norsesea Denmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of significant accounting policies ("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 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.

Esbjerg, 25 / 3 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jannick Kjersgaard

State Authorised Public Accountant

mne29440

Income statement 1 January – 31 December

DKK'000	Note	<u>2024</u>	<u>2023</u>
Revenue	2	616,495	631,945
Other operating income		7,168	5,508
Operating costs		-270,816	-276,354
Gross profit		<u>352,847</u>	<u>361,099</u>
Staff costs	3	-337,032	-337,977
Depreciation		-8,423	-7,757
Profit before financial income and expenses		<u>7,392</u>	<u>15,366</u>
Financial income	4	613	329
Financial expenses	5	-3,522	-2,646
Profit before tax		<u>4,483</u>	<u>13,049</u>
Tax on profit for the year	6	-992	-1,243
Profit for the year	16	<u><u>3,492</u></u>	<u><u>11,806</u></u>

Balance sheet on 31 December

DKK'000	Note	<u>2024</u>	<u>2023</u>
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	7	582	1,511
Development projects in progress	8	<u>1,186</u>	<u>0</u>
		<u>1,768</u>	<u>1,511</u>
Property, plant and equipment			
Land and buildings	9	2,168	2,574
Plant and machinery	9	30,568	21,926
Other fixtures and equipment	9	2,003	2,391
Property, plant and equipment under construction	9	<u>0</u>	<u>119</u>
		<u>34,739</u>	<u>27,010</u>
Total non-current assets		<u>36,507</u>	<u>28,521</u>
Current assets			
Inventories			
Finished goods		<u>0</u>	<u>14</u>
		<u>0</u>	<u>14</u>
Receivables			
Trade receivables		139,678	143,531
Work in progress		81	93
Receivables from group companies		7,791	4,008
Deferred tax asset	10	2,341	4,166
Other receivables		116	480
Prepayments	11	<u>1,545</u>	<u>1,874</u>
		<u>151,551</u>	<u>154,152</u>
Cash at bank in hand		<u>196</u>	<u>154</u>
Total current assets		<u>151,747</u>	<u>154,320</u>
TOTAL ASSETS		<u>188,253</u>	<u>182,840</u>

Balance sheet on 31 December

DKK'000	Note	<u>2024</u>	<u>2023</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		15,000	15,000
Retained earnings		34,980	32,413
Reserve for development costs		925	0
Total equity		<u>50,905</u>	<u>47,413</u>
Non-current liabilities other than provisions			
Finance lease obligations	12	21,672	13,206
Other payables	12	7,706	7,573
		<u>29,378</u>	<u>20,779</u>
Current liabilities			
Current portion of non-current liabilities other than provisions	12	6,200	5,045
Trade payables		23,442	26,453
Payables to group companies		48,080	40,058
Other payables		27,110	38,595
Accruals	13	3,137	4,496
Total current liabilities		<u>107,969</u>	<u>114,648</u>
Total liabilities other than provisions		<u>137,348</u>	<u>135,427</u>
TOTAL EQUITY AND LIABILITIES		<u>188,253</u>	<u>182,840</u>
Accounting polices	1		
Contingent liabilities and guarantees	14		
Related parties	15		
Fee for the auditor elected by the general meeti	17		
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Cash flow statement

DKK'000	2024	2023
Profit before tax	4,482	13,048
Adjustments	1,395	0
Amortisation and depreciation	5,526	6,242
Corporation tax paid	833	206
Cash generated from operations before changes in working capital	12,237	19,497
Changes in inventories	14	203
Changes in receivables	775	-53,002
Changes in trade payables and other payables	-55,670	-527
Changes in provisions	0	0
Cashflow from operating activities	-42,643	-33,829
Investments in intangible assets	-1,067	0
Investments in property, plant and equipment	-1,007	-3,167
Disposal of tangible assets	3,663	2,839
Cashflow from investing activities	1,589	-328
Proceeds from group companies	47,837	37,371
Proceeds from other longterm-loans	-6,740	-3,195
Cashflow from financing activities	41,097	34,176
Cashflow from operating, investing, and financing activities	42	19
Cash and cash equivalents at beginning of year	154	135
Cash and cash equivalents at year-end	196	154
Breakdown of cash and cash equivalents		
Cash	196	154
Cash and cash equivalents at year-end	196	154

Equity statement

	<u>Share Capital</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity				
Equity at 1 January 2024	15,000	0	32,414	47,414
Development costs for the year	0	925	-925	0
Result for the year – note 17	0	0	3,491	3,491
Equity at 31 December 2024	<u>15,000</u>	<u>925</u>	<u>34,980</u>	<u>50,905</u>

The share capital consists of 15,000,000 shares with nominal values of DKK 1. No changes in the share capital during the last 5 years

1 Accounting policies

The financial statements of NorSea Denmark A/S for 2024 have been prepared in accordance with the provisions applying to reporting class C large enterprises under the Danish Financial Statements Act.

The financial statements have been prepared in accordance with the same accounting policies as last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of such assets can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable, and the value of such liabilities can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned. Moreover, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts that were previously recognised in the income statement.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Joint operations

Joint operations consist of joint operations which are run as an integrated part of the participating companies. When participating in joint operations the pro rata method is used. According to the pro rata method, the Company's share of income and costs as well as assets and liabilities in the joint operation is recognized according to the ownership share.

Income statement

Segment information on revenue

Information on geographical segments is based on the company's risks and returns and its internal financial reporting system.

Revenue

Income from sale of goods is recognised when the risk and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably, and it is probable that the economic benefits relating to the sale will flow to the Company

Revenue is measured at the fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Work in progress concerning customised production is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (the percentage of completion method).

Operating costs

Operating costs comprise direct expenses and other external costs. Direct expenses primarily include operating expenses for the year. Other external costs comprise costs of sale, distribution, administration as well as purchases of services for resale.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

On initial recognition, intangible assets are measured at cost.

Goodwill is measured at cost less accumulated amortisation and impairment losses. Goodwill is amortised on a straight-line basis over 5-6 years for strategic acquisitions with a long-term earnings profile.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential financial benefit in the enterprise can be established, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as consultant work, salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. The amortisation periods used are 5 years.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

	Useful Lives	Residual value
Buildings	3 - 20 years	0%
Plant and machinery	3 - 10 years	0-52%
Fixtures and fittings, tools and equipment	3 - 5 years	0%

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

The capitalised residual lease obligation is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are treated as operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed in contingencies, etc.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net income from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where net realisable value is lower than cost, inventories are written down to this lower value.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined based on historical loss experience.

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

Work in progress

Work in progress is measured at the selling price of the work performed less any payments received on account of the customer and expected losses.

The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the contract. The stage of completion is determined on the basis of an estimate of the work, usually calculated as the ratio between the costs incurred and total estimated costs of the order or hours worked and the total estimated hours worked for that order.

Net assets are determined as the sum of orders where the selling price of the work performed exceeds progress billings. Net liabilities are determined as the sum of orders where progress billings exceed the selling price.

Prepayments from customers are recognised as liabilities.

Selling costs and costs incurred in securing contracts are recognised in the income statement when incurred.

Prepayments

Prepayments comprise prepaid expenses concerning operating costs, subscriptions and memberships.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where different tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

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

Financial liabilities also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

Accruals

Accruals comprise prepaid revenue concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are subject to an insignificant risk of changes in value.

Cash flow statement

The cash flow statement, which is presented according to the indirect method, shows cash flows from operating, investing and financing activities for the year and the cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises, activities and investments as well as the acquisition, development, optimisation and disposal, etc. of intangible assets and property, plant and equipment, including the acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, acquisition of treasury shares and payment of dividends to shareholders.

Cash and cash equivalents comprise securities, cash less short-term bank loans.

Notes

DKK'000

	<u>2024</u>	<u>2023</u>
2 - Revenue / Segment reporting (activities)		
Energy Solution	258,956	284,557
Port Service	153,100	153,600
Agency	86,026	88,679
Logistics	88,704	82,154
Facility	<u>29,708</u>	<u>22,955</u>
	<u>616,494</u>	<u>631,945</u>
Segment reporting:		
Domestic	548,264	553,753
Export	<u>68,230</u>	<u>78,192</u>
	<u>616,494</u>	<u>631,945</u>
3 - Staff costs		
Wages and salaries	295,322	296,295
Pensions	40,182	38,709
Other social security costs	<u>1,528</u>	<u>2,973</u>
	<u>337,032</u>	<u>337,977</u>
Average number of employees	<u>443</u>	<u>415</u>
Remuneration for Board of Directors and Management	<u>3,873</u>	<u>3,050</u>
<p>The Board of Directors and management remuneration and incentive programmes are not segmented in accordance with Section 98 b, paragraph 3 of the Danish Financial Statements Act."</p>		
4 - Financial income		
Other interest	48	96
Foreign exchange gains	<u>565</u>	<u>233</u>
	<u>613</u>	<u>329</u>
5 - Financial expenses		
Interest to group companies	1,533	1,412
Other interest	<u>1,989</u>	<u>1,234</u>
	<u>3,522</u>	<u>2,646</u>
6 - Tax on profit for the year		
Adjustment of deferred tax	-1,825	-1,449
Adjustment of tax for prior years	833	206
Tax for the year	<u>0</u>	<u>0</u>
	<u>-922</u>	<u>-1,243</u>

The adjustment of tax for prior years relates to joint taxation adjustments on the tax returns for the previous tax year.

Notes

DKK'000

	<u>2024</u>
7 - Goodwill	
Cost on 1 January 2024	5,000
Additions	<u>0</u>
Cost on 31 December 2024	<u>5,000</u>
Amortisation on 1 January 2024	3,489
Amortisation	<u>930</u>
Amortisation on 31 December 2024	<u>4,418</u>
Carrying amount on 31 December 2024	<u><u>582</u></u>

	<u>Development projects in progress</u>	<u>Total</u>
8 – Development projects		
Cost on 1 January 2024	0	0
Additions	1,067	1,067
Disposals	0	0
Transfer	<u>119</u>	<u>119</u>
Cost on 31 December 2024	<u>1,186</u>	<u>1,186</u>
Depreciation 1 January 2024	0	0
Depreciation	0	0
Depreciation on 31 December 2024	<u>0</u>	<u>0</u>
Carrying amount on 31 December 2024	<u><u>1,186</u></u>	<u><u>1,186</u></u>

Development projects include development and implementation of a new software-system, which is expected to provide a significant financial benefit.

Notes

DKK'000

	<u>Land and Buildings</u>	<u>Plant and machinery</u>	<u>Other fix- tures and equipment</u>	<u>PP&E under con- struction</u>	<u>Total</u>
9 - Property, plant and equipment					
Cost on 1 January 2024	8,830	63,103	8,391	119	80,443
Transfer	0	0	0	-119	-119
Additions	275	15,470	361	0	16,107
Disposals	<u>0</u>	<u>-12,559</u>	<u>0</u>	<u>0</u>	<u>-12,559</u>
Cost on 31 December 2024	<u>9,105</u>	<u>66,014</u>	<u>8,752</u>	<u>0</u>	<u>83,872</u>
Depreciation 1 January 2024	6,256	41,177	6,000	0	53,433
Depreciation	681	6,064	749	0	7,494
Depreciation on assets sold	<u>0</u>	<u>-11,794</u>	<u>0</u>	<u>0</u>	<u>-11,794</u>
Impairment losses and Depreciation on 31 December 2024	<u>6,937</u>	<u>35,447</u>	<u>6,749</u>	<u>0</u>	<u>49,133</u>
Carrying amount on 31 December 2024	<u>2,168</u>	<u>30,568</u>	<u>2,003</u>	<u>0</u>	<u>34,739</u>
Property, plant and equipment include finance leases with a carrying amount totalling	<u>0</u>	<u>27,708</u>	<u>0</u>	<u>0</u>	<u>27,708</u>

	<u>2024</u>	<u>2023</u>
10 - Deferred tax asset		
Deferred tax on 1 January 2024	4,166	5,615
Amounts recognised in the income statement for the year	<u>-1,825</u>	<u>-1,449</u>
	<u>2,341</u>	<u>4,166</u>

The deferred tax asset comprises primarily from tax loss carry-forwards and differences between the carrying amounts and tax values of property, plant and equipment. Based on operating budgets, Management expects the recognized tax asset to be utilized within the next three to four years.

11 – Prepayments

Deposit	250	768
Prepaid operating costs, subscriptions, and memberships	<u>1,295</u>	<u>1,106</u>
	<u>1,545</u>	<u>1,874</u>

Notes

DKK'000

	<u>2024</u>	<u>2023</u>
12 – Noncurrent liabilities other than provisions		
Finance Lease obligations		
Due for payment 0-<1 year	6,086	4,485
Due for payment 1-5 years	21,672	13,206
Due for payment > 5 years	<u>0</u>	<u>0</u>
	<u>27,758</u>	<u>17,691</u>
Other payables obligations		
Due for payment 0-<1 year	114	560
Due for payment 1-5 years	1,042	989
Due for payment > 5 years	<u>6,664</u>	<u>6,584</u>
	<u>7,820</u>	<u>8,133</u>
13 – Accruals		
Prepayments for revenue related to subsequent years	<u>3,137</u>	<u>4,496</u>
	<u>3,137</u>	<u>4,496</u>

14 - Contingent liabilities and guarantees

Collateral security

The Company has provided a company charge of TDKK 40,000 to credit institution secured upon trade receivables of TDKK 147,584, plant and machinery of TDKK 4,863 and inventories of TDKK 0. The company charge is furthermore secured for the parent company accounts with credit institution.

Contingent liabilities

Rent and operating lease obligations amount to TDKK 93,184 of which TDKK 20,930 is due in 2025.

Guarantee obligations

The Company has issued an unlimited cross guarantee to Norsesea Denmark Property A/S' balances with bankers. The balance on 31 December 2024 is TDKK 0.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. The total amount of corporation tax payable by the Group amounts to TDKK 0. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

A performance guarantee of TEUR 3,000 has been provided to a third party regarding joint operations via the company's bank. The performance guarantee expires on 1 January 2028.

Notes

DKK'000

15 - Related party disclosures

<u>Controlling interest</u>	<u>Place of registered office</u>	<u>Basis</u>
Tallyman AS	Strandveien 20, 1366 Lysaker, Norway	Ultimate owner
With. Wilhelmsen Holding ASA	Strandveien 20, 1366 Lysaker, Norway	Parent company
Wilhelmsen New Energy AS	Strandveien 20, 1366 Lysaker, Norway	Parent company
Norsea Group AS	Risavika Havnering 14, 4056 Tananger, Norway	Parent company
Norsea Industrial Holdings AS	Risavika Havnering 14, 4056 Tananger, Norway	Parent company
<u>Other related parties</u>	<u>Place of registered office</u>	
Norsea Denmark Property A/S	Kanalen 1, 6700 Esbjerg, Denmark	

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
With. Wilhelmsen Holding ASA (largest group)	Strandveien 20, 1366 Lysaker, Norway
Norsea Group AS (smallest group)	Risavika Havnering 14, 4056 Tananger, Norway

The Group Annual Report of With. Wilhelmsen Holding ASA (largest group) may be obtained at the following address:
Strandveien 20, 1366 Lysaker, Norway

The Group Annual Report of Norsesea Group AS (smallest group) may be obtained at the following address:
Risavika Havnering 14, 4056 Tananger, Norway

Transactions

In accordance with the Danish Financial Statements Act, section 98c, subsection 7 we choose to only disclose transactions with related parties that were not made under normal market conditions.

All transactions with related parties were made under normal market conditions.

Notes

DKK'000

	<u>2024</u>	<u>2023</u>
16 – Appropriation of profit/loss		
Retained earnings	3,492	11,806
	<u>3,492</u>	<u>11,806</u>

	<u>2024</u>	<u>2023</u>
17 – Fee for the auditor elected by the general meeting		
Audit fee	154	172
Tax advisory services	10	9
Non-audit services	81	5
	<u>245</u>	<u>186</u>

18 - Subsequent events

No events of significant importance to the company's financial position have occurred after the balance sheet date.