



Grenaa Havn A/S

Havnecentervej 1
8500 Grenaa
CVR No. 25137736

Annual report 2023

The Annual General Meeting adopted the annual report on 22.04.2024

Ole Husum

Chairman of the General Meeting

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This document is an unofficial translation of the Danish original. In the event of any inconsistencies, the Danish version shall apply.

Entity details

Entity

Grenaa Havn A/S
Havnecentervej 1
8500 Grenaa

Business Registration No.: 25137736
Registered office: Norddjurs
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Bent Hansen
Laura Hay Uggla
Lene Skovgaard Sørensen
Jess Abildskou
Jens Meinke Meilvang
Benny Viggo Hammer
Anette Ruby Liebe
Daniel Isak Dallerup

Executive Board

Henrik Skade Carstensen
Kirsten Hvid Schmidt

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Grenaa Havn A/S for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Grenaa, 22.04.2024

Executive Board

Henrik Skade Carstensen

Kirsten Hvid Schmidt

Board of Directors

Bent Hansen

Laura Hay Uggla

Lene Skovsgaard Sørensen

Jess Abildskou

Jens Meinke Meilvang

Benny Viggo Hammer

Anette Ruby Liebe

Daniel Isak Dallerup

Independent auditor's report

To the shareholders of Grenaa Havn A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Grenaa Havn A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 22.04.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Morten Gade Steinmetz

State Authorised Public Accountant
Identification No (MNE) mne34145

Management commentary

Financial highlights

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|----------|----------|----------|----------|----------|
| | DKK'000 | DKK'000 | DKK'000 | DKK'000 | DKK'000 |
| Key figures | | | | | |
| Revenue | 79,891 | 72,279 | 68,219 | 59,696 | 59,978 |
| Gross profit/loss | 46,112 | 42,773 | 40,664 | 35,476 | 41,148 |
| Operating profit/loss | 14,252 | 10,865 | 11,718 | 9,932 | 16,324 |
| Net financials | (2,083) | 830 | (1,706) | (1,118) | (1,842) |
| Profit/loss for the year | 11,904 | 10,556 | 9,895 | 9,165 | 14,032 |
| Balance sheet total | 409,002 | 398,424 | 401,774 | 355,068 | 358,079 |
| Investments in property, plant and equipment | 23,136 | 27,619 | 35,905 | 25,331 | 10,414 |
| Equity | 244,854 | 232,950 | 222,394 | 212,499 | 203,333 |
| Cash flows from operating activities | 28,364 | 22,651 | 10,614 | 9,932 | 16,324 |
| Cash flows from investing activities | (18,086) | (24,962) | (35,451) | (24,254) | (10,334) |
| Cash flows from financing activities | (12,208) | (1,216) | 31,424 | (7,393) | 7,858 |
| Ratios | | | | | |
| Gross margin (%) | 57.72 | 59.18 | 59.61 | 59.43 | 68.61 |
| Net margin (%) | 14.90 | 14.60 | 14.50 | 15.35 | 23.40 |
| Return on equity (%) | 4.98 | 4.64 | 4.55 | 4.41 | 7.15 |
| Equity ratio (%) | 59.87 | 58.47 | 55.35 | 59.85 | 56.78 |

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Revenue

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Revenue

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

Equity * 100

Balance sheet total

Primary activities

The primary activities of Grenaa Havn A/S, hereinafter referred to as the Port of Grenaa, consist in operating and constructing the port infrastructure. The operation of the port infrastructure enables the Port of Grenaa to put land, quays, port basins and buildings at the disposal of the customers of the Port. Moreover, stevedoring as well as other port-related services are performed.

Development in activities and finances

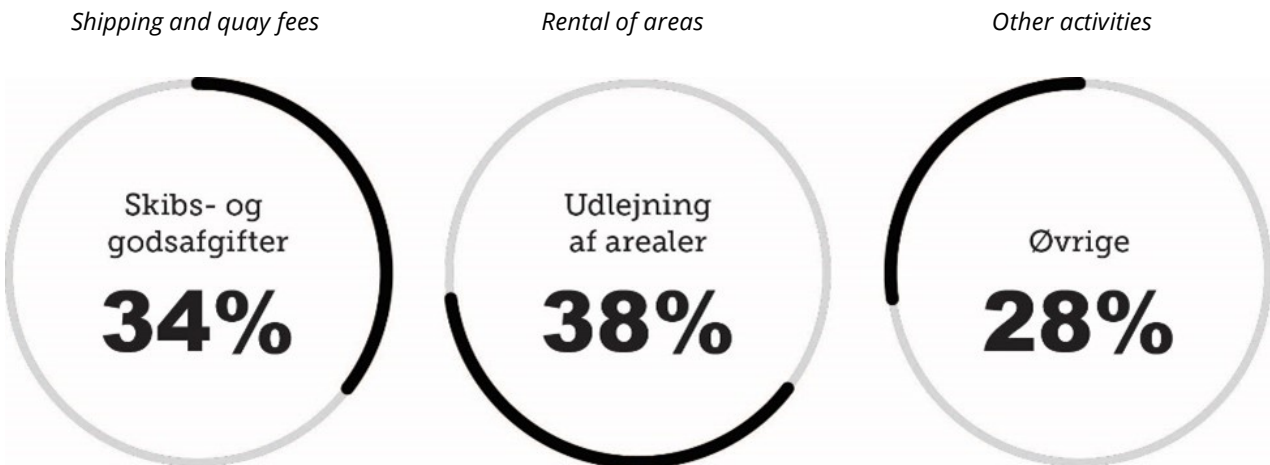
Revenue in 2023 amounted to DKK 79.89m, which means that the Port can once again report financial success in 2023. The effect of the Port’s strategic initiatives and associated investments continues to impact the Port’s economy - both in terms of revenue and bottom-line results. In 2023, Grenaa Havn continued the positive trend with a record revenue for the fifth year in a row.

Profit before tax was DKK 12.2m and after tax DKK 11.9m (in 2022 before tax DKK 11.7m and after tax DKK 10.6m).

During the year, the Port has invested in, among other things, new grabs for the Port’s mobile cranes and several concrete silo blocks. In addition, in the autumn of 2023, various major and minor maintenance tasks at the Port were initiated and written off. This was possible thanks to the healthy economy of the Port of Grenaa.

In many ways, it is good for the Group’s plans for Sydhavnen that a sale of the former Thorfisk buildings located on Sdr. Kajgade was finalised in 2023. Ebeltoft Gårdbryggeri has bought and taken over the buildings and has plans matching well with Sydhavnen’s development ambitions.

Percentage breakdown of revenue



In 2021, the Port of Grenaa initiated the strategy period, “Port of Partnerships for a Green World 2025”. The strategy is the overall management tool for the port development in the business areas: wind, energy & innovation, stacking & maintenance, bulk, ferries & shipping lines, recycle & waste management, project cargo as well as rentals. In 2023, the Port of Grenaa saw a continuously positive development within the focus areas of the strategic plan.

The objective of the port development within the above areas in particular is achieved by making the competences of the Port much more visible, which have been strengthened by adjusting and expanding the organisation of the Port since the adoption of the strategic plan. In 2023, focus on CSR and ESG, together with ISO certifications, have become key conditions for the strategic and operational work of the Port and its continued competitiveness.

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Shipping and quay fees:

Revenue has increased by approx. DKK 7.6m compared to 2022, equal to an increase of approx. 10.5 %.

Rental of areas and buildings:

In 2023, the Port of Grenaa saw an ever increasing demand for areas and especially the many warehouses of the port, which resulted in an increase on 2022 of DKK 6.5m equal to an increase of 27 %.

To meet the increased demand, the Port has leased areas from external owners for rental purposes.

Other activities:

Income from other activities naturally follows developments in shipping and quay fees and in rental of areas and buildings etc.

Significant matters

In 2021, the Port of Grenaa and Driftsselskabet Grenaa Havn A/S initiated a huge effort to become certified under the three international ISO standards for quality management, environmental management, and occupational health and safety management. We have continued our efforts in 2022.

The three management systems are important tools to ensure development within the business areas of the Port and to structure the CSR and sustainability effort of the Port.

Moreover, we have focused our efforts on further digitalisation. In January 2023, the Port of Grenaa and Driftsselskabet Grenaa Havn A/S achieved an ISO certification of both companies according to the three international ISO standards, ISO 9001 quality management, ISO 14001 environmental management, and ISO 45001 occupational health and safety management. These standards are a crucial seal of quality, which the Port expects to build confidence among port stakeholders and increase the Port's competitiveness. Before the end of the year, the Port completed its follow-up audit and is now ready to continue working on the processes ahead of the next audit at the end of 2024. Management emphasises that all audits were completed without deviations.

The Port is preparing for ESG reporting and, for this purpose, has "remodelled" the sustainability strategy house, among other things, so that it is now based on ESG, ISO, SMART goals, development goals as well as a number of signature projects. Prior to the finished house, which is part of the Port's overall strategy document, a great deal of work was carried out in the organisation based on the environmental organisation (EO). In the process, EO has held a workshop and collaborated with an external ESG consultant, the Port's ISO consultant, among other things, and subsequently delivered a thorough introduction to both the management team and the entire organisation.

Employees say that they feel that the strategy house is a visible way of describing and visualising the strategic initiatives, and that the contents of the house are now used in many contexts in their daily work.

The organisation is already working with SMART goals, whereas ESG goals will be defined and integrated to a greater extent in the years 2024-2025. The primary ESG work in 2023 was to collect data. Not until we have an overview of the data, can qualified ESG goals be described.

Increased digitalisation has become an ongoing process throughout the organisation. Along with this comes a

huge awareness of security and the threat of cyber-attacks. The Port of Grenaa has seen a number of positive aspects of the use of artificial intelligence and is also aware that there can be a risk associated with it. Employees are guided through the Port's IT instructions. Robots manage well over 100 different administrative processes around finance, reconciliation, control and reporting, which minimises errors.

Cash

The Port of Grenaa's cash decreased by DKK 1.9m in 2023. Operating activities have added DKK 28.4m to cash.

Investments

Total investments in property, plant and equipment amounted to DKK 23.1m in 2023 specified as follows:

- Investments in land and buildings DKK 3.2m
- Investments in plant and machinery DKK 15.6m
- Investments in other fixtures and fittings, tools and equipment DKK 4.3m

Financial risks

The interest-bearing debt has decreased by DKK 10,8m during the year. The Port of Grenaa is not exposed to any particular currency risks. The Port of Grenaa is not exposed to any particular operating risks other than those to which the industry is usually subject.

Profit/loss for the year in relation to expected developments

The Port of Grenaa exceeded its own expectations for revenue in 2023. The rather conservative estimates of revenue were surpassed by a continued good and healthy development, resulting in the Port of Grenaa delivering the best revenue in the Port's history. This is partly due to securing good long-term agreements with a stable customer base. The Port has experienced a positive development beyond expectations from several of its customers, which has a positive impact on port activities.

The increased revenue and profit in 2023 have contributed to a satisfactory profit before tax. The profit, before tax, is DKK 5.1m better than expected.

Moreover, it has also been possible to land ad-hoc projects in 2023. The organisation's overall ability to quickly and flexibly act on new projects and bring them to a successful conclusion is recognised by the Port's customers. The Port of Grenaa will continue working to maintain this positive development and ensure that the business remains ready for change in the face of coming challenges.

Outlook

In 2024, the Executive Board does not expect the same revenue as in 2023. There is a budgeted revenue of DKK 76.7m in 2024 compared to a budgeted revenue of DKK 67.9m in 2023. Profit before tax is expected to be DKK 7.6m in 2024. However, the Executive Board is once again looking into a reasonable year with high activity at the Port.

With the Port's current capacity and available infrastructure, it will be difficult to continue the positive development in revenue going forward, as the Port has leased out almost all areas by the end of 2023. There is only limited capacity available for new activities and expansion of current customer activities. The Executive Board is very aware of the situation and has taken measures in 2023 for possible acquisitions of land. 2024 is expected to be characterised by efforts to strengthen the Port's position on the market so that it will be able to maintain and improve its competitiveness.

A very current focus area for the Port of Grenaa is to stay attractive for future large projects, especially in relation to near- and offshore wind farms, for example in the Kattegat, and of course the Port's other core segments. At the end of 2023, the Port of Grenaa signed a contract with a large international wind operator for an offshore wind project to be installed in the Baltic Sea. The Port of Grenaa was chosen because the Port has both the necessary competencies and infrastructure. The specific project is scheduled for execution in 2026. Moreover, the Port of Grenaa is bidding on several large projects during 2024. Both national and international activities for execution from 2027 and onwards.

Solutions for the wind turbine industry have been central to the Port of Grenaa for many years. In addition to the experience gained from the establishment of Anholt Offshore Wind Farm, the Port of Grenaa has collaborated with many players in the industry. More specifically related to floating wind turbines, upcycling and recycling, pre-assembly, as well as O&M. Recycling and recovery of worn-out wind turbines is a developing market.

Experience from the establishment of Anholt Offshore Wind Farm shows that wind turbine projects create significant growth and jobs in the local community. The growth in near- and off-shore wind farms, however, partly depends on a considerable reduction in the case processing time. It is an obstacle that the case processing time for a wind farm may last up to three years, as it not only slows down the propensity to invest, but also the green transition. In the worst case, this could affect employment at the port and in the local community, which to a large extent supplies the labour for these projects. This applies not only in the establishment phase but for a large part of the labour also in the entire operating period, which lasts up to 30 years.

The Port of Grenaa overall assesses that the Port's current facilities and areas within the offshore wind segment are sufficient. The framework for increased growth in the coming years will be created through the acquisition of significant hinterland areas offered to companies that are not necessarily dependent on a port-side location, but require ample space and can benefit from the Port's optimised services. In this way, operational and logistical advantages are created in the value chain of the companies that are potential tenants of the future sites.

Preparations for reporting on ESG targets have been initiated. It is expected that 2024 and 2025 will be spent on continued data collection. The ISO standards and the upcoming ESG reporting place high demands on both the organisation, suppliers, and business partners.

Use of financial instruments

As part of the Port's green energy policy, the Group entered into a baseload purchasing power agreement in the 2022 financial year to receive green power. The signed contract is categorised as a derivative financial instrument which does not qualify as hedging instruments, causing changes in fair value to be continuously adjusted in the income statement as financial items. Consequently, the Group is exposed to changes in future electricity spot prices in particular. The risk is assessed to be low as the Group extensively re-invoices the purchase of electricity and is able to pass on increases in raw material prices to the Group's sales prices. As a result, the Group has not entered into separate hedging transactions to hedge the price risk.

Knowledge resources

We are currently working to develop and update our capabilities, primarily within the areas:

1. Market understanding
2. Profiling
3. Technology

1. Market understanding and continuous adjustments of the business strategy

Based on the strategic plan of the Port, the Port of Grenaa now concentrates on implementing the Board of Directors' ambitions and targets for the development of the Port. This is done through optimum utilisation of the competences existing in the organisation of the Port through an active and committed cooperation with customers and cooperative partners and through the professional networks of which the Port is a member. The Port generally assigns a high priority to developing partnerships and is so completely in line with UN SDG 17.

The strategic plan of the Port governs the growth. This requires close contact with important market players and constant efforts to follow market developments within segments that are particularly relevant for the Port of Grenaa. The Port conducts an annual customer satisfaction survey, which, among other things, also contributes to insight into the market and customers' expected development and needs. Requirements and requests from the Port's customers can influence procurement and thus the Port's suppliers. For this reason, annual evaluations are carried out on the Port's suppliers. Only by being close to the market, the employees of the Port of Grenaa will be able to respond to the opportunities that arise. And tapping these opportunities will require flexibility and focus by the entire workforce, who must demonstrate that they are able to work as a team who has a professional understanding of the customer's demands and needs.

Besides being close to its markets, the Port of Grenaa must also continue to strengthen its relations to the Municipality of Norddjurs and other public organisations. As a vital element of the infrastructure, the Port of Grenaa will play an active role in the joint efforts to enhance business developments locally and regionally. Being a port offering ferry service for both heavy vehicles and passenger cars, the Port is supporting more sustainable transport systems and hence also UN SDG 11.

2. Profiling

Our communication and profiling is based on our 2025 strategic plan. With this strategy, the Port of Grenaa continues to focus on profiling as 'Port of Partnerships for a Green World' where partnerships, CSR, ESG and ISO are integrated in the Port's business. In daily practice, the organisation also has an overall communication policy to adhere to.

In 2023, Sydhavnen A/S completed a vision strategy for the area, a new brand book describing colours, style and tone, and a new and updated website in a new and secure CMS.

3. Technology

The Port of Grenaa continuously considers the latest trends in digitisation and technology. In recent years, the implementation of new digital solutions at the port such as administrative robots and new digital communication and collaboration platforms have contributed to streamlining our work processes.

New digital technologies offer many benefits, but place great demands on IT security, data management and the protection of personal data. Therefore, the Port of Grenaa has prepared instructions on the use of IT and mobile devices and how we handle the General Data Protection Regulation to ensure we observe the current rules on protection of personal data. Our instructions describe how we handle and use data. The instructions also contain a number of concrete actions as to how we implement the policy at the Port of Grenaa. We prioritise that employees are well-informed about data ethics, data security and responsible handling of personal data, among other things through continuous training and supplementary training of employees.

Corporate governance

The Board of Directors as well as the Executive Board regularly consider their own management roles and practice. This is done on the basis of the values of the Port of Grenaa:

- We solve tasks professionally - by having ambitious quality standards in all stages and functions.
- We offer diverse competencies - by taking good care of and developing qualified employees with professional diversity.
- We collaborate on the green solutions of the future - by sharing experience, networks and facilities.
- We invest in sustainable transition – by using 10% of the Port's profit on sustainable measures within our strategic focus areas.
- We act proactively - by daring to take new paths.
- We work flexibly - by going to great lengths to support our customers' business and ideas.
- We lift the local community - by supporting and developing local initiatives that promote the good life.
- We are an inclusive employer – by offering different kinds of employment based on the individual employee's needs.

Risk management and internal control in financial reporting

Risk management and internal controls have been planned so as to present financial statements that are consistent with the accounting provisions of the Danish Financial Statements Act governing reporting class D enterprises and applicable Danish accounting standards.

Financial reporting and control systems have been developed with a view to effectively managing the risk of material misstatement. However, there is no absolute guarantee that errors or irregularities in the financial reporting process will be detected and corrected.

Control environment

The Board of Directors is responsible for the overall supervision of financial reporting and monitors the effectiveness of the internal control and risk management systems. The Board of Directors is in regular dialogue with the Executive Board on monitoring key risks and mitigating them through the control activities agreed. The Board of Directors works according to an annual plan which sets deadlines for following up on financial reporting, strategic sanity checks, benchmarks and forecasts etc.

Control activities

The Port of Grenaa has set up control activities designed to prevent, detect and correct any errors or irregularities. The size of the organisation is such that Management's overall controls constitute a significant element of the control activities.

Information and communication

Information and reporting systems are in place to ensure that financial statements give a true and fair view. These systems also serve as a basis for forecasting procedures, interim financial reporting, capital expenditure, credit facilities, etc.

Continuous reporting to the Board of Directors and the Executive Board comprises:

- Comparison of forecasted results, prior year results and realised results;
- Forecasting, cost management and regular follow-up on capital expenditure;
- Review of insurance, funding and IT policies;
- Review of the Board of Directors' rules of procedure;
- Review of financial liabilities and cash resources;
- Follow-up on and strategic sanity check of strategic plan;
- Duty to check information registered on the Company's beneficial owners, cf. Section 58a(4) of the Danish Companies Act.

Monitoring

Reporting to the Board of Directors and the Executive Board is reviewed on a quarterly basis, and additional analyses and control activities are performed as part of the presentation of interim and annual financial statements to ensure that they are presented in accordance with the accounting provisions.

Risk assessment

The key financial reporting risk identified is the valuation of areas, buildings, basins, waterways, piers, quays and roads etc.

The accounting estimates of assets' useful lives are reviewed on a regular basis, and any indications of impairment are reviewed based on expected activities and earnings.

The Port's application for a dredging licence is still awaiting processing by the Danish Ministry of the Environment since its submission in the summer of 2022. Cleaning and levelling the port seabed is essential for large ships and rigs to enter the port. Alternative methods will result in significant costs for the Group.

The company's ISO main flow diagram is used for the business process in the Port of Grenaa and Driftsselskabet Grenaa Havn A/S and can contribute to assessment of risks.

12.01.2024 08.53

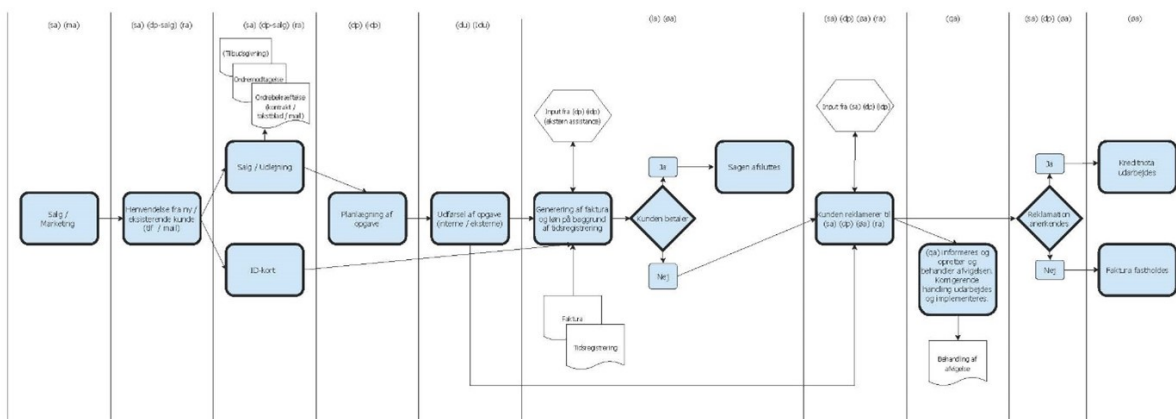
Grenaa Havn A/S

Hovedflowdiagram (hf)



Procedure Opdateret: 2024-01-12 08:51 - MEK Implementeret Aktuel version Ejer: HEC

Gældende for
 Alle medarbejdere på Grenaa Havn A/S og Driftsselskabet Grenaa Havn A/S
Ansvarlig for proceduren
 Direktionen



The Port of Grenaa is governed by the International Ship and Port Facility Security Code. This means that the port is divided into different zones and that most of it is secured by way of fences, gate barriers and access control.

Cyber threat to Danish ports and logistics companies is assessed by the Centre for Cyber Security. The Port of Grenaa continuously refers to the current threat level within several parameters. We pay close attention to all aspects of IT security and therefore have a comprehensive IT policy and IT instructions, among other things. We regularly train our employees in both, including specific IT behaviour.

The duties and responsibilities of the Board of Directors

The board members of the Port of Grenaa do not perform any functions apart from being members of the Board of Directors, with the exception of Lene Skovsgaard Sørensen, who performs industry-related consultancy work for the Port of Grenaa.

The table below shows the board members' other directorships:

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|------|-----------------------|-----------------------|-----------------------|-----------------------|
| Øverste ledelsesorgan (Samlet antal generalforsamlingsvalgte bestyrelsesmedlemmer alle A/S) | 14 | 15 | 16 | 15 | 14 |
| Underrepræsenteret køn i pct. | 29% | 33% | 44% | 47% | 43% |
| *Måltal i pct. | - | 33% Måltal opfyldt | 33% Måltal opfyldt | 40% Måltal opfyldt | 40% Måltal opfyldt |
| Årstal for opfyldelse af måltal | - | 2020 | 2021 | 2022 | 2023 |
| <p><i>*Da der er færre end 50 medarbejdere i koncernen, er selskaberne undtaget for at sætte en målsætning. Her er aktivt truffet valg om måltal siden 2020. Bestyrelsesmedlemmer udpeget af ejeren Norddjurs Kommune indgår ikke i beregningerne.</i></p> | | | | | |
| Øvrigt ledelsesniveau (samlet for direktionen og personer med personaleansvar) | 3 | 3 | 4 | 6 | 6 |
| Underrepræsenteret køn i pct. | 33% | 33% | 25% | 50% | 50% |
| **Årstal for opfyldelse af måltal | - | - | - | - | - |
| <p><i>**Da der er færre end 50 medarbejdere i koncernen, er selskaberne undtaget for at sætte en målsætning. Der er ikke sat en målsætning for øvrigt ledelsesniveau.</i></p> | | | | | |

The table below shows the Executive Board members' other directorships:

CEO Henrik Skade Carstensen

Anholt Havn A/S, Chairman

Driftsselskabet Grenaa Havn A/S, Chairman

Sydhavnen A/S, Deputy Chairman

CFO Kirsten Hvid Schmidt

Anholt Havn A/S

Driftsselskabet Grenaa Havn A/S

Statutory report on corporate social responsibility

The Port of Grenaa's facilities and business are run in accordance with its mission and hence on an economically, environmentally and socially sustainable basis.

The Port of Grenaa's CSR policy sets the direction for the Port's socially responsible initiatives and attitudes, which are also reflected in the Port's subsidiaries Sydhavnen A/S, Anholt Havn A/S and Driftsselskabet Grenaa Havn A/S. The CSR strategy forms the basis for the annual CSR report, which is presented together with the annual report of the Group Port of Grenaa A/S at the annual general meeting.

Environmental performance

The Port of Grenaa's facilities and business are run in accordance with its mission and hence on an economically, environmentally and socially sustainable basis.

The Port of Grenaa's CSR policy sets the direction for the Port's socially responsible initiatives and attitudes, which are also reflected in the Port's subsidiaries Sydhavnen A/S, Anholt Havn A/S and Driftsselskabet Grenaa Havn A/S. As part of the CSR policy, the Port of Grenaa has chosen to focus on nine of the UN's Sustainable Development Goals, as defined by the UN Global Compact. The CSR policy forms the basis for the annual CSR report, which is presented together with the annual report of the Port of Grenaa Group at the annual general meeting.

Please refer to the CSR report for 2022 in accordance with Sections 99a, 99b, 99d and 107d of the Danish Financial Statements Act for the Group's reporting on the following areas:

- Human rights, anti-corruption and bribery
- Freedom of expression and privacy
- Human resources
- Diversity in the Board of Directors, Executive Board and organisation
- Environment and climate
- Data ethics
- Local community

The CSR report 2022 for the Grenaa Havn A/S Group can be downloaded using the following link on the Port of Grenaa's website www.greناهavn.dk/kontakt/publikationer

Statutory report on the underrepresented gender

According to Section 99b of the Danish Financial Statements Act, the Port of Grenaa provides the following statutory report on the underrepresented gender and diversity in the workplace.

Five-year key figures of the underrepresented gender

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------|------|------|------|------|
| Supreme management body (Boards of Directors all A/S) | | | | | |
| Total number of members | 14 | 15 | 16 | 15 | 14 |
| Underrepresented gender in % | 29% | 33% | 44% | 47% | 43% |
| Target in % | - | 33% | 33% | 40% | 40% |
| <i>As there are fewer than 50 employees in the Group, the companies are exempt from setting a target. An active choice of target figures has been made.</i> | | | | | |
| Year of achievement of target | - | 2020 | 2021 | 2022 | 2023 |
| Other management level 1 (the Executive Board) | 2 | 2 | 2 | 2 | 2 |
| Other management level 2 (persons with staff responsibility) | 1 | 1 | 2 | 4 | 4 |
| Total number of members | 3 | 3 | 4 | 6 | 6 |
| Underrepresented gender in % | 33% | 33% | 25% | 50% | 50% |
| Year of achievement of target | - | - | - | - | - |
| <i>As there are fewer than 50 employees in the Group, the companies are exempt from setting a target. No targets have been set for other management levels.</i> | | | | | |

Board members appointed by the owner Norddjurs Kommune are not included in the calculations.

Please refer to the CSR report for 2023 in accordance with Sections 99a, 99b, 99d and 107d of the Danish Financial Statements Act for the Group's reporting on the following areas:

- Human rights, anti-corruption and bribery
- Freedom of expression and privacy
- Human resources
- Environment and climate

- *Data ethics*
- *Local community*

The CSR report 2023 for the Grenaa Havn A/S Group can be downloaded using the following link on the Port of Grenaa's website www.grenaaahavn.dk/kontakt/publikationer

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|-------------------|-------------------|
| Revenue | 3 | 79,891,332 | 72,279,042 |
| Other operating income | 4 | 2,430,714 | 1,268,988 |
| Other external expenses | 5 | (36,210,117) | (30,774,635) |
| Gross profit/loss | | 46,111,929 | 42,773,395 |
| Staff costs | 6 | (17,961,966) | (18,518,691) |
| Depreciation, amortisation and impairment losses | 7 | (13,897,478) | (13,389,813) |
| Operating profit/loss | | 14,252,485 | 10,864,891 |
| Other financial income | 8 | 27,362 | 2,248,713 |
| Other financial expenses | 9 | (2,109,872) | (1,418,934) |
| Profit/loss before tax | | 12,169,975 | 11,694,670 |
| Tax on profit/loss for the year | 10 | (265,950) | (1,138,404) |
| Profit/loss for the year | 11 | 11,904,025 | 10,556,266 |

Consolidated balance sheet at 31.12.2023

Assets

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|--------------------|--------------------|
| Land and buildings | | 137,224,178 | 141,122,955 |
| Plant and machinery | | 54,006,605 | 45,236,716 |
| Other fixtures and fittings, tools and equipment | | 193,007,373 | 193,679,573 |
| Property, plant and equipment | 12 | 384,238,156 | 380,039,244 |
| Other investments | | 58,630 | 58,520 |
| Other receivables | | 4,250,000 | 0 |
| Financial assets | 13 | 4,308,630 | 58,520 |
| Fixed assets | | 388,546,786 | 380,097,764 |
| Trade receivables | | 8,203,191 | 9,549,950 |
| Other receivables | 14 | 7,734,600 | 3,688,084 |
| Prepayments | 15 | 2,028,612 | 670,564 |
| Receivables | | 17,966,403 | 13,908,598 |
| Cash | | 2,488,518 | 4,417,937 |
| Current assets | | 20,454,921 | 18,326,535 |
| Assets | | 409,001,707 | 398,424,299 |

Equity and liabilities

| | Notes | 2023 DKK | 2022 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | 16 | 20,000,000 | 20,000,000 |
| Retained earnings | | 224,854,233 | 212,950,208 |
| Equity | | 244,854,233 | 232,950,208 |
| Deferred tax | 17 | 173,487 | 336,867 |
| Provisions | | 173,487 | 336,867 |
| Mortgage debt | | 61,695,230 | 65,545,230 |
| Lease liabilities | | 17,631,785 | 20,790,600 |
| Debt to other credit institutions | | 15,000,000 | 18,750,000 |
| Prepayments received from customers | | 25,650,000 | 29,286,731 |
| Non-current liabilities other than provisions | 18 | 119,977,015 | 134,372,561 |
| Current portion of non-current liabilities other than provisions | 18 | 14,031,002 | 13,919,822 |
| Bank loans | | 10,582,324 | 8,123,293 |
| Deposits | | 907,740 | 948,917 |
| Prepayments received from customers | | 118,057 | 127,059 |
| Trade payables | | 16,519,140 | 4,987,689 |
| Tax payable | | 389,344 | 826,283 |
| Other payables | 19 | 1,428,853 | 1,830,050 |
| Deferred income | 20 | 20,512 | 1,550 |
| Current liabilities other than provisions | | 43,996,972 | 30,764,663 |
| Liabilities other than provisions | | 163,973,987 | 165,137,224 |
| Equity and liabilities | | 409,001,707 | 398,424,299 |
| Events after the balance sheet date | 1 | | |
| Uncertainty relating to recognition and measurement | 2 | | |
| Fair value information | 22 | | |
| Unrecognised rental and lease commitments | 23 | | |
| Assets charged and collateral | 24 | | |
| Subsidiaries | 25 | | |

Consolidated statement of changes in equity for 2023

| | Contributed capital DKK | Retained earnings DKK | Total DKK |
|---------------------------|-------------------------------|-----------------------------|--------------------|
| Equity beginning of year | 20,000,000 | 212,950,208 | 232,950,208 |
| Profit/loss for the year | 0 | 11,904,025 | 11,904,025 |
| Equity end of year | 20,000,000 | 224,854,233 | 244,854,233 |

Consolidated cash flow statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|---|-------|---------------------|---------------------|
| Operating profit/loss | | 14,252,485 | 10,864,891 |
| Amortisation, depreciation and impairment losses | | 13,897,478 | 13,389,813 |
| Working capital changes | 21 | 3,173,466 | (121,870) |
| Cash flow from ordinary operating activities | | 31,323,429 | 24,132,834 |
| Financial income received | | 27,362 | 19,510 |
| Financial expenses paid | | (2,109,873) | (1,418,944) |
| Taxes refunded/(paid) | | (877,212) | 0 |
| Other cash flows from operating activities | | 0 | (82,000) |
| Cash flows from operating activities | | 28,363,706 | 22,651,400 |
| Acquisition etc. of property, plant and equipment | | (23,136,351) | (27,619,498) |
| Sale of property, plant and equipment | | 5,050,797 | 2,657,264 |
| Cash flows from investing activities | | (18,085,554) | (24,962,234) |
| Free cash flows generated from operations and investments before financing | | 10,278,152 | (2,310,834) |
| Loans raised | | 2,459,031 | 6,041,745 |
| Repayments of loans etc. | | (14,666,602) | (7,257,986) |
| Cash flows from financing activities | | (12,207,571) | (1,216,241) |
| Increase/decrease in cash and cash equivalents | | (1,929,419) | (3,527,075) |
| Cash and cash equivalents beginning of year | | 4,417,937 | 7,945,012 |
| Cash and cash equivalents end of year | | 2,488,518 | 4,417,937 |
| Cash and cash equivalents at year-end are composed of: | | | |
| Cash | | 2,488,518 | 4,417,937 |
| Cash and cash equivalents end of year | | 2,488,518 | 4,417,937 |

Notes to consolidated financial statements

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Uncertainty relating to recognition and measurement

The Group's financial contracts are measured at fair value. The fair value of the individual forward contract is calculated on the basis of a number of assumptions, including expected consumption of kWh, the market spot price of kWh and the fixed price per kWh, see the description in accounting policies and note 13. The determination of the future spot price per kWh as well as the future expected consumption of kWh is subject to uncertainty.

3 Revenue

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | DKK | DKK |
| Denmark | 79,891,332 | 72,279,042 |
| Total revenue by geographical market | 79,891,332 | 72,279,042 |
| Shipping and quay fees | 30,671,412 | 27,720,176 |
| Rental of areas and buildings | 29,839,781 | 23,956,396 |
| Other activities | 19,380,139 | 20,602,470 |
| Total revenue by activity | 79,891,332 | 72,279,042 |

4 Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Company's primary activities and relates to payroll refunds and gains from the sale of fixed assets.

5 Fees to the auditor appointed by the Annual General Meeting

| | 2023 | 2022 |
|--------------------------|----------------|----------------|
| | DKK | DKK |
| Statutory audit services | 160,000 | 160,000 |
| Other services | 191,500 | 68,000 |
| | 351,500 | 228,000 |

6 Staff costs

| | 2023 | 2022 |
|---------------------------------------|-------------------|-------------------|
| | DKK | DKK |
| Wages and salaries | 15,603,442 | 15,248,324 |
| Pension costs | 2,147,393 | 1,982,018 |
| Other social security costs | 193,110 | 178,302 |
| Other staff costs | 18,021 | 1,110,047 |
| | 17,961,966 | 18,518,691 |
| Average number of full-time employees | 23 | 22 |

| | Remuneration of management 2023 DKK | Remuneration of management 2022 DKK |
|--------------------|--|--|
| Executive Board | 4,059,072 | 3,910,819 |
| Board of Directors | 802,717 | 600,074 |
| | 4,861,789 | 4,510,893 |

7 Depreciation, amortisation and impairment losses

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | DKK | DKK |
| Depreciation on property, plant and equipment | 13,897,478 | 13,389,813 |
| | 13,897,478 | 13,389,813 |

8 Other financial income

| | 2023 | 2022 |
|---------------------------|---------------|------------------|
| | DKK | DKK |
| Other interest income | 10,627 | 1,987 |
| Exchange rate adjustments | 0 | 15 |
| Fair value adjustments | 110 | 2,229,203 |
| Other financial income | 16,625 | 17,508 |
| | 27,362 | 2,248,713 |

9 Other financial expenses

| | 2023 | 2022 |
|--|------------------|------------------|
| | DKK | DKK |
| Other interest expenses | 1,908,392 | 1,289,554 |
| Exchange rate adjustments | 2,365 | 5,673 |
| Fair value adjustments | 1,510 | 0 |
| Interest expenses from tax paid on account | 36,355 | 0 |
| Other financial expenses | 161,250 | 123,707 |
| | 2,109,872 | 1,418,934 |

10 Tax on profit/loss for the year

| | 2023 | 2022 |
|--------------------------------------|----------------|------------------|
| | DKK | DKK |
| Current tax | 429,343 | 908,283 |
| Change in deferred tax | (163,380) | 236,667 |
| Adjustment concerning previous years | (13) | (6,546) |
| | 265,950 | 1,138,404 |

11 Proposed distribution of profit/loss

| | 2023 | 2022 |
|-------------------|-------------------|-------------------|
| | DKK | DKK |
| Retained earnings | 11,904,025 | 10,556,266 |
| | 11,904,025 | 10,556,266 |

12 Property, plant and equipment

| | Land and buildings | Plant and machinery | Other fixtures and fittings, tools and equipment |
|---|---------------------------|----------------------------|---|
| | DKK | DKK | DKK |
| Cost beginning of year | 170,004,384 | 119,210,554 | 259,110,984 |
| Transfers | 308,984 | (518,934) | 262,941 |
| Additions | 3,247,633 | 15,585,820 | 4,302,898 |
| Disposals | (6,077,226) | (405,959) | (70,317) |
| Cost end of year | 167,483,775 | 133,871,481 | 263,606,506 |
| Depreciation and impairment losses beginning of year | (28,881,429) | (73,973,838) | (65,431,411) |
| Transfers | (1) | 220,785 | (262,939) |
| Depreciation for the year | (2,404,626) | (6,517,752) | (4,975,100) |
| Reversal regarding disposals | 1,026,459 | 405,929 | 70,317 |
| Depreciation and impairment losses end of year | (30,259,597) | (79,864,876) | (70,599,133) |
| Carrying amount end of year | 137,224,178 | 54,006,605 | 193,007,373 |
| Recognised assets not owned by Entity | 0 | 25,104,686 | 0 |

13 Financial assets

| | Other investments DKK | Other receivables DKK |
|------------------------------------|--------------------------------------|--------------------------------------|
| Cost beginning of year | 23,600 | 0 |
| Additions | 0 | 4,250,000 |
| Cost end of year | 23,600 | 4,250,000 |
| Revaluations beginning of year | 34,920 | 0 |
| Revaluations for the year | 110 | 0 |
| Revaluations end of year | 35,030 | 0 |
| Carrying amount end of year | 58,630 | 4,250,000 |

14 Other receivables

| | 2023 DKK | 2022 DKK |
|----------------------------------|---------------------|---------------------|
| Derivative financial instruments | 2,208,972 | 2,218,313 |
| Other receivables | 5,525,628 | 1,469,771 |
| | 7,734,600 | 3,688,084 |

Other receivables include a positive fair value of financial futures contracts of DKK 2,209k. The Company has signed a financial Baseload Power Purchasing agreement in the financial year 2022. The financial Baseload Power Purchasing agreement has a term of 10 years and is therefore still effective in the financial year 2023.

Fair value of the forward contracts is calculated at the present value of the expected payments upon settlement of the instruments based on relevant observable forward spot prices of electricity. The determination of fair value does not include correction for the company's or the counterparty's credit risk as the effect thereof is considered immaterial. Fair value is calculated based on the market price of futures contracts on electricity for the next three years, whereas the remaining years of the contract term, equal to the terminal period, have been recognised at a fixed spot price of DKK 0.65 per kWh and expected consumption of 880,045 kWh per year in the terminal period.

The forward contracts are settled on a monthly basis per company in the Group, meaning that the fair value at 31.12.2023 consists of 144 future settlements in addition to the terminal period.

The forward contracts are specified as follows at 31.12.2023:

- 48 forward contracts with an expected consumption of 880,045 kWh at an average spot price of DKK 0.68 per kWh, which is settled in the period 01.01.2024 - 31.12.2024.
- 48 forward contracts with an expected consumption of 880,045 kWh at an average spot price of DKK 0.65 per kWh, which is settled in the period 01.01.2025 - 31.12.2025.
- 48 forward contracts with an expected consumption of 880,045 kWh at an average spot price of DKK 0.64 per kWh, which is settled in the period 01.01.2026 - 31.12.2026.

15 Prepayments

Prepayments include costs paid in 2023 relating to 2024.

16 Contributed capital

| | Number | Par value DKK | Nominal value DKK |
|----------|------------|------------------|-------------------------|
| A-shares | 5 | 1,000,000.00 | 5,000,000 |
| B-shares | 100 | 1,000.00 | 100,000 |
| B-shares | 9 | 100,000.00 | 900,000 |
| B-shares | 14 | 1,000,000.00 | 14,000,000 |
| | 128 | | 20,000,000 |

17 Deferred tax

| | 2022 DKK |
|-------------------------|----------------|
| Fixed asset investments | 336,867 |
| Deferred tax | 336,867 |

| Changes during the year | 2023 DKK | 2022 DKK |
|------------------------------------|----------------|----------------|
| Beginning of year | 336,867 | 100,200 |
| Recognised in the income statement | (163,380) | 236,667 |
| End of year | 173,487 | 336,867 |

18 Non-current liabilities other than provisions

| | Due within 12 months 2023 DKK | Due within 12 months 2022 DKK | Due after more than 12 months 2023 DKK | Outstanding after 5 years 2023 DKK |
|-------------------------------------|--|--|--|---|
| Mortgage debt | 3,850,000 | 3,824,540 | 61,695,230 | 46,037,209 |
| Lease liabilities | 3,581,002 | 3,495,282 | 17,631,785 | 6,823,629 |
| Debt to other credit institutions | 3,750,000 | 3,750,000 | 15,000,000 | 0 |
| Prepayments received from customers | 2,850,000 | 2,850,000 | 25,650,000 | 14,250,000 |
| | 14,031,002 | 13,919,822 | 119,977,015 | 67,110,838 |

19 Other payables

| | 2023 DKK | 2022 DKK |
|--|------------------|------------------|
| VAT and duties | 0 | 604,083 |
| Wages and salaries, personal income taxes, social security costs, etc. payable | 1,230,610 | 998,887 |
| Other costs payable | 198,243 | 227,080 |
| | 1,428,853 | 1,830,050 |

20 Deferred income

Accruals include costs paid in 2023 relating to 2022.

21 Changes in working capital

| | 2023 | 2022 |
|--|------------------|------------------|
| | DKK | DKK |
| Increase/decrease in receivables | (8,307,806) | 14,108,220 |
| Increase/decrease in trade payables etc. | 11,481,272 | (14,230,090) |
| | 3,173,466 | (121,870) |

22 Fair value information

| | Shares | Financial |
|--|---------------|--------------------|
| | DKK | instruments |
| | | DKK |
| Fair value end of year | 58,630 | 2,208,972 |
| Unrealised fair value adjustments recognised in the income statement | 110 | (9,341) |

23 Unrecognised rental and lease commitments

| | 2023 | 2022 |
|---|-------------|-------------|
| | DKK | DKK |
| Total liabilities under rental or lease agreements until maturity | 1,469,358 | 915,631 |

24 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

At 31 December 2023, mortgage debt amounts to DKK 65,545k compared to DKK 69,370k at 31 December 2022.

Commitments with credit institutions are secured on deposited owner's mortgages and all monies mortgages of a total of DKK 43,500k at 31.12.2023 on the Company's land and buildings.

At 31 December 2023, the carrying amount of land and buildings is DKK 137,224k compared to DKK 141,123k at 31 December 2022.

25 Subsidiaries

| | Registered in | Corporate form | Ownership % |
|--------------------------------|----------------------|-----------------------|--------------------|
| Anholt Havn A/S | Norddjurs | A/S | 100.00 |
| Driftselskabet Grenaa Havn A/S | Norddjurs | A/S | 100.00 |
| Sydhavnen A/S | Norddjurs | A/S | 100.00 |

Parent income statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|-------------------|-------------------|
| Revenue | 2 | 72,011,632 | 63,146,299 |
| Other operating income | 3 | 671,819 | 452,544 |
| Other external expenses | | (37,865,707) | (36,289,452) |
| Gross profit/loss | | 34,817,744 | 27,309,391 |
| Staff costs | 4 | (10,138,467) | (9,879,432) |
| Depreciation, amortisation and impairment losses | | (12,496,288) | (11,799,596) |
| Operating profit/loss | | 12,182,989 | 5,630,363 |
| Income from investments in group enterprises | | 2,299,117 | 4,883,653 |
| Other financial income | 5 | 6,563 | 1,397,404 |
| Other financial expenses | 6 | (2,584,646) | (1,355,154) |
| Profit/loss for the year | 7 | 11,904,023 | 10,556,266 |

Parent balance sheet at 31.12.2023

Assets

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|--------------------|--------------------|
| Land and buildings | | 116,860,777 | 115,214,458 |
| Plant and machinery | | 53,762,921 | 44,656,756 |
| Other fixtures and fittings, tools and equipment | | 187,817,829 | 188,431,217 |
| Property, plant and equipment | 8 | 358,441,527 | 348,302,431 |
| Investments in group enterprises | | 51,015,323 | 48,716,207 |
| Other investments | | 58,630 | 58,520 |
| Financial assets | 9 | 51,073,953 | 48,774,727 |
| Fixed assets | | 409,515,480 | 397,077,158 |
| Trade receivables | | 7,559,466 | 8,836,710 |
| Receivables from group enterprises | | 25,723 | 15,930 |
| Other receivables | 10 | 5,250,781 | 2,370,754 |
| Prepayments | 11 | 1,936,277 | 572,846 |
| Receivables | | 14,772,247 | 11,796,240 |
| Cash | | 0 | 1,435 |
| Current assets | | 14,772,247 | 11,797,675 |
| Assets | | 424,287,727 | 408,874,833 |

Equity and liabilities

| | Notes | 2023 DKK | 2022 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | | 20,000,000 | 20,000,000 |
| Retained earnings | | 224,854,233 | 212,950,210 |
| Equity | | 244,854,233 | 232,950,210 |
| Mortgage debt | | 61,695,230 | 65,545,230 |
| Lease liabilities | | 17,631,785 | 20,790,600 |
| Debt to other credit institutions | | 15,000,000 | 18,750,000 |
| Prepayments received from customers | | 25,650,000 | 29,286,731 |
| Non-current liabilities other than provisions | 12 | 119,977,015 | 134,372,561 |
| Current portion of non-current liabilities other than provisions | 12 | 14,031,002 | 13,919,822 |
| Bank loans | | 10,249,408 | 7,645,288 |
| Deposits | | 502,077 | 563,493 |
| Trade payables | | 14,783,351 | 3,923,600 |
| Payables to group enterprises | | 19,232,244 | 14,935,817 |
| Other payables | 13 | 658,397 | 564,042 |
| Current liabilities other than provisions | | 59,456,479 | 41,552,062 |
| Liabilities other than provisions | | 179,433,494 | 175,924,623 |
| Equity and liabilities | | 424,287,727 | 408,874,833 |
| Unusual circumstances | 1 | | |
| Unrecognised rental and lease commitments | 14 | | |
| Assets charged and collateral | 15 | | |
| Related parties with controlling interest | 16 | | |
| Non-arm's length related party transactions | 17 | | |

Parent statement of changes in equity for 2023

| | Contributed capital DKK | Retained earnings DKK | Total DKK |
|---------------------------|--|--------------------------------------|----------------------|
| Equity beginning of year | 20,000,000 | 212,950,210 | 232,950,210 |
| Profit/loss for the year | 0 | 11,904,023 | 11,904,023 |
| Equity end of year | 20,000,000 | 224,854,233 | 244,854,233 |

Notes to parent financial statements

1 Unusual circumstances

The Company's financial contracts are measured at fair value. The fair value of the individual forward contract is calculated on the basis of a number of assumptions, including estimated consumption of kWh, the market spot price of kWh and the fixed price per kWh, cf. the description in accounting policies and note 10 to the financial statements. The determination of the future spot price per kWh as well as future estimated consumption of kWh is subject to uncertainty.

2 Revenue

| | 2023 DKK | 2022 DKK |
|---|-------------------|-------------------|
| Denmark | 72,011,632 | 63,146,299 |
| Total revenue by geographical market | 72,011,632 | 63,146,299 |
| Shipping and quay fees | 26,340,494 | 26,667,664 |
| Rental of areas and buildings | 26,569,469 | 19,097,617 |
| Other activities | 19,101,669 | 17,381,018 |
| Total revenue by activity | 72,011,632 | 63,146,299 |

3 Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities relates to sale of properties.

4 Staff costs

| | 2023 DKK | 2022 DKK |
|---------------------------------------|-------------------|------------------|
| Wages and salaries | 8,427,938 | 8,262,043 |
| Pension costs | 1,625,909 | 1,536,573 |
| Other social security costs | 66,599 | 66,126 |
| Other staff costs | 18,021 | 14,690 |
| | 10,138,467 | 9,879,432 |
| Average number of full-time employees | 10 | 10 |

| | Remuneration of Manage- ment 2023 DKK | Remuneration of Manage- ment 2022 DKK |
|--------------------|---|---|
| Executive Board | 4,059,071 | 3,910,819 |
| Board of Directors | 531,842 | 525,644 |
| | 4,590,913 | 4,436,463 |

5 Other financial income

| | 2023 DKK | 2022 DKK |
|------------------------|--------------|------------------|
| Fair value adjustments | 110 | 1,380,897 |
| Other financial income | 6,453 | 16,507 |
| | 6,563 | 1,397,404 |

6 Other financial expenses

| | 2023 DKK | 2022 DKK |
|---|------------------|------------------|
| Financial expenses from group enterprises | 567,437 | 35,921 |
| Other interest expenses | 1,904,054 | 1,257,163 |
| Exchange rate adjustments | 2,365 | 5,673 |
| Other financial expenses | 110,790 | 56,397 |
| | 2,584,646 | 1,355,154 |

7 Proposed distribution of profit and loss

| | 2023 DKK | 2022 DKK |
|-------------------|-------------------|-------------------|
| Retained earnings | 11,904,023 | 10,556,266 |
| | 11,904,023 | 10,556,266 |

8 Property, plant and equipment

| | Land and buildings DKK | Plant and machinery DKK | Other fixtures and fittings, tools and equipment DKK |
|---|------------------------------|-------------------------------|--|
| Cost beginning of year | 131,340,456 | 117,944,185 | 248,730,775 |
| Transfers | 0 | (76,641) | 118,796 |
| Additions | 3,229,374 | 15,537,221 | 3,874,093 |
| Disposals | (5,304) | (405,959) | 0 |
| Cost end of year | 134,564,526 | 132,998,806 | 252,723,664 |
| Depreciation and impairment losses beginning of year | (16,125,998) | (73,287,429) | (60,299,558) |
| Transfers | 0 | 76,639 | (118,794) |
| Depreciation for the year | (1,577,751) | (6,431,024) | (4,487,483) |
| Reversal regarding disposals | 0 | 405,929 | 0 |
| Depreciation and impairment losses end of year | (17,703,749) | (79,235,885) | (64,905,835) |
| Carrying amount end of year | 116,860,777 | 53,762,921 | 187,817,829 |
| Recognised assets not owned by entity | 0 | 25,104,686 | 0 |

9 Financial assets

| | Investments in group enterprises DKK | Other investments DKK |
|------------------------------------|---|--------------------------------------|
| Cost beginning of year | 59,871,557 | 23,600 |
| Cost end of year | 59,871,557 | 23,600 |
| Revaluations beginning of year | (11,155,350) | 34,920 |
| Share of profit/loss for the year | 2,299,116 | 0 |
| Revaluations for the year | 0 | 110 |
| Revaluations end of year | (8,856,234) | 35,030 |
| Carrying amount end of year | 51,015,323 | 58,630 |

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

10 Other receivables

| | 2023 DKK | 2022 DKK |
|----------------------------------|---------------------|---------------------|
| Derivative financial instruments | 1,364,238 | 1,370,007 |
| Other receivables | 3,886,543 | 1,000,747 |
| | 5,250,781 | 2,370,754 |

Other receivables include a positive fair value of financial futures contracts of DKK 2,209k. The Company has signed a financial Baseload Power Purchasing agreement in the financial year 2022. The financial Baseload Power Purchasing agreement has a term of 10 years and is therefore still effective in the financial year 2023.

Fair value of the forward contracts is calculated at the present value of the expected payments upon settlement of the instruments based on relevant observable forward spot prices of electricity. The determination of fair value does not include correction for the company's or the counterparty's credit risk as the effect thereof is considered immaterial. Fair value is calculated based on the market price of futures contracts on electricity for the next three years, whereas the remaining years of the contract term, equal to the terminal period, have been recognised at a fixed spot price of DKK 0.65 per kWh and expected consumption of 880,045 kWh per year in the terminal period.

The forward contracts are settled on a monthly basis per company in the Group, meaning that the fair value at 31.12.2023 consists of 144 future settlements in addition to the terminal period.

The forward contracts are specified as follows at 31.12.2023:

- 48 forward contracts with an expected consumption of 880,045 kWh at an average spot price of DKK 0.68 per kWh, which is settled in the period 01.01.2024 - 31.12.2024.
- 48 forward contracts with an expected consumption of 880,045 kWh at an average spot price of DKK 0.65 per kWh, which is settled in the period 01.01.2025 - 31.12.2025.
- 48 forward contracts with an expected consumption of 880,045 kWh at an average spot price of DKK 0.64 per kWh, which is settled in the period 01.01.2026 - 31.12.2026.

11 Prepayments

Prepayments include costs paid in 2022 relating to 2023.

12 Non-current liabilities other than provisions

| | Due within 12 months 2023 DKK | Due within 12 months 2022 DKK | Due after more than 12 months 2023 DKK | Outstanding after 5 years 2023 DKK |
|-------------------------------------|--|--|--|---|
| Mortgage debt | 3,850,000 | 3,824,540 | 61,695,230 | 46,037,209 |
| Lease liabilities | 3,581,002 | 3,495,282 | 17,631,785 | 6,823,629 |
| Debt to other credit institutions | 3,750,000 | 3,750,000 | 15,000,000 | 0 |
| Prepayments received from customers | 2,850,000 | 2,850,000 | 25,650,000 | 14,250,000 |
| | 14,031,002 | 13,919,822 | 119,977,015 | 67,110,838 |

13 Other payables

| | 2023 DKK | 2022 DKK |
|--|----------------|----------------|
| Wages and salaries, personal income taxes, social security costs, etc. payable | 654,933 | 550,406 |
| Other costs payable | 3,464 | 13,636 |
| | 658,397 | 564,042 |

14 Unrecognised rental and lease commitments

| | 2023 DKK | 2022 DKK |
|--|-------------------|-------------------|
| Total liabilities under rental or lease agreements until maturity | 11,954,214 | 12,194,095 |
| Of this, liabilities under rental or lease agreements with group enterprises | 10,484,856 | 11,278,464 |

15 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

At 31 December 2023, mortgage debt amounts to DKK 65,545k compared to DKK 69,370k at 31 December 2022.

Commitments with credit institutions are secured on deposited owner's mortgages and all monies mortgages of a total of DKK 43,500k at 31.12.2023 on the Company's land and buildings.

At 31 December 2023, the carrying amount of land and buildings is DKK 137,224k compared to DKK 141,123k at 31 December 2022.

16 Related parties with controlling interest

Norddjurs Kommune owns all shares in the Entity, thus exercising control.

17 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were

conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the

rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds .

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, sub-suppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the manufacturing process are recognised in cost based on time spent on each asset.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

| | Useful life |
|--|--------------------|
| Buildings | 10-25år |
| Plant and machinery | 3-15år |
| Other fixtures and fittings, tools and equipment | 5-75år |
| Installations | 4-5år |

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Other investments

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance lease.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, conclusion of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.