

Svitzer Salvage Holding A/S

ANNUAL REPORT 1 January - 31 December 2024

CVR 36719206

The Annual Report was presented and adopted at the
Annual General Meeting of the Company on 9 May 2025

Camilla Richmann
Chair of the Annual General Meeting

Svitzer Salvage Holding A/S
Sundkrogsgade 17
DK-2100 Copenhagen Ø

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Management Review

Svitzer Group is the leading towage operator with activities within both Harbour and Terminal towage and with a fleet of 446 vessels (2023: 456) in more than 140 ports across 37 countries. Additional 15 vessels (2023: 10) are on order with delivery in 2025. Svitzer's customers are ship owners and operators within all shipping segments as well as national and international Oil & Gas companies.

Svitzer Salvage Holding A/S is a 100% owned subsidiary of Svitzer A/S, and its main activity relate to investments in subsidiaries within Harbour and Terminal towage industry.

There is no employees in the company, thus no staff costs to be disclosed.

2024 in review

The result for the year is in line with management expectations.

Sustainability, environment and gender composition of management

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

Please refer to the separate and independently assured Sustainability Report for 2024 of the parent company which provides detailed information of the Svitzer Group's sustainability performance and sustainability strategy. The report is available on: <https://investor.svitzer.com/>

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 set of principles that are incorporated into workflows and processes throughout the Svitzer Group. Propriety, dedication, and innovation are examples of values that contributes towards compliance, with the data ethics principles, both internally and externally.

Expectations for 2025

The financial outlook assumes no significant changes to the business conditions for Svitzer. This includes changes in the competitive landscape that could impact industry profitability. The geopolitical situation is assumed relatively stable without events leading to significant changes in trade patterns or inflation.

Management expects the full-year 2025 result before financial items to be at level with 2024.

Risks

Under normal conditions, the main risks for Svitzer Salvage Holding A/S are fluctuations in foreign exchange rates, interest rates and the operational performance of investments in subsidiaries and affiliates. Svitzer Salvage Holding A/S has investments in subsidiaries and is therefore indirectly subject to the risks related to the overall development in the world economy, number of ship calls, number of tug operators in particular ports, development in fuel prices and fluctuations in foreign exchange rates which will have an impact on subsidiaries' activities and results.

Five Year Summary

	2024	2023	2022	2021	2020
	USD ('000)	USD ('000)	USD ('000)	USD ('000)	USD ('000)
Gross profit	-25	4	-128	-369	-6,470
Profit before financial items (EBIT)	-25	4	-128	-369	-6,470
Financial income and financial expenses	58,071	29,744	11,853	17,000	-4,646
Profit before tax	58,046	29,748	11,725	16,631	-11,116
Tax	237	-305	-449	1,648	1,123
Profit for the year	58,283	29,443	11,276	18,279	-9,993
Total assets	239,660	288,763	255,753	268,676	228,154
Total equity	233,937	285,116	255,673	244,397	226,118
Profit (EBIT) margin	100.0%	100.0%	100.0%	100.0%	100.0%
Return on equity after tax	22.5%	10.9%	4.5%	7.8%	-8.8%
Equity ratio	97.6%	98.7%	100.0%	91.0%	99.1%

STATEMENT OF THE BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors and the Executive Management have today considered and adopted the annual report of Svitzer Salvage Holding A/S for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the recognition and measurement provisions of the Danish Financial Statements Act, as described in the summary of significant accounting policies.

The company has evaluated subsequent events after the balance sheet date of the Annual Report, and determined that there have been no events that have occurred that would require adjustments.

In our opinion, the annual report gives a true and fair view of the assets and liabilities, financial position at 31 December 2024 of the Company and of the results of the Company's operations for 2024.

In our opinion, the Management Review includes a fair review of the Company's operations and financial conditions, the results for the year and financial position as well as a description of the most significant risks and uncertainty factors that the Company faces.

We recommend that the annual report be adopted at the Annual General Meeting.

Copenhagen, 9 May 2025

Executive Management

Knud Winkler

Board of Directors

Kasper Friis Nilaus
Chair

Knud Winkler

Jacob Sune Ulrik

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Svitzer Salvage Holding 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 for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Svitzer Salvage Holding A/S 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 ("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.

Copenhagen, 9 May 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Philip Kjær

State Authorised Public Accountant

mne47826

Income Statement

	Note	2024	2023
		USD ('000)	USD ('000)
Gross profit/loss		-25	4
Loss before financial items		-25	4
Dividends received from subsidiaries		57,494	17,691
Financial income	1	1,660	2,355
Financial costs	2	-1,083	-2
Reversal of impairment of financial assets (prior years)	5	0	9,700
Profit before tax		58,046	29,748
Tax on profit/loss for the year	3	237	-305
Profit for the year	4	58,283	29,443

Balance Sheet at 31 December

Assets

	Note	2024	2023
		USD ('000)	USD ('000)
Investments in subsidiaries	5	234,344	233,955
Financial non-current assets		234,344	233,955
Receivables from group enterprises		1,933	0
Total non-current assets		236,277	233,955
Receivables from group enterprises		3,383	54,808
Tax receivables		0	0
Receivables		3,383	54,808
Current assets		3,383	54,808
Total assets		239,660	288,763

Balance Sheet at 31 December

Equity and liabilities

	Note	2024	2023
		USD ('000)	USD ('000)
Share capital	6	71	71
Retained earnings		193,828	175,545
Dividend		40,000	109,500
Transfer		38	0
Equity		233,937	285,116
Trade payables		351	0
Payables to group enterprises		5,246	3,095
Tax payables		121	552
Other payables		5	0
Short-term liabilities		5,723	3,647
Liabilities		5,723	3,647
Total equity and liabilities		239,660	288,763

Statement of Changes in Equity

	Share capital	Proposed Dividend	Retained earnings	Total equity
	USD ('000)	USD ('000)	USD ('000)	USD ('000)
Equity 1 January 2024	71	109,500	175,545	285,116
Dividend paid	0	-109,500	0	-109,500
Transfers	0	0	38	38
Profit/loss for the year	0	40,000	18,283	58,283
Equity 31 December 2024	71	40,000	193,866	233,937

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Notes to the Financial Statements

	<u>2024</u>	<u>2023</u>
	USD ('000)	USD ('000)
1 Financial income		
Interest received from group enterprises	1,660	2,270
Exchange rate adjustments	<u>0</u>	<u>85</u>
	<u>1,660</u>	<u>2,355</u>
2 Financial expenses		
Interest expense	-128	-2
Interest paid to group enterprises	0	0
Exchange rate adjustments	<u>-955</u>	<u>0</u>
	<u>-1,083</u>	<u>-2</u>
3 Tax on profit/loss for the year		
Current tax for the year	-121	-518
Prior year tax adjustments	<u>358</u>	<u>213</u>
	<u>237</u>	<u>-305</u>
4 Appropriation of profit/loss		
Proposed dividend	40,000	109,500
Retained earnings	<u>18,283</u>	<u>-80,057</u>
	<u>58,283</u>	<u>29,443</u>

Notes to the Financial Statements

	2024	2023
5 Investments in subsidiaries	USD ('000)	USD ('000)
Cost at 1 January	233,955	230,313
Addition	389	3,642
Cost at 31 December	234,344	233,955
Value adjustment at 1 January	0	-9,700
Reversal of impairment of financial assets (prior years)	0	9,700
Value adjustment at 31 December	0	0
Carrying amount at 31 December	234,344	233,955

Name	Country of incorporation	Owner-ship	Profit for the period (2023) Equity	
			USD ('000)	USD ('000)
SVITZER Netherlands B.V.	The Netherlands	100%	879	8,464
SVITZER Faroe Islands P/F	Faroe Islands	100%	5,502	40,392
SVITZER Sverige AB	Sweden	100%	2,369	10,076
EM.Z. SVITZER A/S	Denmark	100%	22,644	120,659
Port Towage Amsterdam B.V.	The Netherlands	100%	5,080	1,956
Svitzer Contracting Pty Limited	Australia	100%	N/A	N/A
Batangas Bay Towage, Inc	Philippines	40%	N/A	N/A
Svitzer Terminals Limited	UK	100%	N/A	N/A
Svitzer Hellas Maritime Company	Greece	10%	N/A	N/A
Svitzer Mexico S.A. de C.V.	Mexico	98%	N/A	N/A

Only subsidiaries of direct ownership have been disclosed. All subsidiaries are consolidated in the Svitzer Group A/S Consolidated Financial Statements for 2024

Profit/loss for the period and equity are disclosed as per latest official statements in accordance with the requirements in the Danish Financial Statement Act. Not Available ('N/A') indicates that no official statements are required to be prepared or not prepared yet.

Notes to the Financial Statements

6 Share capital

The share capital consists of 500 shares of a nominal value of DKK 1,000. No shares carry any special rights. The fully issued and paid in share capital, DKK 500 thousand, has been translated to USD 71 thousand using the registration date exchange rate of DKK 708.06 to 100 USD (as per 13 April 2015).

There have been no changes in the share capital since inception.

7 Contingent assets, liabilities and other financial obligations

Contingent liabilities

Svitzer Salvage Holding A/S is jointly taxed with the Danish companies in the A.P. Møller Holding A/S. The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income.

8 Related parties and ownership

Controlling interest

Svitzer A/S has the controlling influence through 100% ownership.

Other related parties

All companies in the A.P. Møller Holding A/S are considered as related parties.

Consolidated financial statements

The financial statements of the company are included in both the consolidated financial statements of A.P. Møller Holding A/S, which are available at the companies' registered office address, Esplanaden 50, DK-1263 Copenhagen K, and the consolidated financial statements of Svitzer Group for 2024, available at: <https://investor.svitzer.com/>

Notes to the Financial Statements

9 Accounting policies

Basis of preparation

The financial statements of Svitzer Salvage Holding A/S for 2024 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

In accordance with the Danish Financial Statements Act section 112, the Company does not prepare consolidated financial statements as the Company and its subsidiaries are part of the consolidated financial statements prepared for Svitzer Group A/S in Denmark and available at the companies' registered office address, Sundkrogsgade 17, DK-2100 Copenhagen Ø. Further, the consolidated financial statements of Svitzer Group A/S can be downloaded from the website: <https://svitzer.com/investor/>

Also, in accordance with section 86, par. 4 of the Danish Financial Statements Act, the Company does not prepare a cash flow statement, as the Company and its subsidiaries are included in the consolidated cash flow statements of Svitzer Group A/S.

There has not been made any changes to the accounting policies applied.

Financial Statements for 2024 are presented in USD. Exchange rate applied 31 December 2024 is 7.14 (31 December 2023: 6.74).

Recognition and measurement

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

Assets are recognised 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 recognised 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Notes to the Financial Statements

Accounting policies (continued)

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 recognised in financial income and expenses in the income statement.

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 recognised in financial income and expenses in the income statement.

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

Income Statement

Gross loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the annual report.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments and adjustments of investments.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the Danish entities within the A. P. Møller Holding A/S. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost or a lower value in use. Dividends from subsidiaries are recognised as income at the time of declaration. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Notes to the Financial Statements

Accounting policies (continued)

Receivables

Receivables and receivables from group enterprises are measured in the balance sheet at the lower of amortised 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.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity. Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to become current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

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 payment and repayment under the on-account taxation scheme are recognized in the income statement in financial income and expenses.

Equity

Dividend

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

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Key figures

Profit (EBIT) margin: $\frac{\text{Profit before financial items}}{\text{Revenue}}$

Return on equity after tax: $\frac{\text{Profit/loss for the year}}{\text{Average equity}}$

Equity ratio: $\frac{\text{Equity}}{\text{Total assets}}$

Company Details

The Company:	Svitzer Salvage Holding A/S Sundkrogsgade 17 DK-2100 Copenhagen Ø Telephone: +45 39 19 39 19 CVR No: 36 71 92 06
Registered office:	Copenhagen
Financial year:	1 January – 31 December
Main activity:	Investment in subsidiaries within Harbour and Terminal towage industry
Board of Directors:	Kasper Friis Nilaus, Chair Knud Lind Winkler Jacob Sune Ulrik
Management:	Knud Lind Winkler
Auditors:	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup