Lauritzen Fonden Holding ApS

Tranegårdsvej 20, 2900 Hellerup

(CVR no. 22 04 20 17)

Annual Report for 1 January - 31 December 2022

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 29 March 2023

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Tommy Thomsen
Chairman of the General Meeting

Contents:

Management's Statement

The Executive Board has today considered and adopted the Annual Report of Lauritzen Fonden Holding ApS for the financial year 1 January – 31 December 2022.

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

In our opinion the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Group and the Parent Company and of the results of the Group and the Parent Company operations and consolidated cash flows for 2022.

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

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

Copenhagen, 29 March 2023

Executive Board

Tommy Thomsen CEO	Inge Grønvold Director

Independent Auditor's Report

To the Shareholder of Lauritzen Fonden Holding ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Lauritzen Fonden Holding ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management'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 Financials Statements Act.

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

Management's Responsibilities for the Financial Statements

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

In preparing the Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Financial Statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional 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 Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Copenhagen, 29 March 2023
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Rasmus Friis Jørgensen
State Authorised Public Accountant
mne28705

Bo Schou-Jacobsen
State Authorised Public Accountant
mne28703

Company Information

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CVR-no.:	22 04 20 17
Municipality of Registered office:	Gentofte
Financial year:	1 January - 31 December
Executive Board:	Tommy Thomsen, CEO Inge Grønvold, Director
Auditors:	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

The Group at a glance

The commercial activities of Lauritzen Fonden are grouped under its 100% owned holding company, Lauritzen Fonden Holding ApS, which manages investments in the companies J. Lauritzen A/S and DFDS A/S as well as other holdings and assets, with the purpose of working for Denmark's standing by promoting and developing Danish shipping, especially within international shipping, and of Danish entrepreneurship in general.

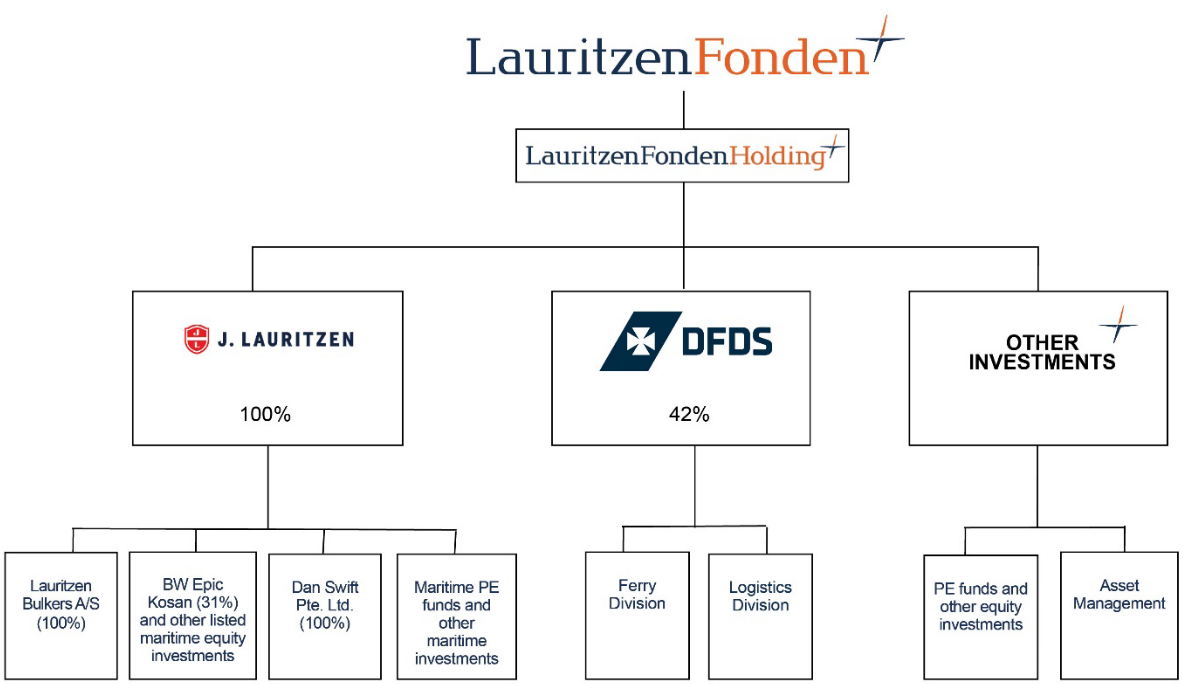
J. Lauritzen A/S has been engaged in a wide range of maritime industry segments since it was founded in 1884. The current portfolio comprises the operational subsidiaries Lauritzen Bulkers A/S and Dan Swift (Singapore) Pte. Ltd., listed equities which also encompass the associated company, BW Epic Kosan Ltd., as well as maritime fund investments.

DFDS provides freight and passenger ferry transportation services and logistics solutions, and DFDS has become one of Europe's largest combined ferry and logistics companies since it was established in 1866.

The shipping companies J. Lauritzen A/S and DFDS A/S act as independent entities. Each of the companies have an independent two-tier management structure with a Board of Directors and an Executive Board that have the primary responsibility.

In addition to J. Lauritzen and DFDS, Lauritzen Fonden Holding ApS is engaged in other businesses providing active ownership of various equity investments, investments in private equity funds and asset management, including impact investing, with the aim of generating a measurable social impact as well as financial returns.

Overall group structure



Group Key Figures

(DKK million)	2022	2021	2020*	2019*	2018*
Revenue	**33,630**	**23,734**	**17,154**	**20,021**	**19,355**
Operating profit/loss before depreciation	5,793	4,032	2,887	3,850	2,967
Profit/loss on sale of non-current assets	168	139	126	33	38
Depreciation, amortisation and impairments	-3,064	-2,374	-2,848	-3,117	-1,331
Operating profit/loss	**2,896**	**1,797**	**165**	**766**	**1,675**
Share of result in associates and joint ventures	165	-103	-53	-55	-2
Financial items	41	-419	-453	-386	-253
Profit/loss before tax	**3,102**	**1,275**	**-341**	**325**	**1,420**
Tax on profit/loss	-63	-98	-82	-63	-82
Profit/loss for the year	**3,039**	**1,177**	**-423**	**262**	**1,338**
Non-controling interests	989	404	144	617	868
Lauritzen Fonden Holding ApS' share of profit	**2,050**	**773**	**-567**	**-355**	**470**
Total non-current assets	29,767	26,659	22,985	25,308	21,125
Total assets	37,615	32,581	29,606	30,795	25,879
Parent Company shareholders' share of Equity	7,510	5,506	4,688	5,351	5,198
Non-controlling interests	6,805	6,120	5,662	5,615	5,181
Total equity	14,314	11,626	10,349	10,966	10,379
Cash flow from ordinary activities	5,366	3,711	n.a.	n.a.	n.a.
Investment in non-current tangible assets	-3,573	-1,288	-1,818	-3,203	-1,522
Changes for the year in cash position	834	-48	278	121	-460
Number of employees	11,619	8,999	8,740	8,878	8,528
Return on equity, %	33.6	14.7	-11.3	-6.7	10.0
Solvency ratio, %	38.1	35.7	35.0	35.6	40.1

Note:
The Company has not previously presented Consolidated Financial Statements. Thus, the key figures for 2020, 2019 and 2018 are pro-forma and unaudited.

The key figures for 2018 and 2019 do not reflect the opening adjustment to equity as of 1 January 2020 of DKK -97.0m related to an investment in an associated company.

The ratios have been calculated as follows:

Return on equity: $\dfrac{\text{LFH's share of profit x 100}}{\text{LFH's share of equity, average}}$

Solvency ratio: $\dfrac{\text{Total equity, year-end x 100}}{\text{Total assets, year-end}}$

Management's Review

Early 2022, Lauritzen Fonden contributed all its shares in DFDS A/S and loans with security in the shares to Lauritzen Fonden Holding ApS as a capital increase by contribution in kind. After the transfer of DFDS A/S to Lauritzen Fonden Holding ApS, all Lauritzen Fonden's commercial activities are grouped under Lauritzen Fonden Holding ApS. Consolidated Financial Statements have been prepared for the first time for the financial year 2022.

The total revenue of the Lauritzen Fonden Holding Group ("the Group") amounted to DKK 33,630m in 2022 compared to DKK 23,734m in 2021. The revenue growth was mainly driven by DFDS A/S. In 2022, the Group recorded a profit for the year of DKK 3,039m compared to DKK 1,177 in 2021.

The Parent Company, Lauritzen Fonden Holding ApS, recorded a profit for the year of DKK 2,050m compared to a profit of DKK 773m in 2021. Overall, the result was very satisfactory and well above expectations as the result from J. Lauritzen A/S exceeded expectations significantly. The share of result from DFDS A/S also contributed strongly. The result of the Lauritzen Fonden Holding's other and smaller investments was negative and not satisfactory – caused by the adverse impact on the business climate due to the outbreak of the war in Ukraine, inflation, higher interest costs and increasing energy prices.

J. Lauritzen A/S
In August 2022, the "new" J. Lauritzen was established as a value creating owner of Lauritzen Fonden Holding's portfolio of maritime and maritime related investments except for the Lauritzen Fonden Holding's shareholding in DFDS.

In October 2022, J. Lauritzen decided to invest in Cadeler A/S, a market leader within high-end wind installation vessels. The company is listed on the Oslo Stock Exchange.

In November 2022, J. Lauritzen increased the shareholding in BW Epic Kosan Ltd. from 25% to 31%. The company is global market leader and the world's largest owner and operator within the smaller gas carrier segment. The company is listed on the Oslo Stock Exchange.

Also in November 2022, J. Lauritzen sold the 5.69% shareholding in Gram Car Carriers, a substantial tonnage supplier to the world's leading owners and operators of seaborne vehicle transportation.

The result for J. Lauritzen A/S for 2022 was a profit of DKK 1,294m compared to a profit of DKK 622m in 2021. The result from the private investments, in particular Lauritzen Bulkers, and from the listed investments, particularly the shares held in Gram Car Carriers and Hafnia Tankers, were the main contributors to the strong result for 2022. A positive minor result was contributed from the fund investments.

DFDS A/S
With delivery of the final combined freight and passenger ferry in 2022, DFDS A/S completed a ferry new-building program of nine vessels in total. During the year, four acquisitions were completed or agreed, ICT Logistics, primeRail, Lucey Transport Logistics and McBurney Transport Group.

DFDS A/S' financial position was strengthened considerably in 2022 as EBITDA increased 45% to DKK 4.9bn before special items on the back of a revenue increase of 47% to DKK 26.9bn.

As passengers came back faster than expected, almost 90% of passenger earnings that were lost to Covid-19 were regained during the year. The full-year financial impact of the acquisition of HSF Logistics Group came through as the integration progressed as expected, and recurring logistics earnings were improved as well.

Freight ferry earnings for the North Sea and Mediterranean networks increased while Channel and Baltic Sea earnings were reduced by overcapacity on the Dover Strait, created by the entry of a third ferry operator, and the war in Ukraine, respectively.

Lauritzen Fonden Holding's share of the DFDS result after amortization of goodwill in accordance with our accounting policies amounted to DKK 749m compared to DKK 318m in 2021.

Other investments, administration costs and tax
Other investments generated a net loss of DKK -44m compared to a net loss of DKK -165m in 2021.

Operating profit/loss (mainly administration costs) amounted to DKK -18m in 2022 against DKK -20m in 2021. Tax on profit/loss contributed positively DKK 69m against DKK 18m in 2021.

Intellectual capital resources (§ 99 of the Danish Financial Statements Act)
The organisation of Lauritzen Fonden Holding ApS comprises employees with competences within i.a. shipping, strategy development, investments, asset management, finance and business administration.

Sustainability and social responsibility (§ 99a of the Danish Financial Statements Act)
As an investment company, we have a broad range of investments that we oversee – most of which are placed within J. Lauritzen, that has a dedicated investment team. The primary part of our investments is within the maritime industry and in independent shipping companies. This is where the Foundation, through its holding company, has its greatest (indirect) social, environmental and climate impact as well as managerial impact. At Lauritzen Fonden Holding, we do not have a separate ESG policy, but when assessed relevant investments are assessed with an ESG-lens as part of the due diligence process. Further, active ownership is ensured in e.g., close shareholder dialogue and board participation were ESG-related matters are discussed as well. Hence, the assessment of business-related risks in regard to climate, environment, and social issues lies within these independent companies, the same stands for policy and reporting responsibility commitments.

Two of our largest investments is with our two large subsidiaries J. Lauritzen A/S (Lauritzen Bulkers A/S being the main activity) and DFDS A/S. Both companies are signatories the UN Global Compact and are thus committed to integrating the UN's ten principles for responsible business conduct into their business strategy and operations. As the Global Compact builds on universally accepted and declared conventions on human and labour rights, protection of the environment and anti-corruption, we see their policy commitments and procedures as a sustainable way to ensure global compliance for our subsidiaries.

Operating in shipping and logistics, our two largest subsidiaries are subject to specific risks related hereto. Both companies have procedures to assess these risks and thus develop their policies and procedures accordingly to manage them. In 2022 no significant breaches of the policies were found.

As companies, J. Lauritzen and DFDS face different challenges ashore and at sea regarding human rights and labour conditions. The present scope of their respective social responsibility programmes has a key focus on corporate human resource issues such as diversity and inclusion, competency development, terms of employment, and recruitment. Onboard their vessels, social responsibility is also closely linked to health, safety and security issues which are managed with policies and procedures aligned with, e.g. the Safety Of Life at Sea (SOLAS), International Safety Management Code (ISM) as well as the Maritime Labour Convention (MLC).

To ensure the health and safety of the employees, the two subsidiaries continuously work on reducing accidents and strengthening the safety culture, as well as ensuring the engagement of employees. In 2022, DFDS continued to strengthen land-based Health & Safety through the newly established global function that worked committed with raising awareness and enforcing additional preventive actions to reduce health & safety risks. At Lauritzen Bulkers they measure safety performance through various parameters, including the Lost Time Injury Frequency (LTIF) rate, which for the owned and part-owned fleet amounted to zero in 2022, unchanged compared to 2021.

To ensure that all human rights are protected, both subsidiaries perform due diligence and continuously work to ensure that all suppliers adhere to the policies set out in the code of conduct. In 2022 no breaches of the policies were found in DFDS and Lauritzen Bulkers.

Both J. Lauritzen and DFDS manage and track their environmental footprint and emissions with clear policies and different energy reduction programmes regarding climate and environmental issues. Due to the nature and area of operations of the two subsidiaries, there are certain risks related to the environment and climate. These mainly relate to emissions to air, water pollution and in particular risks of spills to the sea. In addition, they participate in different alliances and partnerships such as, e.g. Zero Emission Energy Distribution and Getting to Zero Coalition. Environmental and climate initiatives are anchored in top management, supported by commercial, operational, and technical departments.

In 2022 DFDS continued their efforts to improve air quality surrounding their offices and this installed solar panels on some of their building. The installations resulted in the production of 1,5 MkWh electricity. At J. Lauritzen, the main activity Lauritzen Bulkers, continued their energy-efficiency efforts to reduce fuel consumption and emissions through technical and operational initiatives.

Operating in shipping and logistics incidents of corruption (facilitation payments) can pose a risk if not managed with accordingly policies, procedures, and training. Both companies have policies aligned with the 10th principles within Global Compact. Further, J. Lauritzen participates in the Maritime Anti-Corruption Network (MACN) together with various representatives from the shipping and maritime sector as they operate globally and in high-risk countries. In 2022, J. Lauritzen continued the compliance training for the organisation. This was to ensure that everyone is aware and updated on rules, policies and practices related to anti-corruption, gifts, hospitality, and related topics.

To reduce the risk of corruption and facilitation payments, DFDS in continuous dialogue with suppliers to ensure adherence to the Supplier Code of Conduct. In 2022 no breaches of the policies aligned with the Global Compact were reported in the subsidiaries. In order to ensure compliance with corporate policies, Lauritzen Bulkers' has established a whistleblower scheme designed to make it easier for stakeholders to report compliance violations. The whistleblower scheme consists of a whistleblower policy and an online whistleblower portal, through which employees and other Lauritzen Bulkers stakeholders can in good faith, anonymously or non-anonymously, report any serious concerns they might have regarding Lauritzen Bulkers' conduct of business.

Further, DFDS continues to be part of IMPAACT, a responsible supply chain programme. The International Marine Purchasing Association initiative aims to improve the economic, social, and environmental compliance of its ship purchaser and supplier members. As many shipping companies share suppliers, a common standardised system helps keep the industry compliant. The shared Supplier Code of Conduct builds on the UN Global Compact and its Guiding Principles on Business and Human Rights.

We expect DFDS and J. Lauritzen to continue their social, environmental and climate progress in 2023 and going forward.

For more information on J. Lauritzen A/S' and DFDS A/S' CSR-strategies, policies, programs and reporting, please refer to Lauritzen Bulkers' Annual Report 2022 (pages 15-21)
https://www.lauritzenbulkers.com/media/vcbdnxet/lauritzen-bulkers-as-aarsrapport-2022.pdf
and for DFDS
https://downloads.ctfassets.net/mivicpf5zews/30de54Ianj9yGhjVvOxz11/8699bff2907d57956e6538a342c06514/DFDS_NO_10_24_02_2023_ANNUAL_REPORT_2022.pdf for more details.

Visit https://lauritzenfonden.com/en/foundation-governance/sustainability/ for more information on our sustainability approach.

Gender diversity (§ 99b of the Danish Financial Statements Act)
The Executive Board consists of two members: one woman and one man. Gender equality in the Executive Board is in accordance with the Danish Business Authority regulations and is thus in compliance. Lauritzen Fonden Holding ApS has an average of 5 full-time employees. As a result, we do not have a policy for gender composition for other management levels.

Lauritzen Fonden Holding ApS has not established a comprehensive target for gender diversity across its subsidiaries. However, the subsidiaries J. Lauritzen A/S and DFDS A/S, which comply with the Danish Financial Statements Act's provisions for reporting class C large enterprises and class D respectively have established their own targets for gender diversity in general and in managerial positions. Additionally, the subsidiaries regularly report on their progress towards these targets in their annual reports and provide information on their policies for promoting gender balance in management positions.

Data ethics (§ 99d of the Danish Financial Statements Act)
In Lauritzen Fonden Holding ApS, we comply with both Danish and EU law on data and privacy protection (GDPR).

To ensure compliance, we follow the policy on data ethics set forward by our owner, Lauritzen Fonden, that outlines our approach and procedures to ensure legal and ethical behaviour regarding data, especially personal data.

We have mapped all the data that we handle as an organisation, as well as mapped and assessed the systems and suppliers that handle data on our behalf. All systems follow both Danish and EU law and our policy.

At the core of the policy and approach to data ethics is the procedures put in place as well as the principles they build on. Each year all employees and the Executive Board are reminded to read and sign a "data behaviour" document that focuses on good data habits, respect for data as well as transparency and willingness to learn from potential data breaches, among other things.

In 2022, there have been no breaches within the outline of the data ethics policy.

Risks
As a holding company for Lauritzen Fonden's commercial activities and with a portfolio allocated across different asset classes, including private investments, listed equities, and fund investments, risks present themselves in many shapes and forms.

Risk management is an integral part of how we operate our business on a daily basis. From an operational point of view, we have a deliberate focus on risk perspectives during due diligence and investment decisions as well as through our asset management.

Risks related to our portfolio companies include business and financial risks associated with operations and performance. The management of such risks is effectively anchored with the Board of Directors in each of the portfolio companies. The Executive Board of Lauritzen Fonden Holding receives portfolio performance reports including updates on risks and risk management measures on a regular basis throughout the year.

The currency and interest rate risks related to Lauritzen Fonden Holding as a parent company are limited, and Lauritzen Fonden Holding does not use derivative financial instruments to hedge currency or interest rate risks.

Lauritzen Fonden Holding's credit risks relate mainly to loans to our portfolio companies. We perform regular credit assessments and if possible, loans are secured by mortgage or guarantees. Hence we consider the credit risks to be limited.

Lauritzen Fonden Holding is exposed to liquidity risks due to the payment obligations on our loans from credit institutions, the commitments related to uncalled investments in private equity funds and undrawn credit facilities provided to our portfolio companies. The risks are mitigated by long-term cash flow forecasts, flexible and committed credit facilities and current asset investments that can be liquidated with short notice.

Uncertainty relating to recognition and measurement
Please refer to note 1 to the Financial Statements.

Non-recurring transactions
Please refer to note 12 to the Financial Statements.

Events after the balance sheet day
On 9 February 2023, an auction share buyback of DKK 300m was announced and launched on 10 February 2023. The buyback was completed on 22 February 2023 with a total of 1,071,428 shares purchased at a price of DKK 280 per share which equalled a total purchase sum of DKK 300m.

On 16 February 2023, DFDS awarded 26,984 restricted share units and 128,838 share options to the Executive Board and a number of key employees. The theoretical value is DKK 22m calculated according to the Black-Scholes model.

On 29 December 2022, DFDS announced it had entered into an agreement to acquire 100% of McBurney Transport Group. Completion of the acquisition was subject to regulatory approval. The required regulatory approvals have been received on 23 February 2023 and completion of the transaction was announced on 28 February 2023.

Financial outlook for 2023
The outlook visibility for 2023 is impaired by especially the war in Ukraine and the current elevated financial uncertainty. Furthermore, guidance from our portfolio companies is subject to specific assumptions that may change significantly as the year progresses.

J. Lauritzen A/S expects a net profit for 2023 of at least USD 25-50m (2022: USD 182m).

The DFDS Group’s EBITDA before special items is expected to be within a range of DKK 4.5-5.0bn (2022: DKK 5.0bn).

The result of other activities is expected to be limited (2022: DKK -46m), while administration costs are expected to be on level with 2022 (DKK 17m).

Overall, Lauritzen Fonden Holding anticipates a positive and satisfactory 2023 result, but lower than the 2022 result.

Income Statement

DKK '000

Parent Company 2021	Parent Company 2022	Note		Group 2022	Group 2021
			Income		
-	-	3	Revenue	33,629,866	23,733,918
873	966		Other operating income	13,493	63,967
873	**966**		**Total**	**33,643,359**	**23,797,885**
			Costs		
-	-		Vessels running costs	-21,853,459	-15,345,598
-7,213	-4,789	4	Other external costs	-1,062,924	-805,579
-12,830	-13,113	5	Staff costs	-4,933,923	-3,614,822
-20,043	**-17,902**		**Total**	**-27,850,306**	**-19,765,999**
-19,170	**-16,936**		**OPERATING PROFIT/LOSS BEFORE DEPRECIATION**	**5,793,053**	**4,031,886**
-	-	6	Profit/loss on sale of non-current assets	167,660	139,065
-1,177	-1,207	7	Depreciation, amortisation and impairments	-3,064,353	-2,374,260
-20,347	**-18,144**		**OPERATING PROFIT/LOSS**	**2,896,360**	**1,796,690**
817,409	2,036,735	17	Share of result in subsidiaries	-	-
-29,231	-17,822	17	Share of result in associates and joint ventures	164,597	-102,991
			Financial items		
45,336	16,598	8	Financial income	511,563	62,361
-58,803	-36,566	9	Financial expenses	-470,133	-481,057
-13,467	**-19,969**		**Total**	**41,430**	**-418,696**
754,363	**1,980,801**		**PROFIT/LOSS BEFORE TAX**	**3,102,387**	**1,275,003**
18,426	69,224	10	Tax on profit/loss	-63,366	-98,198
772,789	**2,050,025**		**PROFIT/LOSS FOR THE YEAR**	**3,039,020**	**1,176,805**
		11	Distribution of profit		
		12	Special items		

Statement of Financial Position

DKK '000

Parent Company 2021	Parent Company 2022	Note		Group 2022	Group 2021
			ASSETS		
-	-	13	Goodwill	3,202,691	3,343,291
-	-	14	Other intangible assets	2,037,143	1,972,165
-	-		**Total non-current intangible assets**	**5,239,834**	**5,315,457**
38,557	38,106	15	Land, building and terminals	1,475,480	1,246,641
-	-	15	Vessels	14,034,955	11,832,166
2,973	3,178	15	Machinery, tools and equipment	1,617,183	1,305,261
-	-	16	Right of use assets	5,254,857	4,287,558
-	-	15	Assets under construction and prepayments	368,950	1,369,453
41,530	**41,283**		**Total non-current tangible assets**	**22,751,426**	**20,041,080**
6,180,714	8,325,516	17	Investment in subsidiaries		
6,149	16,709	17	Investments in associates and joint ventures	1,143,052	804,262
79,664	94,344	17,18	Other investments	140,698	146,415
32,276	39,681	17	Receivables from associates	39,681	38,614
10,944	10,660	17	Other receivables	153,661	276,938
-	-	19	Derivative financial instruments	298,607	36,252
6,309,746	**8,486,910**		**Total other non-current assets**	**1,775,698**	**1,302,480**
6,351,276	**8,528,193**		**TOTAL NON-CURRENT ASSETS**	**29,766,958**	**26,659,017**
-	-		Bunkers and goods for sale	406,496	308,382
-	-		**Total stocks**	**406,496**	**308,382**
-	-		Trade receivables	3,367,541	2,850,960
114,680	-		Receivables from subsidiaries	-	-
3,633	-		Receivables from associates	24,340	30,073
105	48		Other receivables	759,637	692,599
-	-	19	Derivative financial instruments	93,603	96,818
4,136	72,627		Tax receivables	-	-
-	-	10	Deferred tax assets	60,377	49,228
-	57		Prepayments	427,509	361,355
122,554	**72,732**		**Total receivables**	**4,733,007**	**4,081,034**
52,386	62,753	18	Current asset investments	482,772	140,706
1,076	2,223		Cash	2,225,446	1,391,879
176,016	**137,708**		**TOTAL CURRENT ASSETS**	**7,847,722**	**5,922,001**
6,527,292	**8,665,901**		**TOTAL ASSETS**	**37,614,679**	**32,581,019**

Statement of Financial Position

DKK '000

Parent Company 2021	Parent Company 2022	Note		Group 2022	Group 2021
			EQUITY AND LIABILITIES		
150,000	150,000	20	Share capital	150,000	150,000
-	-		Translation reserve	-29,007	-30,706
-	-		Hedging reserve	17,033	-107,886
5,356,113	7,359,778		Retained earnings	7,371,752	5,494,705
5,506,113	**7,509,778**		**Parent Company shareholders' share of Equity**	**7,509,778**	**5,506,113**
-	-		Non-controlling interests	6,804,655	6,120,253
5,506,113	**7,509,778**		**TOTAL EQUITY**	**14,314,433**	**11,626,366**
-	-	10	Deferred tax	358,825	421,675
-	-	21	Other provisions	140,779	201,780
-	**-**		**Total provisions**	**499,604**	**623,456**
15,833	12,779	22	Mortgage debt, property	136,191	203,344
-	-	22	Bank loans and mortgage debt, vessels	8,528,422	8,317,788
965,796	1,001,922	22	Credit institutions	1,001,922	965,796
-	-	22	Lease liability and financial leasing debt	3,969,262	3,292,335
-	-	22	Corporate bonds and other debt	282,717	298,005
-	-	19	Derivative financial instruments	7,993	6,488
981,629	**1,014,702**		**Total non-current debt**	**13,926,507**	**13,083,756**
981,629	**1,014,702**		**TOTAL NON-CURRENT LIABILITIES**	**14,426,111**	**13,707,212**
869	582	22	Interest-bearing debt	3,726,533	2,759,659
-	-		Trade payables	3,756,920	3,225,716
29,933	-	22	Debt to owner	-	29,933
1,808	135,232	22	Debt to subsidiaries	0	-
-	-		Corporate tax	169,758	111,684
6,940	5,606		Other payables	916,947	871,158
-	-	19	Derivative financial instruments	63,932	78,112
-	-		Prepayments	240,047	171,180
39,549	**141,421**		**Total current liabilities**	**8,874,136**	**7,247,442**
1,021,179	**1,156,123**		**TOTAL LIABILITIES**	**23,300,247**	**20,954,654**
6,527,292	**8,665,901**		**EQUITY AND TOTAL LIABILITIES**	**37,614,679**	**32,581,019**

Statement of changes in Equity

Group

DKK '000

	Share capital	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend	Parent Company shareholders' share of Equity	Non-controlling interests	Total equity
Balance at 1/1 2022	150,000	-26,591	4,789	1,775,031	-	1,903,228	-10,634	1,892,594
Capital increase by contribution in kind *	-	-4,114	-112,675	3,719,674		3,602,885	6,130,887	9,733,772
Balance at 1/1 2022 after adjustment	150,000	-30,706	-107,886	5,494,705	-	5,506,113	6,120,253	11,626,366
Currency adjustment of equity and result in foreign currencies	-	1,699	-	-	-	1,699	-93,004	-91,305
Value adjustment of hedging instruments	-	-	124,919	-	-	124,919	165,177	290,096
Share of other equity movements in subsidiaries	-	-	-	-15,863	-	-15,863	-30,404	-46,266
Tax on items recognised in equity in subsidiaries	-	-	-	-13,631	-	-13,631	-17,987	-31,618
Changes in non-controlling interests	-	-	-	-29,629	-	-29,629	-53,512	-83,141
Accounting dividend / group contribution *	-	-	-	-13,855	-	-13,855	-	-13,855
Dividend paid	-	-	-	-	-	-	-274,864	-274,864
Extraordinary dividend paid	-	-	-	-	-100,000	-100,000	-	-100,000
Distribution of profit	-	-	-	1,950,025	100,000	2,050,025	988,995	3,039,020
Balance at 31/12 2022	150,000	-29,007	17,033	7,371,752	-	7,509,778	6,804,655	14,314,433

Parent Company

DKK '000

	Share capital	Retained earnings	Proposed dividend	Total equity
Balance at 1/1 2022	150,000	1,753,228	-	1,903,228
Capital increase by contribution in kind *	0	3,602,885	-	3,602,885
Balance at 1/1 2022 after adjustment	150,000	5,356,113	-	5,506,113
Other equity movements in subsidiaries	-	97,124	-	97,124
Changes in non-controlling interests	-	-29,629	-	-29,629
Accounting dividend / group contribution *	-	-13,855	-	-13,855
Extraordinary dividend paid	-	-	-100,000	-100,000
Distribution of profit	-	1,950,025	100,000	2,050,025
Balance at 31/12 2022	150,000	7,359,778	-	7,509,778

* On 28 January 2022 a capital increase of the share capital of nominal DKK 1 at a price of 3,457,089,000 corresponding to a premium of DKK 3.457 million was adopted. The capital increase was provided by Lauritzen Fonden as a contribution in kind of all its shares in DFDS A/S and loans with security in the shares. For accounting purposes, the contribution in kind, i.e., capital increase, is recognised as of 1 January 2021 at equity value. In addition, and consequently, increase or decrease in the related financing are presented as "Accounting dividend / accounting group contribution".

Consolidated Cash Flow Statement

DKK '000		2022	2021
Note			
	Operating profit/loss	2,896,360	1,796,690
	Depreciation, amortisation and impairments reversed	3,064,353	2,374,260
27	Adjustments	-151,800	-45,042
28	Change in working capital	39,146	-9,044
	Cash flow from operations before financial items	5,848,060	4,116,865
	Financial payments received	99,680	27,103
	Financial payments paid	-475,126	-353,106
	Cash flow from operating operations	5,472,613	3,790,862
	Paid corporate tax	-106,207	-79,683
	Cash flow from ordinary activities	**5,366,407**	**3,711,179**
	Investment in non-current intangible assets	-70,413	-482,950
	Investment in non-current tangible assets	-3,572,546	-1,288,078
	Sale of non-current tangible assets	591,283	293,219
	Investment in non-current financial assets	-211,649	-28,407
	Proceeds from non-current financial assets	103,701	28,265
	Acquisition of enterprises, associates and activities	-365,100	-1,855,329
	Investment in securities	-31,542	-14,298
	Sale of securities	7,871	9,776
	Cash flow from investment activities	**-3,548,394**	**-3,337,802**
	Proceeds from non-current debt	4,507,457	1,834,614
	Installment on non-current debt	-3,902,120	-1,636,414
	Payment of lease liabilities	-1,151,215	-744,174
	Change in loans from Lauritzen Fonden	-29,933	96,232
	Proceeds from capital contributions	-	20,000
	Dividends paid	-374,864	-
	Accounting dividend / accounting group contribution	-13,855	35,775
	Payments re. DFDS treasury shares	-2,114	-74,805
	Cash received from exercise of DFDS share options	139	47,850
	Change in pledged securities and cash	-17,939	-
	Cash flow from financing activities	**-984,445**	**-420,923**
	Changes for the year in cash position	833,567	-47,546
	Cash and cash equivalents begining of year	1,391,879	1,439,425
	Cash and cash equivalents end of year incl. restricted cash	**2,225,446**	**1,391,879**
	Restricted cash related to credit institutions	-209,626	-167,000
	Cash and cash equivalents end of year	**2,015,820**	**1,224,879**

Note:

The cash flow statement cannot be derived directly from the other components of the Consolidated Financial Statements.

Notes

1 Significant accounting judgments and estimates

In the preparation of the Financial Statements, Management undertakes several accounting estimates and judgments and makes assumptions which provide the basis for recognition and measurement of the assets, liabilities, revenues and expenses of the Group and the Parent Company, Lauritzen Fonden Holding ApS. These assumptions are based on historical experience and other factors which the Management considers reasonable under the circumstances, but which by their nature are uncertain and unpredictable.

The assumptions may be incomplete or inaccurate and unanticipated events or circumstances may occur, for which reason the actual results may deviate from the applied estimates, assessments, and assumptions. In the opinion of Management, significant accounting estimates and judgments in the preparation of the Financial Statements relate to the following:

- Determination of cash generating units (judgment)
- Impairment testing of other non-current intangible assets, ferries and other vessels, other non-current tangible assets and right-of-use assets, if indications exist (estimate)
- Assessment of useful life and scrap values (estimate)
- Purchase Price Allocation in connection with acquisitions (judgment and estimate)
- Pension and jubilee liabilities (estimate)
- Deferred tax assets (judgment)
- Leasing arrangements (judgment)

In the view of Management, the significant accounting judgments and estimates areas remain the same as per last year's Annual Report.

2 Accounting policies

The Annual Report of Lauritzen Fonden Holding ApS for 2022 has been prepared in accordance with the provisions applying to reporting class C large enterprises under the Danish Financial Statements Act.

The Financial Statements are presented in thousand DKK. In general, rounding may cause variances in sums in the Financial Statements.

Changes in accounting policies
The accounting policies applied remain unchanged from last year.

Opening adjustment
On 28 January 2022, a capital increase of the share capital of nominal DKK 1 at a price of 3,457,089,000 corresponding to a premium of DKK 3.457 million was adopted. The capital increase was provided by Lauritzen Fonden as a contribution in kind of all its shares in DFDS A/S and loans with security in the shares. For accounting purposes, the contribution in kind, i.e., capital increase, is recognised as of 1 January 2021 at equity value. Comparative figures for 2021 have been adjusted accordingly.

Recognition and measurement
Revenues are recognised in the income statement as earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. 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 Group, 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 Group, 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.

Basis of consolidation
The Consolidated Financial Statements comprise the Parent Company, Lauritzen Fonden Holding ApS, and subsidiaries in which the Group directly or indirectly holds more than 50% of the voting rights or which it, in some other way, controls, including but not limited to J. Lauritzen A/S and DFDS A/S.

Enterprises, which are not subsidiaries, over which the Group exercises significant influence, but which it does not control, are considered associates. Significant influence is generally obtained by direct or indirect ownership or control of more than 20% of the voting rights but less than 50% or by, according to agreement, jointly controlling the enterprise together with one or more other companies (joint venture).

The Consolidated Financial Statements are prepared as a consolidation of the audited Financial Statements of the Parent Company and the individual subsidiaries prepared in accordance with the Danish Financial Statements Act.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realized and unrealized gains and losses on intra-group transactions are eliminated. Investments in subsidiaries are set off against the proportionate share of the subsidiaries' net asset value at the acquisition date.

Newly acquired or newly established companies are recognized in the Consolidated Financial Statements from the acquisition date, whereas divested or discontinued companies are included until the date of disposal. Comparative figures are not restated for companies acquired by purchase or merger or for divested companies.

Acquisitions of enterprises are accounted for using the purchase method, according to which the identifiable assets and liabilities of the acquired enterprises are measured at fair value at the acquisition date. A positive difference between the consideration and ownership share of the acquired net assets (goodwill) is amortised over the expected useful life and included in the carrying amount of the investment. A negative difference (badwill) is recognised immediately as a gain in the income statement.

Goodwill from acquired enterprises may be adjusted until the end of the year following the acquisition year if recognition and measurement of the acquired enterprises' net assets change.

Gains or losses on disposal or liquidation of subsidiaries and associates/joint ventures are stated as the difference between the sales amount or liquidating price and the carrying amount of net assets at the date of disposal plus non-amortized goodwill and anticipated disposal or liquidation costs.

Non-controlling interests
In the Consolidated Financial Statements, the subsidiaries' financial statement items are recognized in full. The non-controlling interests' proportionate shares of the subsidiaries' results and equity are adjusted annually and recognized separately in the balance sheet.

In connection with the purchase and sale of non-controlling interests, the difference between the purchase and selling price, respectively, and the total carrying amount attributable to the purchased or sold non-controlling interests, respectively, are calculated. This amount is transferred from the share of equity attributable to non-controlling interests and to the share of equity attributable to Lauritzen Fonden Holding ApS.

Foreign currency translation
DKK is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions denominated in foreign currencies are translated on an ongoing basis at the exchange rates at the transaction date. Receivables and payables denominated in foreign currencies are translated at the exchange rates at the transaction date. Gains and losses arising between the exchange rates at the transaction date and the settlement date are recognized in the income statement under financial income or expenses.

On recognition of foreign subsidiaries and associates/joint ventures and Danish companies that are separate entities reporting in currencies other than DKK, the income statement is translated at the exchange rate at the transaction date (average rate), and the balance sheet is translated at the exchange rates at the balance sheet date. Exchange rate differences arisen when translating foreign subsidiaries' equity at the beginning of the year using the exchange rate at the balance sheet date and when translating income statements from the exchange rate at the transaction date (average exchange rate) to the exchange rate at the balance sheet date are recognized directly in equity under translation reserve.

Exchange rate adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the total investment in the subsidiary are recognized directly in equity.

Derivative financial instruments
Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting
Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Segment Reporting
Information on business segments and geographical segments are based on the Group´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Income statement

Revenue
IFRS 15 is chosen as interpretation for revenue recognition.

Revenue from dry bulk transportation consists of three types of contracts with customers; spot contracts with carriage of a specific quantity of cargo in a single voyage, Contract of Affreightment (COA) with carriage of a certain quantity of cargo with multiple voyages over a specified period of time (together freight income), and time-charter contracts of vessels. Each voyage is recognized as a performance obligation no matter if it is part of a spot contract or a COA.

All freight income and voyage costs are recognised as the freight services are rendered (percentage of completion). The percentage of completion is determined using the load-to-discharge method based on the percentage of the estimated duration of the voyage completed at the reporting date. According to this method, freight income and related costs are recognised in the income statement according to the entered charter parties from the vessel's load date to the delivery of the cargo (discharge). The voyage begins on the date when the cargo is loaded, and the voyage ends at the date of the discharge (load to discharge). This applies to all spot transports and transports under Contracts of Affreightment (COAs).

Costs directly attributable to relocating the vessel to the load port under the contract are capitalised to the extent that they are recoverable.

Demurrage is recognised if the claim is considered probable.

In addition, revenue comprises changes in fair value on forward freight agreements (FFA) used to hedge future freight income. Hedge accounting is not applied for these transactions.

Revenue from transport of passengers, freight and from rendering terminal and warehouse services etc, is recognised in the income statement at the time of delivery of the service to the customer, which is the time where the control is transferred and when each separate performance obligation in the customer contract is fulfilled following the "over-time principle". Some of the ferry and freight transports have a series of performance obligations, but as the duration of these transports are short term the impact from splitting these contracts into "distinct services" will not have material impact.

Revenue comprises the present value of services rendered and net of discounts. Revenue is recognised in the income statement for the financial year as earned.

Other operating income
Other operating income includes administration services, commercial and technical management fee.

Vessels running costs
Vessels running costs include hire of chartered vessels, bunker consumption including hedging, port costs, agent's commissions and other daily running costs related to the vessels.

Costs of sales related to catering, impairments and realised losses on trade receivables and costs related to land-based activities such as stevedoring, terminal and haulage costs are also included in vessels running costs.

Furthermore, vessels running costs also includes maintenance and repairs, crew staff costs, insurance of hulls and machinery, consumption of lubricants and supplies etc. Furthermore, a part of the lease payments on time charters is considered a service element and recognised as vessels running costs in accordance with IFRS 16 Leases.

Other external costs
Other external costs include sales costs, marketing costs and administrative expenses.

Staff costs
Staff costs include salaries and wages, pension and social security costs relating to the employees. It also includes costs related to employees who have retired.

Profit/loss on sale of non-current assets
Profit/loss from sale of vessels and other non-current assets is stated as the difference between the sales price less selling costs and the carrying amount of the asset in question at the time of delivery.

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

Financial income and expenses
Financial income and expenses include interest income and expense, gains and losses on securities, exchange rate gains and losses on transactions denominated in foreign currencies, calculated interest expenses in respect of lease liabilities and amortization of financial assets and liabilities. Financial income and expenses are recognized at the amounts relating to the financial year.

Share of result in subsidiaries – Parent Company Financial Statements
Share of result in subsidiaries comprises the Parent Company's proportionate share of the subsidiaries' profit/loss after tax after elimination of intra-group profits/losses and less amortization of goodwill recognised as part of the equity investment.

Share of result in associates and joint ventures – Consolidated and Company Financial Statements
Share of result in associates and joint ventures comprise the proportionate share of the profit/loss after tax and less amortization of goodwill recognised as part of the equity investment.

Tax on profit/loss
Tax for the year comprises income tax, tonnage tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognized in the income statement, and the tax expense relating to income and expenses recognized in equity is recognized directly in equity.

Shipping activities in Denmark are taxed according to the Danish Tonnage Tax Scheme on the basis of the net tonnage (vessels), which the Danish group entities in question have at their disposal, and according to general tax regulations for net financial income and other activities.

The Group is subject to the Danish rules on compulsory joint taxation, and the Danish subsidiaries are jointly taxed with Lauritzen Fonden Holding ApS. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Special items
Special items include significant income and expenses not directly attributable to the recurring operating activities such as material restructurings, impairments and reversal of hereof, acquisition and integration costs and gains and losses on disposal of activities and non-current assets.

Balance sheet

Intangible assets

Goodwill
Goodwill is amortized over the estimated useful life, not exceeding 20 years, and the longest period is when the investment is of strategic importance due to long-term earnings potential of the investment.

The net asset value of goodwill is assessed regularly and is written down to the recoverable amount over the income statement if the carrying amount exceeds the expected future net income from the business or activity to which the goodwill relates. Goodwill from acquired enterprises may be adjusted within the first year of the acquisition.

Other intangible assets
Other intangible assets include port concession rights, value of customer relations or similar identified as part of business combinations, software and development projects in progress. Assets are measured at cost less accumulated amortisation and impairment losses.

Development projects in progress, primarily development of IT software, are recognised as non-current intangible assets if the following criteria are met:

- the projects are clearly defined and identifiable
- it is intended to use the projects once completed
- the future earnings from the projects are expected to cover the development and administrative costs
- the cost can be reliably measured.

Other intangible assets are amortised on a straight-line basis over the estimated useful life:

- port concession rights - concession period
- customer relations - up to 15 years
- software – 5-10 years
- development projects – normally 3-5 years but in certain cases up to 10 years

Non-current tangible assets
Assets are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price and costs to external suppliers, materials and components, direct wages, salaries and interests paid as from the time of payment until the date when the asset is available for use. The cost price also comprises gains and losses on transactions designated as hedges.

The basis for depreciation is determined as the cost less estimated residual value. The assets are depreciated on a straight-line basis over the estimated useful life to the estimated residual value. Estimated useful life and estimated residual values are reassessed at least once a year. The effect from changes in depreciation period or the residual value is recognised prospectively as a change in the accounting estimate.

The expected useful life of bulk carriers is 25 years.

Due to differences in the wear on the components of passenger ships, the cost of passenger ships is split into components with low wear and high wear, respectively. The depreciation period for components with low wear is 35 years for freight and passenger ferries and 45 years for passenger cruise ferries. Components with high wear are normally depreciated over 5-15 years down to a residual value of DKK 0.

Rebuilding or upgrade of vessels is capitalised if the rebuilding or upgrade is intended to extend the service life and/or improve the earning potential. Rebuilding is depreciated over the expected service life of the investment.

Costs relating to dry dockings are capitalised and depreciated on a straight-line basis. The expected useful life of dry dockings ranges from 24 to 60 months.

Vessels under construction are measured at cost incurred until the time the vessel is taken into service less accumulated impairment losses.

Other non-current tangible assets comprise land, buildings, terminals and machinery, tools and equipment. The expected useful life are as follows:

- buildings: 25-50 years
- terminals: 10-40 years
- machinery, tools and equipment: 4-10 years.

Land is measured at cost and is not depreciated.

Leases
IFRS 16 is used when recognizing and measuring leases.

The Group has lease contracts for various items of land & buildings, terminals, bulk carriers, ferries and other ships, equipment and other assets used in its operations.

The right-of-use asset and the corresponding lease liability arising from lease agreements are recognised at the commencement date i.e., the date the underlying asset is ready for use.

The lease contracts are initially recognised as right-of-use assets and lease liabilities measured as the present value of lease payments to be made over the lease term. The lease payments are discounted using the incremental borrowing rate for a like to like assets. The lease payments are adjusted for any lease prepayments including dismantling and restoration costs.

The lease payments include fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate. If the contract holds an option to purchase, extent or terminate a lease and it is reasonably certain to be exercised by the Group, the lease payment will include those. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

The short-term lease recognition exemption is applied for lease contracts that, at the commencement date, have a lease term of 12 months or less for all classes of underlying assets including bulk carriers but except for terminals, ferries and other ships, and the exemption for lease contracts for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

For all classes of assets, except for terminals and bulk carriers, non-lease components, i.e. the service element, will not be separated from the lease components and thereby form part of the right-of-use asset and financial lease liability recognised in the balance sheet. For bulk carriers, the service element has been estimated as the average vessel operating cost of a like to like asset on market terms.

The lease expenses are recognised as vessels running costs, depreciation of the right of use asset and interest expenses. Depreciation follows the straight-line method over the lease term or the useful life of the right-of-use assets, whichever is shortest.

The cash flow related to repayment of the lease obligation is classified as cash flow from financing activities and interest expenses are classified as cash flow from operating activities.

Lease out
For accounting purposes, assets leased out are divided into finance and operating leases.

In respect of assets leased out on a finance lease, an amount equal to the net present value of the future lease payments is recognised in the balance sheet as a lease receivable from lessee. The asset leased out is reclassified from non-current asset to leases receivables and any gain or loss arising from this is recognised in the income statement.

Lease income from assets leased out on an operating lease is recognised in the income statement on a straight-line basis over the lease term.

Impairment
Management monitors continuously, on a portfolio basis, the carrying value of tangible non-current assets in order to determine, whether there are any indications of impairment in excess of the amount provided for by normal depreciations and whether previous impairments should be reversed.

An impairment test is conducted if there is an indication that the carrying amount of an asset or a cash-generating unit (CGU) exceeds the expected future cash flows from the asset. If the carrying amount exceeds the recoverable amount, the asset is written down to the lower recoverable amount.

The recoverable amount of the asset is determined as the higher of the net selling price and the value-in-use. If a recoverable amount for the individual assets cannot be determined, the smallest group of assets for which it is possible to determine the recoverable amount (cash-generating unit) is analysed for impairment.

Impairment losses are recognised in the income statement. Impairment losses of assets within a CGU are allocated to the carrying amount of the assets in the CGU on a pro rata basis to the higher of fair value less cost to sell and value in use. Reversal of previous impairments is only recognised if there has been a change in the assumptions used to determine the recoverable amount since the last impairment test was carried out.

Investments in subsidiaries, associates and joint ventures

Consolidated Financial Statements and Parent Company Financial Statements
Investments in associates and joint ventures are recognised and measured under the equity method.

The item “Investments in associates and joint ventures” in the balance sheet includes the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

In the Parent Company Financial Statements, the total net revaluation of investments in associates is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under Equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the associates and joint ventures.

Indirect decreases in the ownership of associates through their sale of own shares are treated as sales, and the difference between the share of the consideration for the shares and the proportionate share of equity is recognised in the income statement.

When the Group’s share of losses in an equity-accounted investment equals or exceeds its interest in the enterprise, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal on constructive obligations or made payments on behalf of the other enterprise.

Parent Company Financial Statements
Investments in subsidiaries are accounted for under the equity method, and the equity method is used as a consolidation method.

The item “Investments in subsidiaries” in the balance sheet includes the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company. Dividends received or receivable from subsidiaries are recognised as a reduction in the carrying amount of the investment.

In connection with the purchase and sale of non-controlling interests, the difference between the purchase and selling price, respectively, and the total carrying amount attributable to the purchased or sold non-controlling interests, respectively, are calculated. This amount is transferred from the share of equity attributable to non-controlling interests and to the share of equity attributable to Lauritzen Fonden Holding ApS.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under Equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

When the Company’s share of losses in an equity-accounted investment equals or exceeds its interest in the enterprise, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred legal on constructive obligations or made payments on behalf of the other enterprise.

Unrealised gains on transactions between the Company and its subsidiaries are eliminated in full.

Business combinations under common control are accounted for at carrying values using predecessor accounting, i.e. pooling of interests when the entity acquired has been under control of another member of the same group company before the acquisition. A difference between the carrying value and the consideration paid are recognised directly in equity.

Other investments
Other non-current investments comprise investments in unlisted securities in which the Group holds below 20% of the voting rights and does not exercise significant influence. Other investments are measured at fair value.

The fair value is made up at the market value at the balance sheet date using generally recognised valuation principles if the securities are unlisted. If the fair value cannot be reliably measured, cost is used as an alternative.

Receivables
The Group has chosen IFRS 9 as interpretation for impairment of financial receivables.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are included in Trade receivables and Other receivables in the balance sheet. Trade receivables and Other receivables are stated at amortised cost. Trade and other receivables are measured using the Expected Credit Loss method, and expected losses are recognised in the profit and loss.

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 our 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.

Bunker
Bunkers are measured at the lower of cost under the FIFO method and net realisable value.

Prepayments
Prepayments (assets) comprise prepaid expenses concerning time charter, insurance premiums, etc. Prepayments (liabilities) comprise prepayments from customers, prepayments for voyages and prepaid time-charter income.

Current asset investments
Current asset investments, which consist of listed shares and bonds, are measured at their fair values at the balance sheet date.

Equity
Reserve for net revaluation according to the equity method
The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to “Net revaluation reserve under the equity method“ under equity. The reserve is reduced by dividend

distributed to the Parent Company and adjusted for other equity movements in the subsidiaries and the associates.

Translation reserve
Exchange rate differences from translating investments in foreign subsidiaries are recognized in the translations reserve.

Hedging reserve
Value adjustments of hedging instruments are recognized in the hedging reserve.

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

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 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 crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Other provisions
Provisions are recognised when, due to an event occurring on or before the reporting date, the Group has a legal or constructive obligation, and it is probable that the Group will have to give up future economic benefits to meet the obligation and that the obligation can be reliably estimated. Provisions are recognised based on Management's best estimate of the anticipated expenditure for settling the relevant obligation and are discounted if deemed material.

Liabilities other than provisions
Financial liabilities are recognised at the date of borrowing at fair value corresponding 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. Other liabilities are measured at net realisable value.

Current tax receivables and liabilities
Current tax liabilities and receivables are recognised 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.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared for the Parent Company.

The consolidated cash flow statement shows the Group's cash flows from operating, investing, and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flows from acquisitions of enterprises are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of enterprises are recognised up until the date of disposal.

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

Cash flows from investing activities
Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

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

Cash and cash equivalents
Cash and cash equivalents comprise bank deposits and short-term deposits that without restriction can be exchanged into cash funds.

3 Revenue (Group)

DKK '000	2022	2021
J. Lauritzen	6,748,188	5,447,017
DFDS	26,872,904	18,278,678
Other	8,774	8,223
Total	33,629,866	23,733,918

4 Other external costs

	Group		Parent Company	
DKK '000	2022	2021	2022	2021
Other external costs include fee to auditors elected by the Board and directors:				
Audit	13,230	11,952	499	215
Other assurance engagements	322	-	63	-
Tax and VAT advisory services	3,185	681	547	762
Other services	2,184	1,977	210	269
Total	18,921	14,610	1,319	1,246

5 Staff costs

DKK '000	Group 2022	Group 2021	Parent Company 2022	Parent Company 2021
Salaries	4,022,485	3,058,244	12,655	12,279
Pensions	207,639	153,355	432	469
Social security	708,773	458,526	26	82
Government grants (Covid-19)	-4,974	-55,303	-	-
Total	4,933,923	3,614,822	13,113	12,830
Average number of employees	11,619	8,999	5	6
Remuneration included in the above:				
The former Board of Directors (until 2/12 2021)	-	300	-	300
Executive Board	9,574	9,750	9,057	8,588

Group

Management's incentives programme in J. Lauritzen A/S:
Warrants are granted to a member of the Executive Board of Lauritzen Fonden Holding ApS for the purpose of motivating and retaining a qualified management group and in order to align the interests of management with those of the shareholders. The warrants are issued on the following terms:

Warrants are awarded as retention as the continued vesting of warrants are contingent on the participants being engaged at the time of vesting, ie. on the date of the annual general meeting's approval of the Company's annual report for the financial year 2026 or earlier if the Board of Directors decide that the vesting of warrants shall be accelerated. The exercise deadline is i) a period of 3 years following the vesting date, or ii) in case of a liquidation of the Company.

The Board of Directors in J. Lauritzen A/S are authorized to increase the Company's nominal share up to a total of DKK 40.000 upon exercise of warrants. In 2022 10,123 warrants were issued to a member of the Executive Board of Lauritzen Fonden Holding ApS. Each warrant gives the right - but not an obligation - to subscribe for one share with a nominal value of DKK 1 at an exercise price of DKK 3,654.68 for each share.

The number of warrants to be vested is calculated based on the average increase of the Company's market value in the five year period starting 1 January 2022 and ending 31 December 2026.

The warrant program includes terms about reduction of the numbers of shares to be issued if the market value exceeds a certain caption and time frame regarding vesting of warrants.

6 Profit/loss on sale of non-current assets (Group)

DKK '000	2022	2021
Profit from sale of bulk carriers	149,021	42,824
Profit from sale of ferries	-	48,470
Loss from sale of Lauritzen Kosan activities	-4,900	-3,342
Profit from sale of office and warehousing building	-	31,000
Profit from disposal of assoc. company (DFDS Group)	-	16,000
Net profit/loss re. other non-current assets	23,540	4,113
Total	167,660	139,065

7 Depreciation, amortisation and impairments

	Group		Parent Company	
DKK '000	2022	2021	2022	2021
Goodwill	281,031	214,835	-	-
Other non-current intangible assets	134,847	98,975	-	-
Non-current tangible assets	1,381,953	1,112,419	1,207	1,177
Right of use assets	1,266,523	948,032	-	-
Total	3,064,353	2,374,260	1,207	1,177

8 Financial income

	Group		Parent Company	
DKK '000	2022	2021	2022	2021
Financial income	511,563	62,361	16,598	45,336
- Hereof from owner and group entities	-	68	1,328	1,262

9 Financial expenses

	Group		Parent Company	
DKK '000	2022	2021	2022	2021
Financial expenses	-470,133	-481,057	-36,566	-58,803
- Hereof to owner and group entities	-16	-114	-3,696	-

10 Tax

DKK '000	2022	2021
Group		
Current tax for the year	-182,352	-108,845
Deferred tax for the year	78,347	-3,820
Adjustment of tax concerning prior years	40,639	14,467
Tax on profit/loss for the year	-63,366	-98,198
Corporate income tax	-30,562	-1,000
Change in deferred tax	-1,056	-23,322
Tax on items recognised in equity	-31,618	-24,322
Deferred tax 1/1 (net liability)	372,447	196,169
Exchange rate adjustments	-10,851	-1,827
Utilisation of tax losses between jointly taxed companies	2,142	-
Addition from acquisition of enterprises	18,690	149,655
Recognised in income statement	-78,347	3,820
Recognised in equity statement	1,056	23,322
Write down of deferred tax assets and reversal hereof	-10,011	-440
Impact from change in corporate income tax rate	3,322	1,748
Deferred tax 31/12 (net liability)	298,448	372,447
Deferred tax concerns:		
Non-current tangible assets	356,820	334,196
Provisions	-9,000	-1,000
Tax losses carried forward	-42,372	20,251
Other	-7,000	19,000
	298,448	372,447
Deferred tax is shown as:		
Deferred tax asset	60,377	49,228
Deferred tax liability	358,825	421,675
Net liability	298,448	372,447

The Group has unrecognised tax losses carried forward of DKK 1,035m with a tax value of DKK 237m (2021: tax losses of DKK 860m, tax value of DKK 203m). Of the unrecognised tax losses carried forward an amount of DKK 759m expires within the next five years (2021: DKK 489m) and DKK 276m expires after more than five years (2021: DKK 371m). The tax losses of DKK 1,035m (2021: DKK 860m) have not been recognised as it has been assessed that the losses cannot be utilised in the foreseeable future.

In 2005, the Danish based companies of the J. Lauritzen Group, including Lauritzen Bulkers A/S, entered the Danish tonnage taxation system, the adoption of which is binding until at least 2024. Lauritzen Bulkers A/S does not expect to exit the tonnage taxation and thus no deferred tax provision has been made on the assets or liabilities effected by the Danish tonnage taxation system. If, however, Lauritzen Bulkers A/S were to leave the Danish tonnage taxation system there could be a deferred tax liability of up to a maximum of USD 8.5m.

The DFDS Group is liable to a contingent tax that may arise at the withdrawal from tonnage taxation schemes. The DFDS Group controls the withdrawal and has no plans to withdraw from the schemes and consequently no deferred tax has been recognised.

	2022	2021
Parent Company		
Adjustment of tax concerning prior years	69,224	18,426
Tax on profit/loss for the year	69,224	18,426

11 Distribution of profit

DKK '000	Group 2022	Group 2021	Parent Company 2022	Parent Company 2021
Extraordinary dividend paid	100,000	-	100,000	-
Minority interests' share of net profit/loss of subsidiaries	988,995	404,015	-	-
Retained earnings	1,950,025	772,789	1,950,025	772,789
	3,039,020	1,176,805	2,050,025	772,789

12 Special items

DKK '000	2022	2021
Group		
Acquisition and integration costs relating to HSF Logistic Group (DFDS Group)	-	-29,000
Adjustment of earn-out regarding an acquisition (DFDS Group)	4,464	-
Accounting gain on sale of freight and passenger ferries (DFDS Group)	-	46,000
Accounting gain on sale of office and warehousing building in Belgium (DFDS Group)	-	31,000
Accounting gain related to disposal of an associated company (DFDS Group)	-	16,000
Reversal of accrued cost related to Jubilee shares (DFDS Group)	-	4,000
Reversal of restructuring costs (2021: Restructuring costs etc.) (DFDS Group)	18,938	-63,000
ICT Logistics value adjustment, etc. (DFDS Group)	1,957	-
Reversal of impairment of a freight ferry made (DFDS Group)	-	29,000
Government grants, Covid-19 (DFDS Group)	-	55,303
Badwill gain (J. Lauritzen Group)	92,235	315,638
Loss on sale of activities (J. Lauritzen Group)	-4,900	-339,240
Reversal of impairment of bulk carriers (J. Lauritzen Group)	-	102,000
Accounting gain on sale of bulk carriers (J. Lauritzen Group)	149,021	42,824
Impairment of building (Frederikshavn Maritime Erhvervspark A/S)	-18,457	-
Impairment of investment in associated company (Mama Mia Holding A/S)	-	-86,187
Impairment of loans to associated company (Lauritzen Fonden Holding A/S and Mama Mia Holding A/S	-5,872	-78,127
Special items, net	237,385	46,211
Special items are included in profit/loss before tax as follows:		
Operating costs	18,564	-88,000
Staff costs	-	55,303
Profit/loss on sale of non-current assets	144,120	129,010
Depreciation, amortisation and impairments	-25,064	131,000
Share of result in associates and joint ventures	92,235	-102,975
Financial income	13,402	-
Financial expenses	-5,872	-78,127
Total special items in profit/loss before tax	237,385	46,211

DKK '000	2022	2021
Parent Company		
Impairment of loans to associated company (included in Financial expenses)	-5,872	-49,238
Total special items in profit/loss before tax	-5,872	-49,238

13 Goodwill (Group)

DKK '000	Goodwill
Costs at 1/1 2022	4,545,043
Exchange rate adjustments	-28,128
From acquisitions	143,500
Costs at 31/12 2022	4,660,415
Amortisation and impairment losses at 1/1 2022	1,201,752
Exchange rate adjustments	-25,059
Amortisation	281,031
Amortisation and impairment losses at 31/12 2022	1,457,724
Carrying amount at 31/12 2022	3,202,691
Carrying amount at 31/12 2021	3,343,291

14 Other intangible assets (Group)

DKK '000	Port concession rights, etc.	Other non-current intangible assets	Software	Develop-ment projects in progress	Total
Costs at 1/1 2022	1,213,064	655,545	663,446	14,342	2,546,397
Exchange rate adjustments	-	-2,909	-173	-	-3,082
From acquisitions	-	130,096	298	-	130,394
Additions	-	-	528	69,885	70,413
Disposals	-9,091	-91	-15,417	-	-24,599
Transfer to/from other items	-	-	72,547	-72,547	-
Cost at 31/12 2022	1,203,973	782,641	721,229	11,680	2,719,523
Amortisation and impairment losses at 1/1 2022	152,160	57,010	365,062	-	574,232
Exchange rate adjustments	-	-1,961	-139	-	-2,100
Amortisation	35,055	51,956	47,835	-	134,847
Disposals	-9,091	-91	-15,417	-	-24,599
Transfer to/from other items	-	-52	52	-	0
Amortisation and impairment losses at 31/12 2022	178,124	106,862	397,394	-	682,380
Carrying amount at 31/12 2022	1,025,849	675,779	323,835	11,680	2,037,143
Carrying amount at 31/12 2021	1,060,905	598,535	298,384	14,342	1,972,165

15 Non-current tangible assets

Group

DKK '000	Land, buildings and terminals	Vessels	Machinery, tools and equipment	Assets under con-struction and pre-payments	Total
Costs at 1/1 2022	1,853,385	21,154,584	2,573,376	1,369,453	26,950,798
Exchange rate adjustments	-30,792	-25,149	-33,150	-3,074	-92,165
From acquisitions	3,221	-	24,375	142	27,738
Transfer to/from other items	216,566	2,440,262	362,591	-3,014,459	4,960
Additions	120,006	1,111,139	340,971	2,017,458	3,589,574
Disposals	-11,741	-1,062,852	-160,307	-570	-1,235,470
Cost at 31/12 2022	2,150,645	23,617,984	3,107,856	368,950	29,245,435
Depreciation and impairment losses at 1/1 2022	606,744	9,322,417	1,268,115	-	11,197,276
Exchange rate adjustments	-13,937	12,638	-18,087	-	-19,386
Transfer to/from other items	-1	326	976	-	1,301
Depreciation	75,643	958,660	329,193	-	1,363,496
Impairment losses/reversal of losses	18,457	-	-	-	18,457
Disposals	-11,741	-711,012	-89,524	-	-812,277
Depreciation and impairment losses at 31/12 2022	675,165	9,583,029	1,490,673	-	11,748,867
Carrying amount at 31/12 2022	1,475,480	14,034,955	1,617,183	368,950	17,496,568
Carrying amount of assets pledged as security for mortgages	81,031	9,453,155	-	-	9,534,186
Carrying amount at 31/12 2021	1,246,641	11,832,166	1,305,261	1,369,453	15,753,522

Parent Company

DKK '000	Land, buildings and terminals	Tools and equipment	Total
Costs at 1/1 2022	41,082	8,332	49,414
Additions	-	961	961
Cost at 31/12 2022	41,082	9,293	50,374
Depreciation and impairment losses at 1/1 2022	2,524	5,359	7,884
Depreciation	452	756	1,207
Depreciation and impairment losses at 31/12 2022	2,976	6,115	9,091
Carrying amount at 31/12 2022	38,106	3,178	41,283
Carrying amount of assets pledged as security for mortgages	38,106	-	38,106
Carrying amount at 31/12 2021	38,557	2,973	41,530

16 Right of use assets (Group)

DKK '000	Land and buildings	Terminals	Vessels	Equipment etc.	Total
Costs at 1/1 2022	572,191	2,811,345	2,701,474	713,313	6,798,323
Exchange rate adjustments	-22,634	-69,901	62,494	-10,761	-40,802
From acquisitions	203,111	-	-	37,329	240,440
Transfers to/from other items	-240	-4	-	-5,794	-6,038
Additions/remeasurement	328,091	181,307	1,506,625	183,232	2,199,255
Disposals	-105,734	-2,889	-669,826	-160,058	-938,507
Costs at 31/12 2022	974,785	2,919,858	3,600,767	757,261	8,252,671
Depreciation and impairment losses at 1/1 2022	236,152	566,540	1,475,219	232,853	2,510,764
Exchange rate adjustments	-9,699	-19,931	39,178	-6,723	2,825
Transfers to/from other items	-6	-	-	-1,483	-1,489
Depreciation	128,051	222,165	743,331	172,976	1,266,523
Disposals	-86,524	-2,889	-612,484	-78,912	-780,809
Depreciation and impairment losses at 31/12 2022	267,974	765,885	1,645,244	318,711	2,997,814
Carrying amount at 31/12 2022	706,811	2,153,973	1,955,523	438,550	5,254,857
Carrying amount at 31/12 2021	336,039	2,244,805	1,226,256	480,459	4,287,558

17 Other non-current assets

Group

DKK '000	Investments in associates and joint ventures	Other investments	Receivables from associates	Other receivables
Costs at 1/1 2022	773,338	129,152	59,535	299,495
Exchange rate adjustments	27,523	3,091	1,356	166
Additions and loan proceeds	157,309	60,338	17,636	346
Disposals and loan repayments	-	-31,703	-34,498	-123,789
Costs at 31/12 2022	958,169	160,877	44,029	176,218
Revaluations and impairment losses as at 1/1 2022	15,615	17,265	-5,613	-22,557
Profit/loss for the year	72,362	-	-	-
Exchange rate adjustments	18,022	451	-	-
Impairment losses/reversal of losses	-	-	-5,872	-
Badwill gain	92,235	-	-	-
Revaluations and fair value adjustments	-	27,020	-	-
Dividends	-17,699	-43,528	-	-
Disposals	-	-21,386	11,486	-
Revaluations and impairment losses at 31/12 2022	180,535	-20,179	-	-22,557
Investments with neg. equity netted against receivables	4,348	-	-4,348	-
Carrying amount at 31/12 2022	1,143,052	140,698	39,681	153,661
Carrying amount at 31/12 2021	804,262	146,415	38,614	276,938

17 Other non-current assets (continued)

Parent Company

DKK '000	Investments in subsidiaries	Investments in associates and joint ventures	Other investments	Receivables from associates	Other receivables
Costs at 1/1 2022	11,539,016	199,882	61,711	37,889	33,502
Additions and loan proceeds	327,455	24,035	56,261	17,636	346
Disposals and loan repayments	-	-	-23,788	-11,496	-631
Costs at 31/12 2022	11,866,471	223,917	94,184	44,029	33,217
Revaluation and impairment losses at 1/1 2022	-5,377,965	-193,733	17,953	-5,613	-22,557
Profit/loss for the year	2,036,735	-17,822	-	-	-
Exchange rate adjustments	1,699	-	-	-	-
Equity movements related to hedging instruments	124,919	-	-	-	-
Other equity movements	-15,863	-	-	-	-
Tax on items recognised in equity	-13,631	-	-	-	-
Impairment losses/reversal of losses	-	-	-	-5,872	-
Fair value adjustments	-	-	3,593	-	-
Dividends	-296,849	-	-	-	-
Disposals	-	-	-21,386	11,486	-
Revaluations and impairment losses at 31/12 2022	-3,540,954	-211,555	159	-	-22,557
Investments with neg. equity netted against receivables	-	4,348	-	-4,348	-
Carrying amount at 31/12 2022	8,325,516	16,709	94,344	39,681	10,660
Carrying amount at 31/12 2021	6,180,714	6,149	79,664	32,276	10,944

Subsidiaries owned directly by Lauritzen Fonden Holding ApS are listed below. Please refer to note 29 for a complete list of group companies.

Company	Country	Ownership and votes
J. Lauritzen A/S	Denmark	100%
DFDS A/S*	Denmark	42%
Frederikshavn Maritime Erhvervspark A/S	Denmark	100%
Mama Mia Holding A/S	Denmark	100%
Axis Offshore Pte. Ltd.	Singapore	100%

* Recognised as subsidiary as Lauritzen Fonden Holding ApS de facto controls the company.

18 Assets measured at fair value

	Group		Parent Company	
DKK '000	2022	2021	2022	2021
Investments measured at fair value:				
Unlisted securities	135,647	136,234	94,344	79,664
Other investments, total	135,647	136,234	94,344	79,664
Listed shares	460,949	116,620	40,930	28,300
Listed bonds	21,823	24,087	21,823	24,087
Current asset investments, total	482,772	140,706	62,753	52,386
Total fair value of assets	618,420	276,941	157,097	132,050
Fair value adjustments:				
Other investments	27,020	26,605	3,593	19,743
Current asset investments	207,287	12,451	-10,328	5,834
Total fair value adjustments	234,306	39,057	-6,735	25,577

The fair value adjustments are recognized as financial income and expenses in the Income Statement.

19 Derivative financial instruments (Group)

DKKm	Cash flow/ Fair value hedge	2022 Nominal DKKm	2022 Duration, years	2022 Recog- nised in Equity	2022 Fair value	2021 Nominal DKKm	2021 Duration, years	2021 Recog- nised in Equity	2021 Fair value
Hedge accounting applied:									
Interest hedges	Cash flow	3.507	0-11	241	244	3.066	0-11	1	8
Commodity hedges	Cash flow	464	0-1	26	26	-	-	-	-
Currency/interest hedges	Cash flow	283	0-5	15	-8	342	0-5	1	-6
Currency hedges	Cash flow	2.080	0-9	4	36	3.125	0-9	-7	-27
Total				286	298			-5	-25
Hedge accounting not applied:									
Currency: USD/EUR	N/A	90	0-2	-	-1	39	0-1	-	2
Currency: USD/DKK	N/A	81	0-1	-	1	87	0-2	-	-2
Currency: USD/JPY	N/A	258	0-1	-	29	-	-	-	-
Interest rate swaps	N/A	106	0.5	-	2	-	-	-	-
EUA, FFA's and oil contracts	N/A	N/A	0-2	-	-9	N/A	0-3	-	73
Total				-	22			-	74
Total derivative financial instruments				286	320			-5	49
Presented in the Financial Statements as:									
Non-current assets					299				36
Current assets					94				97
Non-current liabilities					8				6
Current liabilities					64				78

Hedge accounting is applied for the following types of derivative financial instruments:

- Interest hedges comprise interest rate swaps and caps used to reduce interest rate risk on floating rate funding.
- Commodity hedges are used to hedge risk related to fluctuations in bunker price.
- Currency hedges comprising forward exchange contracts and currency swaps are used to hedge currency risk related to net currency cash flows from revenues and operational costs mainly denominated in USD, SEK, GBP, and NOK.

20 Share capital

The Parent Company's registered capital, which is not divided into different classes of shares, is divided into 150,000,002 shares of DKK 1.00 each. The share capital is fully paid up.

All shares rank equally. There are no restrictions on voting rights.

21 Other non-current provisions (Group)

DKK '000	2022	2021
Pension and jubilee obligations	87,509	75,807
Other obligations	53,270	125,973
	140,779	201,780

22 Interest-bearing debt

Group

DKK '000	2022 Current portion	 Expires between 1 and 5 years	 Expires after more than 5 years	 Total
Mortgage debt, property	64,709	76,188	60,003	200,900
Bank loans and mortgage debt, vessels	2,313,633	7,028,816	1,499,606	10,842,055
Credit institutions	-	1,001,922	-	1,001,922
Lease liability	1,348,191	2,353,325	1,615,937	5,317,453
Corporate bonds	-	282,717	-	282,717
	3,726,533	10,742,968	3,175,546	17,645,047

DKK '000	2021 Current portion	 Expires between 1 and 5 years	 Expires after more than 5 years	 Total
Mortgage debt, property	76,305	191,054	12,289	279,649
Bank loans and mortgage debt, vessels	450,276	6,809,727	1,508,062	8,768,064
Credit institutions	345,807	944,400	21,396	1,311,603
Lease liability	949,932	1,713,234	1,579,101	4,242,267
Corporate bonds	931,883	298,005	-	1,229,888
Other debt	5,456	-	-	5,456
	2,759,659	9,956,420	3,120,848	15,836,927

Parent Company

	2022		2021	
DKK '000	Current portion	Non-current portion	Current portion	Non-current portion
Mortgage debt, property	582	12,779	869	15,833
Credit institutions	-	1,001,922	-	965,796
Debt to owner	-	-	29,933	-
Debt to subsidiaries	135,232	-	-	-
	135,815	1,014,702	30,802	981,629

23 Contingent liabilities and financial obligations

Group

DKK '000	2022	2021
Guarantees and surety commitments	405,464	618,525
Max. obligation for participation in projects	247,575	180,086
	653,039	798,611

Vessels, shares in subsidiaries and property have been pledged as security for mortgages and bank loans with a total carrying amount of DKK 6,850m (2021: DKK 6,117m).

Guarantees issued by banks on behalf of the Group amount to DKK 405m (2021: DKK 619m). In addition, the Group has issued two guarantees in relation to defined benefit pension schemes in the UK of an amount up to DKK 148m (2021: DKK 255m).

In connection with disposals of activitiy and assets, certain guarantees, inclusive for tax and environment items, are issued.

Uncalled capital commitments related to investments in private equity funds amount to DKK 248m (2021: DKK 180m). In addition, the Group has committed financing to portfolio companies. The undrawn credit facilities amount to DKK 13m (2021: DKK 5m).

The Group is in 2022 as well as in 2021 part in various legal disputes. The outcome of these disputes is not considered likely to influence Group’s financial position significantly, besides what is already recognised in the balance sheet.

Reference is made to note 10 regarding contingent tax liabilities, if J. Lauritzen or DFDS should decide to withdraw from tonnage taxation schemes.

Parent Company

Lauritzen Fonden Holding ApS has pledged shares in subsidiaries as security for debt to credit institutions of DKK 1,002m (2021: DKK 966m). Reference is made to note 22. The minimum required market value of the pledged shares is DKK 2,000m.

Property has been pledged as security for mortgage with a total carrying amount of DKK 13m (2021: DKK 17m).

Uncalled capital commitments related to investments in private equity funds amount to DKK 191m (2021: DKK 137m). In addition, the company has committed financing to portfolio companies. The undrawn credit facilities amount to DKK 13m (2021: DKK 5m).

No guarantees were issued at year-end 2022 and at year-end 2021.

Lauritzen Fonden Holding ApS is jointly taxed with the Danish subsidiaries. The Group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. 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.

24 Contractual commitments (Group)

DKK '000	2022	2021
Contractual commitments, term 0-1 year	58,617	709,923
Contractual commitments, term 1-5 years	27,145	85,784
Contractual commitments, term after 5 years	-	91,100
	85,762	886,807

The Group contractual commitments in 2022 include a Vessel Share Agreement in the Netherlands.

Contractual commitments in 2021 mainly related to one new building for a freight and passenger ferry (Ro-pax) and one second hand bulk carrier, both delivered in 2022, and a commitment for a new headquarter in Denmark.

25 Related parties

Lauritzen Fonden Holding ApS is fully owned by Lauritzen Fonden (registered office in Gentofte, Denmark), thus having controlling influence.

All transactions with related parties are carried out on an arm's length basis and are not disclosed in accordance with section 98 (c) (7) of the Danish Financial Statements Act.

Please refer to note 5 for remuneration to the Executive Board.

26 Events after the balance sheet date

On 9 February 2023, an auction share buyback of DKK 300m was announced and launched on 10 February 2023. The buyback was completed on 22 February 2023 with a total of 1,071,428 shares purchased at a price of DKK 280 per share which equalled a total purchase sum of DKK 300m.

On 16 February 2023, DFDS awarded 26,984 restricted share units and 128,838 share options to the Executive Board and a number of key employees. The theoretical value is DKK 22m calculated according to the Black-Scholes model.

On 29 December 2022, DFDS announced it had entered into an agreement to acquire 100% of McBurney Transport Group. Completion of the acquisition was subject to regulatory approval. The required regulatory approvals have been received on 23 February 2023 and completion of the transaction was announced on 28 February 2023.

27 Adjustments (Group)

DKK '000	2022	2021
Currency exchange	20,528	38,302
Profit/loss on sale of fixed assets	-167,660	-139,065
Other	-4,668	55,721
	-151,800	-45,042

28 Change in working capital (Group)

DKK '000	2022	2021
Change in stocks	-101,763	-97,269
Change in receivables	-389,573	-628,468
Change in trade payables and other short-term debt	530,481	716,692
	39,146	-9,044

29 List of group companies

Name	Country	Ownership share	Note 1)
Lauritzen Fonden	Denmark		
Subsidiaries:			
Lauritzen Fonden Holding ApS	Denmark		
Frederikshavn Maritime Erhvervspark A/S	Denmark		2)
Mama Mia Holding A/S	Denmark		2)
Axis Offshore Pte. Ltd.	Singapore		2)
J. Lauritzen A/S	Denmark		
Lauritzen Bulkers A/S	Denmark		2)
JL Shipping Invest A/S	Denmark		2)
Axis Offshore do Brazil Servicos Ltda.	Brazil		
J. Lauritzen Singapore Pte. Ltd.	Singapore		
LKT Gas Carriers Pte. Ltd.	Singapore		6)
Dan Swift (Singapore) Pte. Ltd.	Singapore		2)
Dan Swift Netherlands B.V.	The Netherlands		
J. Lauritzen (USA) Inc.	USA		
DFDS A/S	Denmark	42%	7)
DFDS Belgium N.V.	Belgium		2)
N&K Cold Chain Logistics (Shanghai) CO., Ltd.	China		
DFDS Logistics s.r.o	Czech Republic		2)
DFDS Germany ApS	Denmark		2)
Lundvej 15 ApS	Denmark		2)
Dronningens Kvarter 1 ApS	Denmark		2)
DFDS Logistics A/S	Denmark		
DFDS Skandinavia A/S	Denmark		
DFDS Stevedoring A/S	Denmark		2)
ICT Holding A/S	Denmark		2)
DFDS Logistics Denmark A/S	Denmark		
ICT Solutions ApS	Denmark		
DFDS Køletransport A/S	Denmark		
DFDS Logistics OÜ	Estonia		2)
DFDS Logistics OY	Finland		2)
DFDS Logistics SARL	France		
DFDS Seaways S.A.S	France		2)
Dunes Bail SNC	France		3)
Flandres Bail SNC	France		3)
DFDS Germany ApS & Co. KG	Germany		2), 5)
HSF Logistics Deutschland GmbH	Germany		
HSF Beteiligungs GmbH	Germany		
Eurofresh Logistics GmbH	Germany		
HSF Grundstücksverwaltungs GmbH & Co KG	Germany		
ICT Logistics GmbH	Germany		
primeRail GmbH	Germany		2)
Alphatrans-Szállitás Szolgáltató Kft.	Hungary		
Lucey Transport Logistics Ltd.	Ireland		2)
DFDS Logistics Contracts (Ireland) Ltd.	Ireland		2)
DFDS Seaways Ireland Ltd.	Ireland		2)

Name	Country	Ownership share	Note 1)
Samer seaports & terminals SRL	Italy	60%	
DFDS SIA	Latvia		
ICT Logistics UAB	Lithuania		
AB DFDS Seaways	Lithuania	97%	2)
North Sea Terminal AS	Norway		
DFDS Logistics AS	Norway		2)
DFDS Seaways AS	Norway		2)
DFDS Polska Sp. Z o.o.	Poland		2)
DFDS Logistics Sp. Z o.o.	Poland	80%	
DFDS Logistics Polska Sp. Z o.o.	Poland	80%	
DFDS Investments Sp. Z o.o.	Poland	80%	
ICT Logistics Technology SRL	Romania		
Romania Transport Group SRL	Romania		
DFDS Seaways Hispania SL	Spain	80%	
N&K Spedition Spain S.L.	Spain		2)
DFDS Seaways Holding AB	Sweden		2)
DFDS LogisticsServices AB	Sweden		2)
DFDS Logistics AB	Sweden		
DFDS Logistics Contracts AB	Sweden		
DFDS Logistics Partners AB	Sweden	85%	
DFDS Professionals AB	Sweden	88%	2)
DFDS Seaways AB	Sweden		
DFDS Logistics Helsingborg AB	Sweden		
DFDS Logistics Karlshamn AB	Sweden		2)
Alphatrans International Trucking B.V.	The Netherlands		
DFDS Logistics Nijmegen B.V.	The Netherlands		
DFDS Transport B.V.	The Netherlands		
DFDS Holding B.V.	The Netherlands		
DFDS NewCo B.V.	The Netherlands		2)
DFDS Logistics B.V.	The Netherlands		
DFDS Seaways B.V.	The Netherlands		
Maxibas B.V.	The Netherlands		
DFDS Logistics Wijchen B.V.	The Netherlands		
Huisman International B.V.	The Netherlands		
Huisman International Transport B.V.	The Netherlands		
Huiaman Warehousing B.V.	The Netherlands		
Huisman Network Logistics	The Netherlands		
DFDS Logistics Winterswijk B.V.	The Netherlands		
DFDS Packaging Pool B.V.	The Netherlands		
DFDS Logistics Transport Winterswijk B.V.	The Netherlands		
DFDS Property Nijmegen B.V.	The Netherlands		
DFDS Property and Equipment Winterswijk B.V.	The Netherlands		
DFDS Turkey Denizcilik ve Tasi Yati AS	Turkey		
Trieste Newholdco Denizcilik ve Tasımacılık A.S.	Turkey		
Trieste Holdco Denizcilik ve Tasımacılık A.S.	Turkey		
Trieste Midco Denizcilik ve Tasımacılık A.S.	Turkey		
DFDS Denizcilik ve Tasimacilik A.S.	Turkey	99%	
Huisman International (UK) Ltd.	UK		
DFDS Logistics Ltd.	UK		2)
DFDS Logistic Contracts Ltd.	UK		

Name	Country	Ownership share	Note 1)
DFDS Logistics Services Ltd.	UK		2)
DFDS Logistics Property Ltd.	UK		
DFDS Seaways Holding Ltd.	UK		2)
DFDS Seaways Plc.	UK		2)
LLC DFDS	Ukraine		
Associates and Joint Ventures:			
Lauritzen Fonden Holding ApS			
AHK Nr. 186 ApS	Denmark	50%	2)
Ejendomsselskabet Skjernvej 3 ApS	Denmark	47%	2)
Expanite Technology A/S	Denmark	48%	2)
Kommanditaktieselskabet Østre Havn	Denmark	50%	
NanoNord A/S	Denmark	47%	2)
Porsborgparken ApS	Denmark	45%	2)
SmartVan A/S	Denmark	45%	2)
Østre Havn Aalborg ApS	Denmark	50%	
J. Lauritzen A/S			
Deal Energy A/S	Denmark	50%	2)
De Forenede Sejlskibe I/S	Denmark	55%	2)
Admiral Logistics Corporation	Panama	50%	
BW Epic Kosan Ltd	Singapore	31%	2)
DFDS A/S			
Bohus Terminal Holding AB	Sweden	65%	4)
Gothenburg Ro/Ro Terminal AB	Sweden	65%	
Deal Energy A/S	Denmark	50%	2)
Euro Asia cold Chain Logistic.	China	52%	

J. Lauritzen A/S has 1 dormant company
DFDS has 28 dormant companies

Note-description

1) Unless otherwise indicated, the companies are 100% owned
2) The company is directly owned by the parent company
3) The company is controlled by the parent company, but there is no ownership in the company
4) Due to minority protection in shareholders agreements the parent company does not have a controlling interest
5) Relief in accordance with Sec. 254b German Commercial Code (HCB)
6) The company is under liquidation
7) Recognized as subsidiary as Lauritzen Fonden has de-facto control.

Main office locations

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