

## **Chairman's Report at the Annual General Meeting of Port of Grenaa**

28 April 2025

Welcome to this year's Annual General Meeting and to the item on the agenda that I personally look forward to – namely the Chairman's Report for Port of Grenaa for the year 2024.

Here in Grenaa, we have a strategic location as Denmark's most centrally located deep-water port. At the same time, we are a smaller player in the larger global picture – a world that, more than last year, is characterized by unrest and conflict. This affects us as people, although as a company we have fortunately not experienced significant disruptions to our daily operations. Not yet, not even though the United States has a new president. However, as part of our security efforts – like many others – we have heightened our awareness, particularly regarding the threat of cybercrime. Now to some of the many positive developments I would like to share with you about the status of Port of Grenaa.

### **Results**

Despite global challenges, Port of Grenaa has had another strong year. Activity levels have been high – benefiting the business and greatly benefiting the local community. Once again, this year, we can present a very satisfactory result. Our somewhat cautious and conservative expectation of merely consolidating the business was exceeded – again – we can conclude. For no less than the sixth consecutive year, we can present a record turnover in 2024. And for the ninth consecutive year, we have achieved revenue growth.

The result amounted to DKK 17 million after tax, compared to DKK 11.9 million in 2023. Revenue reached DKK 88.37 million compared to DKK 79.89 million in 2023. This reflects both a healthy core business and our ability to flexibly attract and execute large-scale projects.

However, we must remember that this year's result has been extraordinarily impacted by a contractual termination from a major international wind operator, which triggered an unforeseen additional operating income in 2024.

Our core business areas have delivered solid performance with high activity throughout the year. Increased activity does, however, leave its mark – and therefore we have once again carried out a number of maintenance projects to keep the port's physical facilities in excellent condition. When possible, we prioritize extraordinary maintenance.

In our subsidiary South Harbour, we have maintained our activities, and there are likewise well-planned activities for the coming year, which I hope many are looking forward to. At the initiative of Norddjurs Municipality, a new association, Norddjurs Development Association for Climate and Sustainable Urban Development, has been established. South Harbour forms a central part of this. I hope that 2025 will truly be the year when we see results from the work on foundation applications, including for climate adaptation projects.

In our subsidiary Anholt Marina, a strong result has been achieved. This is, of course, primarily based on a good summer season with many recreational sailors visiting. It is very positive to hear that Anholt Port receives much praise from guest sailors. We continue to maintain a strong reputation here. Overall, the Board considers the Group's 2024 results to be highly satisfactory.

### **The Year in Review**

The year 2024 began with a severe winter storm – a so-called 50-year event – which caused significant damage to our southern pier. Since then, we have been in dialogue with our insurance company and are now ready to begin repairs. The insurance does not cover the full amount of damage, and the financial year 2025 will also be affected by costs related to the pier.

Around the turn of the year 2024, we made the decision to undertake the largest investment in equipment in our history. It was therefore with great pleasure that, at the beginning of this month, we saw our new super crane, the Mantsinen 300 DEMG, come ashore. The crane is the largest of its kind in Denmark. With its dual-power system, it can operate on both diesel and electricity via shore power – making it an important contribution to our future port operations.

We are close to finalizing the design that will enable us to utilize the additional 18 megawatts of shore power established at the port in 2023. This places us among the European ports with the greatest available shore power capacity – outside the cruise sector. Combined with our ten-year agreement for 100% green electricity from solar and wind energy, this significantly strengthens our profile.

Regarding land infrastructure, we have continued to focus on improvements. We collaborate closely with the mayors of both Norddjurs and Syddjurs Municipalities, as well as Business Djursland, to jointly ensure that Djursland's infrastructure needs remain clearly on the agenda among politicians at Christiansborg. Most recently, in March 2025, Port of Grenaa submitted a consultation response regarding the expansion of Route 15 between Bale and Tåstrup.

At the national level, through Danish Ports, we are working to promote political focus on ports, including efforts to speed up administrative case processing – particularly related to seabed material disposal and dredging of navigation channels. There is no doubt that this work is highly important. The Port Partnership Report was presented in 2024, and we are now awaiting how the market and the Danish Parliament will utilize the many valuable contributions from the report.

Our daily work is constantly influenced by our surroundings. We are already well advanced in our ESG efforts, and sustainability shapes our business in many ways. The port's ISO certifications in quality, environment, and occupational health and safety are embedded in the organization. Once again in 2024, our audit proceeded successfully with only one non-conformity, which was promptly corrected. The port is ready to complete the planned re-certification in 2025. Over four years, the organization has expanded by three full-time employees to handle ISO, ESG, CSRD, and OHSE. And it does not stop there – Port of Grenaa must also comply with NIS2 from July 2025. These are significant requirements for a small organization of 30 employees.

Port of Grenaa's statement on corporate social responsibility for 2024 is incorporated into the management's review. I encourage everyone to draw inspiration from the many initiatives the organization works with daily to ensure the port's foundation and maintain a balance between investing in a sustainable future while preserving strong competitiveness.

In relation to competitiveness, I would like to highlight the results of our customer satisfaction survey from autumn 2024. In collaboration with an external partner, we conducted a comprehensive analysis that has provided valuable insights into customers' experiences and needs. The report will be important for our ongoing strategic work this year as we develop our 2030 strategy. As an example regarding loyalty and satisfaction, the report shows a score in the "world-class" category. This indicates an exceptionally high level of customer loyalty. Furthermore, the word "flexibility" was emphasized. We are very pleased about this, as it means a great deal to us in our daily work. We especially consider flexibility to be part of our DNA. We are therefore very humble about this result – but we can also underline that we are proud of it.

Despite strong loyalty, we currently see that our order book, for the first time in many years, may result in a consolidation year in 2025. Based on our estimates and best judgment, we do not expect another record turnover. We currently see a slowdown among some of our customers, although they also express future ambitions for increased activities in Grenaa.

Specifically, we are receiving many inquiries within the energy segment, particularly regarding carbon capture and storage (CCS). This segment requires large areas outside the port. Therefore, additional space remains extremely important for us – space we have sought for many years, including for our wind segment. On behalf of the Executive Management and the Board, I would like to express our great frustration that the government and national politicians have once again contributed to postponing offshore wind projects. This creates significant challenges for the entire industry regarding capacity and security of supply. I hope that a new proposal will soon be presented, so that projects in the Kattegat can move forward. One may rightly ask: What is the government's vision for the wind sector?

To look ahead toward new opportunities, this year we have formalized our strategic cooperation with Hallands Ports by signing a partnership agreement for the Kattegat Port Alliance. We aim to create value across Kattegat through close partnerships, efficient logistics, and a focus on sustainable growth.

### **Optimism for the Future**

A special thanks to Norddjurs Municipality for our good and constructive cooperation. We are particularly pleased that this cooperation is now materializing in an action plan for the areas and development potential outside the port. This is crucial for our continued development.

Thanks to our employees and the organization and thank you to Henrik Carstensen for the tremendous work also carried out in 2024. It is very well done and important for our port and our local area.

Regarding the future of Port of Grenaa, I am reasonably optimistic. When we set records for the sixth consecutive year, things are progressing well. This means that we can pursue the strategically right development with a healthy and balanced economy. We must continue to invest to remain competitive.

Thank you.

28 April 2025

Bent Hansen

Chairman of the Board