

Hav Line Terminal A/S

Industrikajen 7
DK-9850 Hirtshals

CVR no. 38 02 68 28

Annual report 2023

The annual report was presented and approved at
the Company's annual general meeting on

28 June 2024

Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report for Hav Line Terminal A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Hirtshals, 28 June 2024

Executive Board:

Kristian Haugland
CEO

Board of Directors:

Carl-Erik Arnesen
Chairman

Bård Sekkingstad

Kristian Haugland



Independent auditor's report

To the shareholder of Hav Line Terminal A/S

Opinion

We have audited the financial statements of Hav Line Terminal A/S for the financial year 1 January - 31 December 2023, comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company 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.



Independent auditor's report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 28 June 2024

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Niklas R. Filipsen
State Authorised Public Accountant
mne47781

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Management's review

Company details

Hav Line Terminal A/S
Industrikajen 7
DK-9850 Hirtshals

CVR no.:	38 02 68 28
Established:	16 September 2016
Registered office:	Hjørring
Financial year:	1 January - 31 December

Board of Directors

Carl-Erik Arnesen, Chairman
Bård Sekkingstad
Kristian Haugland

Executive Board

Kristian Haugland, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Frederiks Plads 42
DK-8000 Aarhus
CVR no. 25 57 81 98

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Management's review

Operating review

Principal activities

The company's activity consists of rental of terminals to group companies at harbours.

Development in activities and financial position

The Company's income statement for 2023 shows a loss of DKK 716 thousand as against a profit of DKK 930 thousand in 2022. Equity in the Company's balance sheet at 31 December 2023 stood at DKK 571 thousand as against DKK 1,287 thousand at 31 December 2022.

Capital resources

The Company's parent company has issued an unconditional letter of support and guarantees to provide the necessary liquidity to ensure the Company's continued operations. On this basis, the financial statements are presented on a going concern basis.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2023.

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Income statement

DKK'000	Note	2023	2022
Gross profit		4,385	4,495
Depreciation of property, plant and equipment		-2,887	-2,887
Profit before financial income and expenses		1,498	1,608
Other financial income		2,122	1,766
Other financial expenses	3	-4,109	-2,444
Profit/loss before tax		-489	930
Tax on profit/loss for the year	4	-227	0
Profit/loss for the year		<u>-716</u>	<u>930</u>
Proposed profit appropriation/distribution of loss			
Retained earnings		-716	930
		<u>-716</u>	<u>930</u>

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Balance sheet

DKK'000	Note	31/12 2023	31/12 2022
ASSETS			
Fixed assets			
Property, plant and equipment			
Land and buildings		56,553	59,441
Total fixed assets		<u>56,553</u>	<u>59,441</u>
Current assets			
Receivables			
Trade receivables		0	40
Receivables from group entities		18,213	16,784
Deferred tax assets		1,948	680
Other receivables		66	0
Receivables from share capital and share premium		375	375
		<u>20,602</u>	<u>17,879</u>
Cash at bank and in hand		<u>80</u>	<u>60</u>
Total current assets		<u>20,682</u>	<u>17,939</u>
TOTAL ASSETS		<u><u>77,235</u></u>	<u><u>77,380</u></u>

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Balance sheet

DKK'000	Note	31/12 2023	31/12 2022
EQUITY AND LIABILITIES			
Equity			
Contributed capital		500	500
Reserve for unpaid share capital		375	375
Retained earnings		-304	412
Total equity		<u>571</u>	<u>1,287</u>
Liabilities			
Non-current liabilities			
Debt to credit institutions		<u>38,235</u>	<u>38,240</u>
Current liabilities			
Debt to credit institutions		1,200	2,390
Trade payables		316	337
Payables to group entities		35,442	34,582
Corporation tax		0	84
Joint taxation contribution		704	0
Other payables, including taxes payable		<u>767</u>	<u>460</u>
		<u>38,429</u>	<u>37,853</u>
Total liabilities		<u>76,664</u>	<u>76,093</u>
TOTAL EQUITY AND LIABILITIES		<u><u>77,235</u></u>	<u><u>77,380</u></u>

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Statement of changes in equity

DKK'000	Contributed capital	Reserve for unpaid share capital	Retained earnings	Total
Equity at 1 January 2023	500	375	412	1,287
Transferred over the distribution of loss	0	0	-716	-716
Equity at 31 December 2023	500	375	-304	571

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1 Accounting policies

The annual report of Hav Line Terminal A/S for 2023 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

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

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

Income statement

Revenue

Income from rental is recognized in revenue over the term of the contract and when the income may be measured reliably and is expected to be received.

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

Other external costs

Other external costs comprise costs for administrative expenses and costs of renting the land where the building is placed.

Financial income and expenses

Financial income and expenses comprise interest income and expense as well as receivables, payables and transactions denominated in foreign currencies.

Tax on profit/loss for the year

The company is covered by the Danish rules on compulsory joint taxation of the group's Danish companies.

The company is the administration company for joint taxation and, as a result, settles all payments of corporation tax with the tax authorities.

The current Danish corporation tax is distributed by settling the joint taxation contribution between the jointly taxed companies in relation to their taxable income. In connection with this, companies receive with a tax deficit joint taxation contribution from companies that have been able to use this deficit to reduce own tax profit.

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1 Accounting policies

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

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

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	25 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

The Company is not owning the land on which the building is placed.

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

Investments

Equity investments in subsidiaries and associates are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Other receivables and deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation.

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

Receivables

Receivables are measured at amortised cost.

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1 Accounting policies

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

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Equity

Other reserves

The reserve for unpaid share capital comprises unpaid share capital corresponding to the recognised receivable from share capital. The reserve cannot be used for dividends, distribution or to cover losses.

Liabilities

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the 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 cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

2 Staff costs

DKK'000	2023	2022
Average number of full-time employees	<u>0</u>	<u>0</u>

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3 Other financial expenses

DKK'000	2023	2022
Interest paid to group entities	1,842	1,293
Other interest expenses	2,267	1,151
	<u>4,109</u>	<u>2,444</u>

4 Tax on profit/loss for the year

DKK'000	2023	2022
Current tax for the year	662	0
Deferred tax adjustment for the year	-1,226	0
Adjustment of tax concerning previous years	791	0
	<u>227</u>	<u>0</u>

5 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company is jointly taxed with other Danish companies in the Group. As a wholly-owned subsidiary, together with the other companies included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends. Any subsequent correction of the taxable jointly taxed income or withholding taxes could result in an adjustment of the Company's liability.

At the end of the rental agreement of the land - under certain conditions - the company has an obligation to hand over leased land in the same condition as when entering into the lease agreement, which is not provided for in the annual accounts.

Operating lease obligations

The Company has entered into rental leases (land) with a remaining term of 23 years and 4 months with a total obligation of DKK 10,187 thousand as of 31 December 2023 (31 December 2022: DKK 10,485 thousand). Of the total obligation, DKK 299 (31 December 2022: DKK 261 thousand) falls due within 12 months from the balance sheet date.

6 Mortgages and collateral

The Company has provided collateral for debt to credit institutions in buildings. The carrying value of buildings amounts to DKK 56,554 thousand as of 31 December 2023. The Company's debt to credit institutions amounts to DKK 39,435 thousand as of 31 December 2023.

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7 Related parties

Control

Hav Line Terminal A/S is part of the consolidated financial statements of Hav Line Gruppen AS, Thormøhlensgate 41E, 5006 Bergen, Norge, which is the smallest group in which the Company is included as a subsidiary.