



Port of Roenne A/S **ANNUAL REPORT** FOR 2021

Registered office: Rønne, Regional
Municipality of Bornholm
The Annual Report was approved at the
ordinary general meeting on 6 May 2022

Lars Karlsson
ACM Chair

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THE LEADING ENERGY PORT OF THE BALTIC SEA



LARS KARLSSON
Chairman of the Board

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Serving as an energy port infuses our modern commercial port with vitality and enhances its capacity to provide efficient transport of passengers and goods to and from Bornholm

Up to the 1980s, Bornholm's fishery industry was crucial for Rønne's position as a port in the Baltic Sea.

But the fishery industry went into decline, visibly evidenced by the closure of Bornholm's local navigation school (Skipperskolen) in 1991. This was the same year that Denmark became the first country in the world to establish an offshore wind farm.

A few years from now, Denmark will become the first country in the world to launch an 'energy island', where an offshore wind farm will supply electricity to an island that can use and convert some of the energy locally. The first energy island in the world will be Bornholm.

At the Port of Roenne, through which all supplies for Bornholm pass, we are ready to reap the benefits of being an energy port in the Baltic Sea as well. In 2019, we completed the rebuilding of our port facilities to become a discharge port for wind turbines for the many wind farms in the Baltic, and last year we were involved in the establishment of Kriegers Flak, the biggest offshore wind farm in Scandinavia.

In the years ahead, a number of wind farms will be shipped from the Port of Roenne, and by 2027, we expect to be capable of shipping three GW of offshore wind power from Rønne. This equates to five projects of the same magnitude as Kriegers Flak.

We have high ambitions for the Port of Roenne when it comes to green transformation and our role as an energy port. We are making a targeted effort to make Bornholm a green 'filling station' for the many ships that ply the waters to and from and around Bornholm each year. This ambition is based on our intention to import, generate and export green fuels to ships, ranging from local ferries to large freighters and cruise ships.

Serving as an energy port infuses our modern commercial port with vitality and enhances its capacity to provide efficient transport of passengers and goods to and from Bornholm.

Our work on the board has been continuously focused on creating value. But this value is two-tiered, what we call 'dual value creation'.

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The Port of Roenne must create jobs and workplaces on Bornholm for the shareholders. But we must also focus on earning money and generating returns on our investment by enlarging the port and widening our business areas.

There is no doubt that we already create value, not only for local businesses and residents, but for the rest of Denmark and our neighbouring countries in the Baltic Region as well.

Thus, we create far more value than our size as a port and island warrants.

Because we have succeeded in solidly positioning Bornholm and the Port of Roenne as a spearhead in the vast international market for green transformation.

In the years ahead, our task will be to exploit the opportunities that will arise in these very years.

This is my last annual report as chairman of the board. It has been terrific to travel on the journey which the Port of Roenne has taken, and I am pleased and proud to have experienced as much of it as I have. Going forward, I will serve as an ordinary member of the board after the next AGM.

I would like to express my gratitude to Thomas Bendtsen, who is resigning after almost eleven years as CEO. Thank you for your rewarding and constructive teamwork. You have made a big difference.

In conclusion, I would like to take the opportunity to thank my fellow board members, all the employees and the port's partners for these inspiring years.

Undoubtedly, the Port of Roenne is strongly positioned in the international markets of the future and has consolidated its position as the leading energy port in the Baltic Region.



A TREMENDOUS YEAR IN THE SHADOW OF THE PANDEMIC



**THOMAS
BENDTSEN**
CEO

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Kriegers Flak was an excellent test of our new facilities in Sydhavnen, and it was visible proof to our many local neighbours of how the port and many Bornholm businesses can earn a living for generations to come. And this bodes well for the port

2021 was yet another year in the shadow of the worldwide pandemic. Yet despite the social distancing, the lockdowns and the cancellations, it was a tremendous year for Port of Roenne A/S, as it launched a new era where it will be an active player in ensuring the green transformation.

We have been pursuing our ambitions for the port and our employees for years now. It is largely the day-by-day efforts of our employees that have secured our excellent annual financial result, which we achieved in spite of curtailed activities in our 'Cruise' business area.

The pandemic's surge in the initial months of the year compelled us to implement working from home for all the functions for which this was possible.

In recent years, our offices had clearly become overcrowded, so it was pleasing that, when we began to return to a physical workplace last summer, we were relocating to new and bigger offices on Fiskervej. We took over Espersen's former head office and facilities, which meet the requirements that professional employees seek.

Early in the year, we also charted a new direction towards 2026 through our 'Together We Create' strategy, which we unrolled throughout the organisation. The underlying ideas of the strategy are about creating value and growth for Bornholm and the Bornholm community. We will generate growth by means of commercial development, which is why we will continue developing the port and our business in the years ahead.

During the year, we took the first steps in our 'Bulk' business area towards securing a key position for the Port of Roenne in the future markets for green fuels for ships. We launched the Bornholm Bunker Hub consortium, in which we join forces with several operators in Denmark and abroad, including Molslinjen, Ørsted and Haldor Topsoe, to test the possibility of turning Bornholm in a green 'filling station'. We have high hopes for the project, which we will ambitiously work to realise in the years ahead.

Despite the many challenges of the pandemic lockdowns, the 'Ferry Traffic' business area generated impressive figures from ferry services to and from Bornholm, showing how tourists and

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daily traffic users consider the ferry service and the Port of Roenne as Bornholm's essential access point.

During the year, we concluded the two lawsuits with the previous operator of Bornholm's ferry service (a public service obligation), Danske Færger A/S, which involved the financing and re-establishment of ferry berths and pricing/diskont structures.

Our other passenger-related business area, Cruise, was more severely impacted by COVID-19, unfortunately. Even so, the port managed to service the nine cruise ships that arrived in Rønne, despite the fact that more than 60 had been scheduled. On the other hand, bookings for 2022, generated last year, look promising, and more than 75 cruise ship arrivals are on the order book so far.

Last winter and spring, we experienced the first major shipment of wind turbines from the Port of Roenne destined for Siemens Gamesa's and Vattenfall's Kriegers Flak wind farm. The project was enormously successful for the port and the more than 70 local businesses providing offshore services.

Kriegers Flak was an excellent test of our new facilities in Sydhavnen, and it was visible proof to our many local neighbours of how the port and many Bornholm businesses can earn a

living for generations to come. And this bodes well for the port. Our order book up to 2027 contains the shipping of roughly three GW of wind turbines – five times that of the Kriegers Flak project.

These projects will heighten the level of activity and generate business for the Port of Roenne as well as many Bornholm companies. This is one reason why we are pleased to have launched the second phase of our port expansion project last year, as it will help ensure that we can eventually manage two wind turbine projects simultaneously.

We know full well that additional construction activities try the patience of our neighbours, but we also know that it is important for Bornholm to have a future-proofed commercial port to ensure substantial financial activity within the Bornholm community for years to come.

This will be my final annual report as CEO of Port of Roenne A/S. I am proud of the journey that the Port and the island's many businesses have taken over the past decade, as we developed the port's role as a crucial creator of opportunities for Bornholm's business community.

At the same time, I am pleased to hand over a port whose sound financial foundation makes it well-placed to reap the benefits generated by the green transformation within our region.



FIVE-YEAR FINANCIAL RATIO OVERVIEW

DKK '000

	2021	2020	2019	2018	2017
Income Statement:					
Net revenue	85.969	85.286	77.388	116.248	56.798
Primary profit before depreciation and amortisation (EBITDA)	45.990	46.627	43.924	81.319	27.583
Primary profit (EBIT)	27.737	28.518	35.622	72.269	18.276
Financial items (net)	10.069	18.163	6.710	2.890	2.931
Profit for the year	17.668	10.355	28.910	69.379	15.346
Balance Sheet:					
Balance sheet total	965.666	848.316	825.236	692.063	235.261
Investment in property, plant and equipment	189.346	19.270	140.066	402.403	62.249
Equity	235.056	208.118	204.887	199.578	137.228
Cash flow:					
Operating activity	82.503	(10.213)	36.205	39.062	36.959
Investment activity	(189.140)	(18.694)	(139.954)	(402.399)	(62.165)
Financing activity	84.619	34.468	107.293	373.464	(7.025)
Cash flow, total	(22.018)	5.560	3.544	10.127	(32.231)
Employees:					
Average number of full-time employees	28	27	27	24	22
Financial ratios, % *):					
Profit ratio	32,3	33,4	46,0	62,2	32,2
Return on assets	2,9	3,4	4,3	10,4	7,8
Equity ratio	24,3	24,5	24,8	28,8	58,3
Return on equity	8,0	5,0	14,3	41,2	11,7

*) The financial ratios were prepared pursuant to the recommendations of Den Danske Finansanalytikerforening [the Danish Association of Financial Analysts]. Definitions are found under the section on accounting policies.

ENDORSEMENTS

A. STATEMENT BY THE BOARD AND MANAGEMENT

On today's date, the board of directors and the management have discussed and approved the annual report for the financial year 1 January – 31 December 2021 for Port of Roenne A/S. The financial statements were presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements provide a true and fair view of the company's assets, liabilities and financial position at 31 December 2021, as well as of the financial results of the company's activities and cash flows for the financial year 1 January – 31 December 2021.

It is also our view that the management commentary contains a true and fair account of the developments in the company's activities and financial circumstances, the profit for the year and the financial position of the company.

We submit the annual report for adoption by the annual general meeting.

Rønne, 17 February 2022

Management:

Thomas Bendtsen
CEO

Max Hansen
CFO

Board of Directors:

Lars Karlsson
Chairman of the Board

Jess C. Persson
Deputy Chairman

Jacob Trøst

Sisse Mai

Anette Stæhr

Ole Philipsen

Michael Svane

Kaj V. Holm

Rainer Harboe

B. INDEPENDENT AUDITORS' REPORT

To the shareholders of Port of Roenne A/S.

Opinion

We have audited the financial statements for Port of Roenne A/S for the financial year 1 January – 31 December 2021, comprising income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including the accounting policies applied. The financial statements were prepared in accordance with the provisions of the Danish Financial Statements Act.

In our opinion, the financial statements provide a true and fair view of the company's assets, liabilities and financial position at 31 December 2021, as well as of the financial result of the company's activities and cash flow for the financial year 1 January – 31 December 2021, in conformity with the Danish Financial Statements Act.

Basis for our opinion

We have conducted our audit pursuant to international standards of auditing (ISA) and the additional requirements that apply in Denmark. According to these standards and requirements, our responsibilities are described in the auditors' report under the section entitled "Auditors' responsibility for the audit of the financial statements". We are independent of the company in conformity with the International Code of Ethics for Professional Accountants (IESBA) and the additional requirements that apply in Denmark. Moreover, we have met our general ethical obligations pursuant to these regulations and requirements. In our view, the audit evidence obtained is sufficient and appropriate as a basis for our opinion.

Management's responsibility for the financial statements

The management is responsible for preparing financial statements that give a true and fair view pursuant to the Danish Financial Statements Act. The management is also responsible for the internal controls deemed necessary by the man-

agement to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In drawing up the financial statements, the management is responsible for assessing the company's ability to continue as a going concern; to disclose matters related to going concern wherever relevant; and to prepare financial statements according to the going concern accounting principle, unless the management either intends to wind up the company, suspend operations or does not have any other realistic alternative than to do this.

Auditors' responsibility for the audit of the financial statements

We aim to achieve reasonable assurance that the financial statements in their entirety are free from material misstatement, whether due to fraud or error, and to submit an auditors' report with an opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA) and the additional requirements that apply 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 on the basis of the financial statements.

As part of an audit in accordance with ISAs and the additional requirements that apply in Denmark, we exercise professional judgement and professional scepticism throughout the audit. In addition:

- We identify and assess the risk of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to these 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 overriding of internal control.

- We obtain an understanding of the 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 company's internal control.
- We evaluate the appropriateness of the accounting policies used by the management, and whether the financial estimates and associated disclosures prepared by the management are reasonable.
- We conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists relating 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 auditors' 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 auditors' report. However, future events or circumstances may cause the company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation, i.e., gives a true and fair picture.
- We communicate with the management regarding, among other matters, the planned

scope and timing of the audit and significant audit findings, including any substantial deficiencies in internal control that we identify during the audit.

Statement on the management commentary

The management is responsible for the management commentary. Our conclusion on the financial statements does not comprise the management commentary, and we express no form of conclusion with certainty on the management commentary.

As part of our audit of the financial statements, we are responsible for reading the management commentary and, in this context, considering whether the management commentary is materially inconsistent with the financial statements or with the knowledge we have obtained through the audit or otherwise seems to contain material misstatement.

In addition, we are responsible for considering whether the management commentary includes the disclosures required pursuant to the Danish Financial Statements Act.

Based on the audit performed, it is our view that the management commentary is in conformity with financial statements and has been prepared in conformity with the requirements of the Danish Financial Statements Act. We have not found material misstatement in the management commentary.

Bornholms Revision A/S,
authorised public accounting company
CVR/VAT no. 3785 8498

Rønne, 18 February 2022

Henrik Westh Thorsen
Stateauthorised public accountant
MNE no.: 33232

PORT OF ROENNE A/S BOARD OF DIRECTORS, MANAGEMENT AND BUSINESS MANAGEMENT & OPERATION

A. BOARD OF DIRECTORS



LARS KARLSSON

- Age: 73
- Shipmaster and civil engineer in shipbuilding
- Chairman of the Board in 2021
- Joined the board in 2013
- Independent
- Current term expires in 2022

Managerial positions:

- PortSide Pension, chairman
- Sikuki Nuuk Harbour A/S,
- Frederikshavns Havn A/S, deputy chairman

Areas of special expertise:

- Managerial and board experience from a wide range of Swedish and Danish companies.
- Special knowledge of port operations. Strategic development and organisational development. Business policy experience as former CEO of CMP.



JESS C. PERSSON

- Age: 46
- Shipmaster
- Deputy chairman, 2018
- Joined the board in 2014
- Independent
- Current term expires in 2022

Managerial positions:

- Ship's mate

Areas of special expertise:

- Navigator
- Political experience



JACOB TRØST¹

- Age: 49
- Board member
- Joined the board in 2022
- Member of the municipal council, Regional Municipality of Bornholm
- Dependent
- Current term expires in 2026

Ledelseserhverv:

- Mayor, Regional Municipality of Bornholm

Areas of special expertise:

¹Jacob Trøst is regarded as dependent as he, as a member of the municipal council for the Regional Municipality of Bornholm, is affiliated with the majority shareholder in Port of Roenne A/S. This is defined pursuant to Section 3.2 of 'Recommendations for good corporate governance'.



SISSE MAI

- Age: 49
- CFO, Esvagt
- Joined the board in 2020
- Independent
- Current term expires in 2022

Managerial positions:

- RGS Nordic, CFO
- Nordic Tankers (MOL Nordic Tankers Trading), Director, Head of Finance
- ThyssenKrupp Elevator, CFO
- One Revision, Auditor and Managing Director

Areas of special expertise:

- Financing and financial management
- Strategic development
- Digitisation processes
- Experience from the off-shore industry
- Management experience



ANETTE STÆHR

- Age: 66
- Joined the board in 2021
- Independent
- Current term expires in 2022

Managerial positions:

- Former head of labour market and manager of job centre
- Former head of accounting department, Regional Municipality of Bornholm

Areas of special expertise:

- Political experience
- Chairwoman, Joint Appeals Board, Bornholm
- Former chairwoman/deputy chairwoman of the board for TV2 Bornholm



OLE PHILIPSEN

- Age: 61
- Metal Maritime, president
- Joined the board in 2016
- Independent
- Current term expires in 2022

Managerial positions:

- DanPilot, board member
- With-Fonden, chairman
- Sea, Health and Welfare, chairman
- Boligfonden for Søfarende, chairman
- Uddannelsesfonden for Søfarende, chairman
- Member of various councils, boards and organisations in Denmark and abroad.

Areas of special expertise:

- Management experience
- Business policy experience
- Negotiating experience in Denmark and abroad



MICHAEL SVANE

- Age: 64
- LLB
- Joined the board in 2016
- Independent
- Current term expires in 2022

Managerial positions:

- DI Transport, sector director

Areas of special expertise:

- Managerial and negotiating experience from a number of business organisations
- Political advocacy
- Infrastructure
- Transport & logistics



KAJ V. HOLM

- Age: 66
- Øresundsbro Consortium, deputy managing director
- Joined the board in 2016
- Independent
- Current term expires in 2022

Managerial positions:

- Sund & Bælt, CFO
- Kommunekredit, board member
- Areas of special expertise: Infrastructure financing
- Financial analyses
- Portfolio and risk management



RAINER HARBOE

- Age: 58
- Assistant harbour master
- Employee-elected board member
- Joined the board in 2018
- Independent
- Current term expires in 2022

Managerial positions:

- None

Areas of special expertise:

- Navigator

B. MANAGEMENT AND BUSINESS MANAGEMENT & OPERATION



THOMAS BENDTSEN
CEO

- Age: 51
- Became CEO in November 2011

Education:

- Shipmaster
- BSc Commerce (management)
- BSc Commerce (financial management and process management)
- Executive MBA (shipping and logistics)
- Certified board-member training programme



MAX HANSEN
CFO

- Age: 62
- Became CFO in 2014

Education:

- BSc Commerce (accounting and financial management)
- Mini-MBA (management)
- Certified board-member training programme

MANAGERIAL STAFF

YANA GRUNDKE

Chief Business Officer, Cruise

- Age: 33
- Appointed in 2022

JEPPE LA COUR

Chief Business Officer, Offshore Wind

- Age: 40
- Started in 2019

JØRN NYGAARD

Technical Manager, COO

- Age: 55
- Started in 2012

MAJA F. BENDTSEN

Chief Business Officer, Bulk

- Age: 41
- Started in 2019

JESPER JÜRGENSEN

Head of Communications & Public Affairs

- Age: 52
- Started in 2021

BIRGIT TINGGAARD

Chief HR Officer

- Age: 55
- Started in 2021

BOARD WORK

The board ensures that the management conforms to the objectives, strategies, policies, etc., adopted by the board. The management briefs the board at each board meeting and through written monthly reports. The reporting comprises matters concerning the financial position, profitability, developments and other matters of relevance to the company. Board members have access to an extensive intranet where all essential documents and minutes are available.

The board annually evaluates the board's and management's work, results and composition. The cooperation between the board and the management is evaluated at the same time.

The board annually assesses whether there is cause to update or enhance the skills of its members in relation to the tasks. In addition, the board annually determines its essential tasks in relation to the ongoing assessment of the management's work in terms of how to conduct the financial and managerial control of the company.

The board meets at least four times a year and as required. Five board meetings and one board seminar were held in 2021. At present, four ordinary board meetings are scheduled for 2022.

As specified, the board receives a written monthly briefing on the company's operations, financial situation and significant potential risks. In addition to decisions on significant operating factors, the board makes decisions concerning the size of the capital base and its composition, and the company's long-term obligations, policies and audit conditions. The board receives monthly project accounts for the port expansion project.

Once a year, the board reviews, adapts and approves the rules of procedure, at which time it stipulates the requirements for the reporting to be submitted to the board and the requirements to be met for all other communications between the two management bodies.

The board's chairman and deputy chairman constitute the chairmanship, which, together with the management, plans the board meetings. The specific tasks of the chairman (and in his absence the deputy chairman) are specified in the rules of procedure.

The chairman of the board discusses the company's situation with the management on an ongoing basis, and, outside the meetings, the board members are involved in areas of their special individual expertise.

BOARD MEETINGS HELD IN 2021

15 February
20 April
20 May
7 September
9 December

BOARD MEETINGS SCHEDULED FOR 2022

17 February
24 May
8 September
8 December

A. THE BOARD'S CONTRIBUTION TO VALUE CREATION

The board's contribution to value creation

During 2021, it was necessary to draw on the expertise of all board members, and both the management and the chairman have actively consulted and received feedback from the other board members. Several members have taken part in meetings with the company's collaboration partners.

Goals for board members' active participation are set from one meeting to the next and are followed up on at each meeting. All members have contributed knowledge in the areas they have identified as their fields of special interest and expertise. The financing and strategy group has also played an active role and made a substantial contribution to the business strategy process, particularly concerning the handling of the pandemic restrictions within the company.

COMPANY INFORMATION

THE COMPANY

Port of Roenne A/S
Fiskerivej 1
DK-3700 Rønne

Tel.: +45 5695 0678
Website: www.portofroenne.com
and www.roennehavn.dk
Mail: mail@portofroenne.com

CVR/VAT no. 2793 2150
Founded: 25 June 2004
Registered office: Rønne
Financial year: 1 January – 31 December

AUDITOR

Bornholms Revision A/S
Tornegade 4, 1st fl.
DK-3700 Rønne
CVR 37858498

ANNUAL GENERAL MEETING

The AGM will be held on 6 May 2022
at 11 am at the company's address.



MANAGEMENT COMMENTARY

A. PRIMARY ACTIVITY

Port of Roenne A/S manages the Port of Roenne which is Bornholm's primary port for the handling of supplies, cargo and ferry services, and the company manages maritime facilities and operations including plants, quays, and adjacent land areas. The company can place cranes, warehouses and other facilities at the disposal of its customers to serve ships, stevedores, land-owners, etc.

B. FINANCIAL YEAR TRENDS

General:

The profit for the year was DKK 17.7 million and did not meet the company's forecast at the beginning of the year.

The profit for the year continued to be affected by the COVID-19 pandemic in 2021 and its impact on the cruise tourism market in particular. The profit for the year was also affected by the two completed lawsuits before the Copenhagen Maritime and Commercial Court and the Eastern High Court of Denmark respectively.

The second phase of the ongoing expansion and future-proofing of the Port of Roenne was launched in 2021. Phase 2 includes the extension of the outer breakwater by roughly 475 metres and the establishment of Quay 35, 3,250 metres, in the industrial harbour area.

The continuation of the pandemic meant that only nine cruise ships called at the Port of

Roenne in 2021, whereas 62 calls were originally scheduled.

As a result of the changeover of operators of Bornholm's ferry service (a public service obligation) in 2018, the previous operator, Danske Færger A/S, contested some of the claims filed, which they have refused to pay. As a result, Port of Roenne A/S filed two lawsuits against Danske Færger A/S in 2018.

One of the lawsuits was processed by the Court of Bornholm in the summer of 2020 and the Eastern High Court of Denmark in 2021. The lawsuit filed by Port of Roenne A/S with the Court of Bornholm was successful. Port of Roenne A/S was also completely successful in the lawsuit filed with the Eastern High Court of Denmark, as the Court ruled in favour of the company's claim that Danske Færger must repay its residual debt insofar as this concerns the net sum and must completely re-establish four out of the six facilities constructed under the agreements.

The other case, which was also filed as a result of the change of operators of Bornholm's PSO ferry service in 2018, concerns a lawsuit against the then operator of ferry services, Danske Færger (now Molslinjen), for its failure to pay port fees. Danske Færger A/S claimed that Port of Roenne A/S had charged unreasonably high prices and that these should be disregarded.

In March 2021, the case was brought before the Copenhagen Maritime and Commercial Court which concluded that the Port of Roenne had not set unreasonably high prices, but that the contractual basis precluded it from demanding payment of these up to 31 August 2018, which was why Danske Færger was awarded partial costs.

Neither party has chosen to appeal the ruling by the Copenhagen Maritime and Commercial Court.

The profit for the year of DKK 17.7 million is considered satisfactory in the light of the lawsuits and the pandemic.

Revenue:

The net revenue for the year was DKK 86.0

million, which is DKK 0.8 million higher than in 2020. The gross profit was DKK 66.2 million compared to DKK 64.9 million in 2020.

The number of ship calls rose by 5.5% compared to 2020, whereas the gross tonnage brought to the port rose by 2.7% compared to 2020.

The volume of shipped and offloaded cargo rose by more than 4%, which correlates closely with the higher level of activity arising from the shipping of offshore components.

The number of passengers passing through the port rose by 9% and the number of vehicles by 7%.

Revenue generated by the letting out of areas and buildings rose sharply from 2019 to 2020 and once again in 2021. The company has more than 77 hectares at its disposal, of which the company had let out 35 hectares out of a combined available commercial area of more than 42 hectares at the end of 2021

Most of the residual area comprises roads and open spaces, including deployment and parking areas.

EBITDA/EBIT:

The EBITDA for the year was DKK 46.0 million, and the profit for the year before financial items (EBIT) was DKK 27.7 million, compared to DKK 28.5 million in 2020. The EBIT decline is primarily explained by a rise in other external expenses and staff costs, due to ongoing organisational development aimed at preparing the company for the future and the new commercial opportunities made available by the future-proofing of the port.

Financial items:

Net financial items amount to DKK 10.1 million, which is somewhat lower than forecast at the start of the year. The result is due to somewhat higher financial earnings arising from the ruling in the lawsuit before the Eastern High Court of Denmark.

In 2021, the company entered into a financing agreement with Nykredit to ensure the financing of Phase 2 for the future-proofing of the port.

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The company has entered into interest rate swap agreements with Nykredit Bank to mitigate the risk of interest rate fluctuations.

Profit for the year:

The profit for the year was DKK 17.7 million, which is somewhat below the profit forecast at the start of the year. The profit for the year was especially affected by pandemic restrictions and their impact on the cruise tourism market in particular. In addition, the profit for the year was affected by the rulings in the two lawsuits that were concluded during the year.

The fact that the profit for the year exceeded DKK 17 million should be regarded as a result of the company's productivity development (see the Strategy and Business Plan 'Clear Course 2025'). The profit is also considered a direct result of a conservative risk-management strategy.

Investments:

The net investments for the year amounted to DKK 189 million, compared to DKK 19 million in 2020. The biggest investment of the year was in future-proofing the port (Phase 2) (see the company's Master Plan).

Over the year, the company also purchased the building situated on Fiskerivej 1, which now houses the company's head office.

A few minor capital investments were also made.

C. CASH FLOW STATEMENT

Cash flows from operating activities:

Cash flows from operating activities amounted to DKK 83 million, compared to DKK 10 million in 2020. The positive cash flow from operating activities is due to, among other things, major changes to limitations of trade payables and creditors.

Investments:

The net investments for the year amounted to DKK 189 million, compared to DKK 19 million in 2020. The biggest investment of the year was put into future-proofing the port (Phase 2).
Financing activity:

Interest-bearing debt amounted to DKK 547 million at the end of the year, or DKK 24 million less than the previous year.

In 2021, the company entered into a financing agreement with Nykredit concerning the financing of Phase 2 of the port future-proofing project.

D. OTHER FACTORS

Equity:

At the end of the year, equity amounted to DKK 235 million compared to DKK 208 million at year-end 2020. Equity grew by the profit for the year of DKK 18 million, whereas provisions for covering interest rate swaps fell by DKK 9 million over the year, which had a positive impact on equity.

Knowledge and organisational resources:

It is apparent in the business strategy of Port of Roenne A/S that the establishment and operation of the port's infrastructure is the company's primary activity. The point of departure for this is that the company must provide high-tech, reliable, up-to-date infrastructure facilities to its customers in both the short and long term. The company's deliverable services must conform to market trends and must be of highest quality. This ambition makes special and substantial demands on the company's organisational expertise.

In order to continuously provide expedient, up-to-date quality solutions in a changeable market, it is crucial for Port of Roenne A/S to be able to recruit and retain employees with the highest level of knowledge and education. The company's objective is to continuously possess the latest knowledge, and for its employees to be capable of quickly and agilely adapting to meet international demands and trends in the individual markets. Organisational adaptability is our maxim. Accordingly, the company continuously invests in training employees at all levels, and also continuously invests in tools that improve processes and quality, including increasingly utilising the potential of digitisation. At the end of the year, the company was preparing a new digitisation project which it expects to put into operation during 2022.

Special risks:

Port of Roenne A/S manages the construction and operation of port infrastructure, including plants, quays, docks and adjacent land areas. The company can place cranes, warehouses and other facilities at the disposal of its customers to serve ships, stevedores, landowners, etc.

Port of Roenne A/S has four main business areas:

- Ferry Traffic
- Cruise
- Bulk
- Offshore Wind

This means that the port's range of activities is somewhat out of the ordinary for the sector. Having these four pillars to stand on makes the port less vulnerable if one business area has a bad year.

For instance, 2020 and 2021 demonstrated the vulnerability of the business areas Ferry Traffic and Cruise to external influences like a pandemic (COVID-19). Not a single cruise ship called at Rønne in 2020 and only nine arrived in 2021 due to the pandemic, whereas initial bookings had promised a record-setting year. Ferry traffic has also been affected by the pandemic.

Molslinjen A/S, which manages the ferry service for Bornholm (a public service obligation (PSO)) filed a new lawsuit in 2021 with the Copenhagen Maritime and Commercial Court claiming that Port of Roenne A/S is misusing the company's dominant position to charge unreasonably high port fees.

The previous operator of Bornholm's PSO ferry service, Danske Færger A/S, filed the exact same claim in 2018 at the very same time that Danske Færger A/S merged with Molslinjen A/S. Molslinjen A/S had also filed the exact same claim against Port of Roenne A/S with the Danish Competition Authority in the summer of 2018. Both authorities have ruled in favour of Port of Roenne A/S's assertion that Port of Roenne does not charge unreasonably high prices, which is why Port of Roenne A/S expects a favourable ruling in this lawsuit as well.

Generally speaking, Port of Roenne A/S is not vulnerable to special operational risks beyond what is normal for the sector.

Financial risks:

Port of Roenne A/S primarily generates revenue and procures goods in Danish kroner and euro, which is why the company does not have significant exchange rate exposure.

The interest-bearing debt of Port of Roenne A/S is primarily financed by either fixed-interest or variable-interest loans with an affiliated fixed-interest swap agreement. As a result, interest-rate fluctuations will not significantly affect the company's ability to service its debt.

The interest-rate swap agreements are used to cap the maximum interest payment.

The company is not exposed to financial risks besides what is normal within the sector.

Events after the end of the financial year:

No events have occurred after the end of the financial year that significantly change our assessment of the company's situation. The company continues to follow the strategy adopted for the company.



MANAGEMENT FORECAST FOR THE COMPANY'S DEVELOPMENT IN 2022

On the threshold of 2022, it appears that the global pandemic and viral mutations will not affect the year ahead, as the government deems that COVID-19 no longer presents a critical threat to society.

If this continues to be the case, this will improve the working conditions for all the businesses whose livelihood depends on commerce and transnational or interregional cooperation which requires the conveyance of goods and/or passengers from A to B. This will provide wider scope for keeping the wheels of growth turning, continuing job creation and stabilising supplies. Therefore, we envision positive trends for Bornholm and, not least, Port of Roenne A/S, which basically makes a living from maritime traffic.

Over the past two years, the pandemic caused cruise tourism to sharply decline, in spite of many bookings. Not a single cruise ship called at Rønne in 2020, whereas nine out of a planned 62 called in the port in 2021. 2022 could be a year in which the number of cruise ship calls sets a new record, with more than 70 arrivals scheduled. We hope that a receding pandemic will mean the return of cruise tourism without restrictions and that we can see the best cruise tourism season in the history of the Port of Roenne.

If COVID-19 is no longer deemed a critical threat to society, this will affect ferry and passenger traffic to and from Bornholm. Specifically, Port of Roenne A/S expects passenger traffic to rise in 2022.

In consideration of the expanding offshore market, in which we managed our first shipping project for Kriegers Flak in 2021, we are also pos-

itive about the years ahead. We will soon begin to ship the 27 Vestas turbines to Arcadi's Ost 1 project.

In addition to wind turbines, we will also be shipping foundations and monopiles to the wind farm. This is a positive development for a very new business area.

We are experiencing widespread interest in using the port, which is undoubtedly because we have established suitable port facilities, but also because we successfully managed the Kriegers Flak project. Both aspects have been observed in the market, which we can perceive by the rising interest in holding meetings and entering into agreements with us.

Up to 2027, we have an order book of signed agreements for the shipping of more than 2.5 GW of wind power from the Port of Roenne. This enormous interest verifies that we made the right decision to invest in a port infrastructure that is geared for both the future and the climate. As part of the port expansion, we are looking forward to completing Phase 2 of the construction project by the end of the year.

In the light of this, the management forecasts that revenue will exceed DKK 100 million and that our profit for the year will improve in 2022, when, hopefully, we will not have to operate under the same restrictions that applied during the pandemic.



QUALITY MANAGEMENT AND CONTINUOUS IMPROVEMENT

Port of Roenne A/S was certified to four ISO standards in 2015:

CSR, environment, OHSE and quality management.

The purpose of the CSR certification is to commit the company to sustainable development, locally and regionally. We are doing this by integrating corporate social responsibility into our strategies, visions and values. We have a number of action areas that we continuously work on, such as setting up apprenticeships and other measures in cooperation with local authorities and organisations.

We are keenly aware of our natural environment. In our everyday work, we assess contamination risks on an ongoing basis and actively work to reduce the port's environmental impact. As a result, we have reduced the port's combined carbon emissions from 285 tonnes in 2020 to 243 tonnes in 2021 and we will continue this positive trend in relation to every DKK of revenue generated.

In the area of OHSE, employee involvement is constantly in focus. We experienced this during our environmental certification process, where all employees took part in developing procedures aimed at ensuring a safer and healthier working environment and well-being in the workplace. Our OHSE organisation has launched initiatives to

ensure that workplace assessments (APV) and job-satisfaction surveys are more dynamic and interactive.

In order to live up to the concept of quality management, we have previously implemented 'Recommendations for good corporate governance', one of which is to heighten transparency in the company's activities. We want our customers to experience our services as high quality. This is why we survey our customers to determine their general level of satisfaction with us.

All ISO certifications have been verified by an external, internationally-recognised classification company. We will continue this practice in the years ahead.

To ensure the continuous improvement of our processes, two organisational audits are conducted every year to ensure that the results achieved are constantly improved.

A. 2021 CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

2021 was the second year that was heavily influenced by the pandemic, but we succeeded in launching some activities, nonetheless.

In 2021, we provided support to, among others:

- The training of the fourth office trainee in the history of the company.
- Træbådelaget (Wooden Boat Guild)
- Business Centre Bornholm
- Folkemødet 2021 (National Political Festival): main sponsor
- TicPac – Hold Bornholm ren (Keep Bornholm Clean)
- Women's Crisis Centre
- Blue Cross: vulnerable families with children
- A 50–50 agreement between Sydhavnens Motorværksted and Port of Roenne A/S concerning the creation of an apprenticeship during COVID-19.

Green agreement with Growing Trees Network (Folkeskov)

In 2021, Port of Roenne A/S entered into a ten-year climate compensation agreement with Growing Trees Network. Port of Roenne A/S has undertaken to plant 10,000 Douglas spruce trees every year up to 2030. The trees will be planted on soil-approved areas located over aquifers that have been designated and approved by the Danish Nature Agency.

Port of Roenne A/S wishes to gradually reduce its carbon emissions year by year. As part of the climate compensation agreement, Port of Roenne A/S has expressed a desire to plant as many of the trees as possible on Bornholm, provided that the Regional Municipality of Bornholm can designate appropriate, available areas that meet the basic criteria stipulated by Port of Roenne A/S, Growing Trees Network and the Danish Nature Agency.

During 2021, we once again provided information about Port of Roenne A/S's declared CSR policy and Code of Conduct to customers, suppliers, and partners to highlight our values vis-à-vis our stakeholders.

During the selection of contractors for port construction phases 1 and 2, we stipulated, in addition to labour and social conditions, rigorous demands on occupational health and safety and environmental factors in the tender documents and the contract, to ensure that Port of Roenne A/S lives up to its commercial values and its corporate social responsibility. Once again in 2021, we took random samples to determine whether

contractors, subcontractors and our customers are meeting their contractual obligations. In other words, we make high CSR demands on ourselves as a port authority, developer and lessor of land areas, but we make equally high demands on any contractor, customer or supplier that is selected to carry out a given task on our premises.

Internal process for integrating and selecting the UN Sustainable Development Goals in port operations

In 2020, the management and business management & operation launched an internal strategic process for selecting and integrating the selected UN Sustainable Development Goals as part of our CSR efforts, with a view to building on the ISO standards. At the time of writing, this process is still ongoing, but we intend to work towards gradually reducing our carbon emissions and maintain an equivalent keen focus on sustainability across our business areas which will also be incorporated into a redefined procurement policy. The effort is ongoing, as the pandemic slowed down some of our ongoing development tasks, but these will be resumed as soon as possible.

The CSR Report is available in its entirety on the company website: www.roennehavn.dk.

Pandemic responsibility in terms of the National Political Festival

For several years, Port of Roenne A/S has been a Democracy Partner for the Folkemødet organisation. On the threshold to 2021, Port of Roenne A/S decided to be a main sponsor of Folkemødet 2021 (National Political Festival). This decision was made at one point during the pandemic when it became clear that the Folkemødet organisation was facing a difficult financial year. For this purpose, Port of Roenne A/S chose to enter into a more binding, supportive cooperation due to the high value of the Festival to Bornholm.

B. SKILLS ENHANCEMENT

One objective of Port of Roenne A/S is to train, develop and enhance employees' skill sets at all levels of the company on an ongoing basis.

Several employees attended various skills-development courses during the 2021 financial year.

Port of Roenne A/S takes responsibility for training young people from the local area and has hired a permanent office trainee and also entered into a collaboration agreement with Sydhavnens Motorværksted whereby Port of Roenne A/S will pay half the cost of an apprenticeship created at Sydhavnens Motorværksted during the pandemic.

C. OCCUPATIONAL HEALTH AND SAFETY

As previously mentioned, Port of Roenne A/S underwent an ISO recertification pursuant to the standards stipulated in ISO 45001:2018. We want to develop attractive jobs in a value-creating working environment where well-being and scope for personal development are a persistent area of focus.

Port of Roenne A/S is a workplace representing a variety of professions and trades. This means that a number of different OHS areas require quality assurance. The company has a high level of activity involving a wide variety of players. We do not accept accidents and we do not want to cause any employees to incur a permanent injury as the result of an accident or due to physical or psychosocial strains.

In 2020, Port of Roenne A/S registered a single incident that was reported under the Occupational Injury Act. No occupational injuries were recorded in 2021. Organisational sickness-related absence of 1.4%, excluding long-term absence, was recorded in 2021, which the management deems highly satisfactory.

Port of Roenne A/S: a workplace that takes care of its employees

On the brink of 2022, and during 2021, a few employees suffered serious illness first hand, rendering them unable to attend to their duties as usual. The management chose to support these indispensable employees during a difficult period of their lives, which demonstrates the type of workplace that Port of Roenne A/S wants to be and the values driving our operations.

Our valued employees are people we want to retain – also when they encounter hardship in their lives.

D. ENVIRONMENTAL ASPECTS

In 2002, Port of Roenne A/S was certified to ISO 14001:2004 in environmental management. The company's environmental management is tested once a year, and Port of Roenne A/S was recertified again in 2021.

Port of Roenne A/S works to support the local community's interest in environmental improvements, including by reducing its energy consumption through investments in eco-friendly methods and equipment. An environmental policy with clear objectives has been drafted to manage the environmental aspects of our operations. The point of departure for Port of Roenne A/S is to establish the best possible framework for environmentally responsible operations as a natural part of the company's activities. As a minimum, the management wants Port of Roenne A/S to comply with current legislation and internationally recognised requirements for the implementation of sustainable services in terms of the climate, OHSE and business ethics. Accordingly, Port of Roenne A/S continuously endeavours to set its norms and standards higher than is required by laws and norms.

The overarching goal of Port of Roenne A/S is to prevent pollution and reduce other environmental impacts.

According to the Ministry of the Environment's computation model, the company's carbon emissions in 2021 were 243 tonnes, compared to 285 tonnes in 2020.

This relatively respectable reduction is presumably attributable to the pandemic, when many employees had to work from home and the only employees physically present at the workplace were port guards and harbour employees on a rotational basis.

The organisation continues its targeted efforts to identify measures that can reduce the company's carbon emissions year by year.



GOOD CORPORATE GOVERNANCE

The Board gives high priority to the pursuit of good corporate governance. This means that initiatives aimed at ensuring good corporate governance will be integrated into the work of the board and the management going forward.

In December 2020, the Committee for Good Corporate Governance published a set of updated 'Recommendations for good corporate governance'. As previously, the recommendations are based on a 'comply or explain' approach. This makes it legitimate for a company to either comply with the recommendations or explain why it is not complying. In 2021, the company continued the process of implementing the individual recommendations for good corporate governance.

A detailed description of the specific elements of good corporate governance that have been

implemented by Port of Roenne A/S – as well as an overarching implementation plan for initiatives going forward – are found on the company's website: www.portofroenne.com.

A. INTERNAL CONTROLS AND RISK MANAGEMENT RELATING TO THE PRESENTATION OF THE FINANCIAL STATEMENTS

The board and management have overarching responsibility for the company's risk management and internal control for the financial statement presentation process, and the measures implemented are continuously verified by the company's auditors.

Verification environment:

The board and management determine and approve the overarching policies, procedures and »

control parameters in significant areas as part of the presentation of the financial statements. These efforts are based on a clear organisational structure, clear lines of reporting, clear authorisation and certification procedures and a clearly defined separation of duties.

Thus, there are written guidelines for bookkeeping, budgeting and month-end closing of accounts, including reconciliation and preparation of ongoing financial reports for the company management.

In addition, there are policies for the approval of invoices and other vouchers. These are drawn up in a manner that ensures correct attestation and control of goods and services supplied to the company.

Risk assessment:

Each year, the board and management conduct an overarching risk assessment of the process for the presentation of the financial statements to identify the most important and highest-risk areas.

The specification of certain accounting items is based on the management's judgement and assessments. There is particular focus on the risk assessment of these accounting items as part of the presentation of the annual report.

Verification activities of the management

The company's internal control generally focuses on the most important and highest-risk areas. As part of this process, a number of control measures are in place to detect and rectify any errors so that the financial statements are presented as correctly and completely as possible.

The management has drawn up a catalogue of controls specifying the minimum requirements for the control process. The purpose of the catalogue of controls is to ensure that the board receives the requisite basis for performing the statutory monitoring of the company's internal control and risk-management systems.

The duties are duly separated in the accounting department and in any departments that sup-

ply data for the accounts. Controls concerning IT applications and general IT controls prevent accounting data from being lost. The management's monthly budgetary follow-up meetings involving all heads of department make it possible to discover and rectify any errors or irregularities early on.

The management's monthly briefings of the board and the budget follow-up reports make it possible for board members to closely monitor the company's operations and developments.

Control activities of the board:

Before approving the financial statements, the board has an opportunity – without the participation of the management – to discuss the audit process with the company's auditors to ensure that the organisation has fully cooperated with the auditors.

The auditors' areas of focus in the preceding year are discussed and the auditors' records are reviewed, after which the area of focus for the coming year is determined.

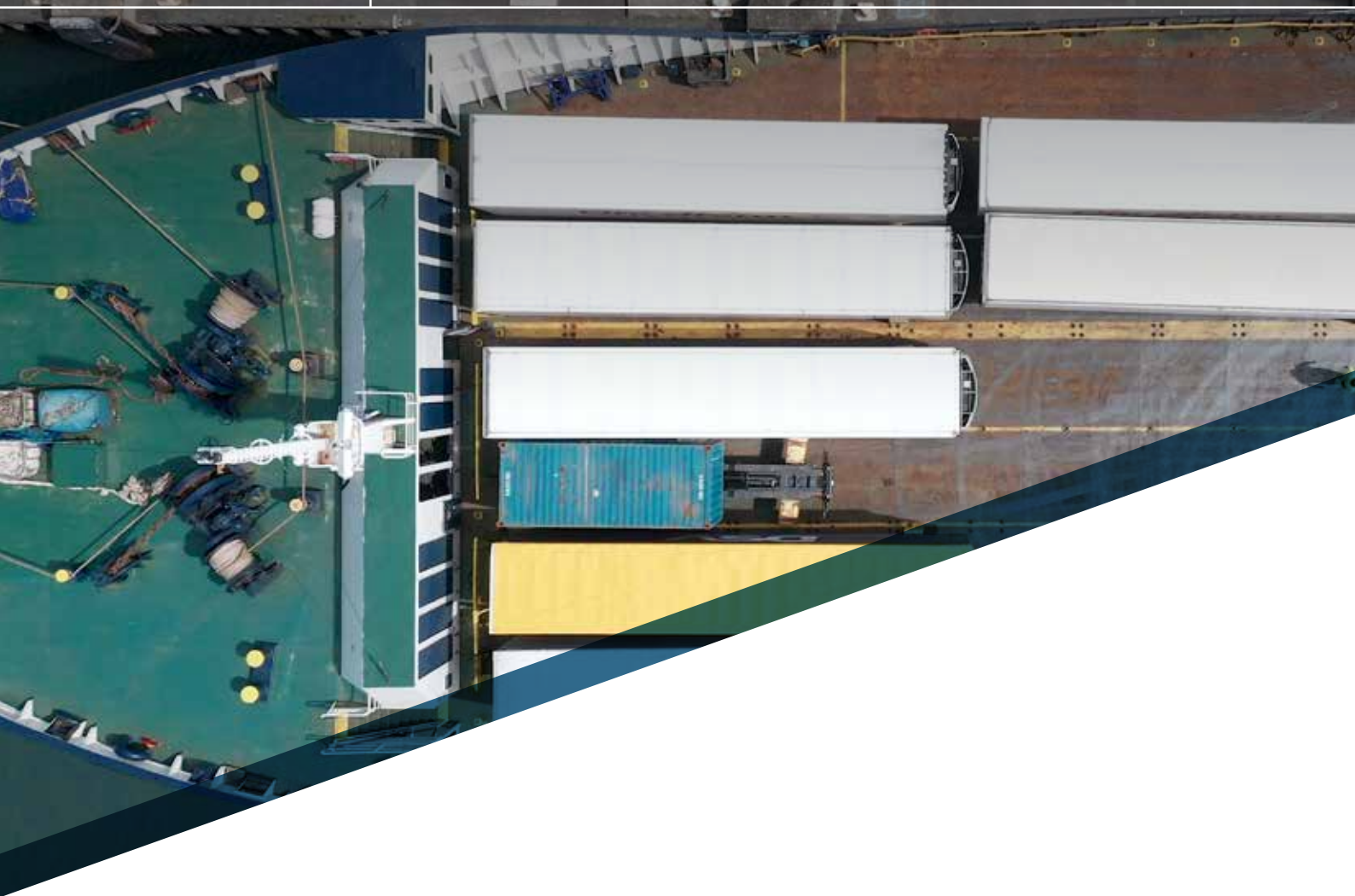
Information and communication:

The company has established an information and reporting system to ensure that the presentation of the financial statements provides a true and fair view. The information and reporting system is also the basis for the preparation of budgets, the ongoing financial reporting and the presentation of the annual report.

Monitoring:

All employees with responsibility for controls must document and report on the performance of these controls to the management on an ongoing basis. Any detected control failings are also reported to the management.

As part of preparing the annual report, additional control activities are carried out to document that the bookkeeping and the presentation of the financial statements are satisfactorily performed.



FINANCIAL STATEMENTS

1 JANUARY – 31 DECEMBER 2021

A. ACCOUNTING POLICIES

The Annual Report for Port of Roenne A/S is submitted in conformity with the provisions of the Danish Financial Statements Act for reporting-class B entities, with the addition of certain provisions for reporting-class C.

Accounting policies have been adapted to amendments to the Danish Financial Statements Act which enter into effect for the financial year starting on 1 January 2021. This gives rise to changes in the presentation of notes and disclosures in the annual report. The amendments have not given rise to changes in recognition or measurement in the financial statements.

General information about recognition and measurement:

Income is recognised in the income statement as and when earned. In addition, all costs are recognised in the income statement including depreciation, amortisation and impairment.

Assets are included on the balance sheet where it is likely that the company stands to benefit from future financial advantages and where the value of the asset can be reliably assessed.

At initial recognition, assets and liabilities are measured at cost. Assets and liabilities are subsequently measured, as described in each of the accounting items below.

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When making the inclusion and valuation, consideration is given to predictable loss and risk occurring before the submission of the annual report and which confirm or disprove the situation on the balance sheet date.

Translation of foreign currency:

Foreign currency transactions have been translated at initial recognition using the exchange rates prevailing on the date of the transactions. Currency differences arising between the rate on the date of the transaction and the rate on the day of payment are recognised in the income statement as a financial item.

Receivables, payables and other monetary items in foreign currency are translated at the rate prevailing on the transaction date. The difference between the rate at the balance sheet date and the rate at the time when the receivable or debt liability originated or was recognised in the last annual report is recognised in the income statement under financial income and expenses.

Fair value

The fair-value assessment of assets and liabilities at fair value is based on the primary market. If a primary market does not exist, the basis used will be the most advantageous market, defined as the market which maximises the value of the asset or liability minus transaction and/or transport costs.

All assets and liabilities measured at fair value, or whose fair value is stated, are categorised according to the fair value hierarchy described below.

Level 1: Value determined on the basis of the fair value of equivalent assets/liabilities on a well-run market.

Level 2: Value determined according to recognised valuation methods on the basis of observable market information.

Level 3: Value determined according to recognised valuation methods and reasonable estimates on the basis of non-observable market information.

Derivative financial instruments:

Derivative financial instruments are measured at fair value according to the fair value hierarchy's level 2 on the basis of a valuation report from Nykredit.

On the basis of the company's financial position, the market value is not adjusted for the company's own credit risk. Positive and negative fair values are included as 'other receivables' and 'long-term mortgage debt' respectively.

Value adjustment of derivative financial instruments included for the hedging of expected future cash flows is recognised in equity until the hedged transaction is carried out.

The derivative financial instruments recognised in the annual report are made up of interest-rate swaps for a combined principal amount of DKK 332 million, a maturity date between 2022 and 2036 and a fixed swap interest rate of between 1.47% and 4.9%. 99% of the principal amount has a maturity date that is more than 10 years from the balance sheet date. The fixed swap interest rate for this part of the portfolio comprises the fixed swap interest rate between 1.47% and 2.81%.

B. INCOME STATEMENT

Net revenue:

Net revenue from shipping and cargo fees and the sale of services, etc., is recognised in the income statement if the ship arrival or provision of service took place before the end of the year, and provided that the income can be reliably specified and is expected to be received. Net revenue is recognised exclusive of VAT and fees and less any discounts connected to the sale.

Net revenue also includes one-off charges concerning consumption and financing agreements which the company is contractually entitled to charge.

Other operating income and expenses:

Other operating income and expenses include accounting items of a secondary nature in relation to the company's main activity.

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Other external expenses:

Other external expenses include recognised costs for the company's maintenance of infrastructure, administration, marketing, meetings and travel. The cost is recognised in the income statement provided that it was expended before the end of the year. The cost is recognised exclusive of VAT and fees and less any discounts connected to the purchase.

Staff costs:

Staff costs are defined as wages and salaries, pensions and social security benefits for all Port of Roenne A/S employees and board members. Civil servant pensions collected from the Regional Municipality of Bornholm are recognised on the collection date.

Financial items:

Financial income and expenses include interest income and expenditure, as well as realised and not realised capital gains and losses regarding securities, liabilities and foreign-currency transactions. Financial income and expenditure are included in the amounts that concern the financial year.

Interest expenditure and other costs for loans to finance the production of property, plant and equipment (PPE) concerning the period of manufacture are recognised at the asset's cost price.

C. BALANCE SHEET**Property, plant and equipment:**

Land and buildings, technical plant and machinery as well as other plant, fixtures, fittings, tools and equipment are measured at cost, less accumulated depreciation and write-downs. There is no depreciation in respect of land.

The basis for depreciation is cost price less the expected residual value when the asset ceases to be used.

The cost price includes the acquisition price as well as costs directly associated with the acquisition as well as costs involved in preparing the asset until it is ready for use. For self-constructed

PPE, the cost price comprises costs for materials, components, external suppliers, direct wage costs, as well as interest and financing expenses from the raising of loans that directly concern the construction of assets.

Depreciation is primarily computed using the straight-line method on the basis of the following assessment of the assets' expected useful life:

Buildings	15–50 years
Docks, navigational channels, jetties, etc.	10–75 years
Plant and machinery	3–15 years

The company has a few fixed assets that are proportionately depreciated according to the repayment profile for the underlying loan. The service life of these assets is 15–25 years.

Stocks:

The value of goods in stock, such as oil reserves, materials, etc., is not recognised, as these constitute insignificant sums and are intended for internal consumption.

Debtors:

Receivables are assessed at amortised cost price, which usually corresponds to nominal value. Receivables are written down to the net realisable value for meeting expected losses.

Accruals and deferred expenses: Prepayments and accrued income that are included under assets include expenses to be incurred in the subsequent financial year.

Financial liabilities:

Financial liabilities are recognised at the raising of the loan by the proceeds received minus incurred transaction costs. In subsequent periods, the financial debts are recognised by the amortised original cost, equal to the capitalisation value by applying the redemption yield, so that the difference between the revenue and the nominal value is recognised in the income statement over the term of the loan.

Other debts, which include trade payables and other debts, are measured at the amortised

original cost, which usually equals the nominal value.

Accruals and deferred expenses:

Items concerning subsequent financial years are recognised under 'accruals and deferred expenses'.

D. CASH FLOW STATEMENT

The cash flow statement shows the company's cash flow for the year, broken down by operating, investment and financing activities for the year, the change in cash and cash equivalents for the year, as well as the cash and cash equivalents at the beginning and end of the year.

Cash flow generated by operating activities:

Cash flows from operating activities are specified as the profit for the year, adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flow generated by investment:

Cash flows from investment activities include

payment arising from the purchase and sale of intangible assets, PPE and fixed-asset investments.

Cash flow generated by financing activities:

Cash flows from financing activities include changes to the size or composition of the share capital and costs relating to this, as well as the raising of loans, payments on interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents:

Cash and cash equivalents include cash funds and short-dated securities that can be easily converted into liquid funds and only involve an insignificant value-change risk.

Financial ratios:

Financial ratios were prepared pursuant to the recommendations of Den Danske Finansanalytikerforening [the Danish Association of Financial Analysts].

The financial ratios stated under the key financial data are calculated as follows:

Net profit ratio:

$$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Net revenue}}$$

Equity-to-debt ratio:

$$\frac{\text{Closing balance of equity} \times 100}{\text{Closing balance of liabilities}}$$

Financial gearing:

$$\frac{\text{Net interest-bearing debt} \times 100}{\text{Equity}}$$

Return on investment:

$$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Balance sheet total}}$$

Return on equity:

$$\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$$

Operational gearing:

$$\frac{\text{Net interest-bearing debt} \times 100}{\text{EBITDA}}$$



INCOME STATEMENT, 1 JANUARY– 31 DECEMBER

(Classified
by nature)

	NOTE	2021	2020
Net revenue	1	85.968.611	85.286.043
Work performed by the entity and capitalised		-	-
Other operating income	1	7.847.165	358.653
Other external expenses		(27.582.903)	(20.739.874)
Gross profit		66.232.873	64.904.822
Staff costs	2	(20.242.691)	(18.277.418)
Depreciation and amortisation		(17.652.855)	(18.058.753)
Other operating costs	1	(600.000)	(50.144)
Profit before financial items		27.737.327	28.518.507
Financial income		5.972.448	-
Investment expenses		(16.041.491)	(18.163.076)
Income or loss from ordinary activities before tax		17.668.284	10.355.431
Tax on profit for the year	3	-	-
Profit for the year		17.668.284	10.355.431
Proposal for distribution of the profit:			
Carried over to retained earnings		17.668.284	10.355.431
Dividend for the financial year		-	-
Committed, total		17.668.284	10.355.431

BALANCE SHEET AT 31 DECEMBER

ASSETS	NOTE	2021	2020
Property, plant and equipment:	4		
Land and buildings		676.827.271	682.106.634
Fixtures, fittings, tools and equipment		43.826.010	47.022.875
PPE under construction		187.985.994	7.816.263
Property, plant and equipment, total		908.639.274	736.945.772
Current assets:			
Debtors:			
Trade receivables		8.272.501	44.372.077
Other receivables	5	45.206.609	41.433.330
Total receivables		53.479.110	85.805.407
Liquid assets, total		3.547.230	25.564.803
Total current assets		57.026.340	111.370.210
Total assets		965.665.614	848.315.982

LIABILITIES	NOTE	2021	2020
Equity:			
Share capital		50.000.000	50.000.000
Emission premium		20.274.608	20.274.608
Fair value reserve		-34.177.064	-43.445.968
Retained earnings		198.958.105	181.289.821
		235.055.650	208.118.462
Debt liabilities:	6		
Long-term debt liabilities:			
Mortgage debts		558.010.717	597.895.368
Current liabilities:			
Mortgage debts	6	23.381.000	23.856.000
Banks		108.039.717	-
Trade creditors		33.398.178	4.184.425
Other debts		5.266.216	7.559.330
Prepayments from customers		2.514.136	6.702.396
		172.599.247	42.302.152
Debt liabilities, total		730.609.964	640.197.520
Total liabilities		965.665.614	848.315.982
Information on fair value	7		
Contingent liabilities and charges	8		
Related parties	9		

STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL	EMISSION PREMIUM	RESERVE FOR CASH FLOW HEDGE	RETAINED EARNINGS	TOTAL EQUITY
Equity					
1 January 2021	50.000.000	20.274.608	-36.321.692	170.934.390	204.887.306
Value adjustment, hedging instruments	-	-	-7.124.276	-	-7.124.276
Profit for the year	-	-	-	10.355.431	10.355.431
Equity					
31 December 2021	50.000.000	20.274.608	-43.445.968	181.289.821	208.118.462

Equity					
1 January 2021	50.000.000	20.274.608	-43.445.968	181.289.821	208.118.461
Value adjust- ment, hedging instruments	-	-	9.268.904	-	9.268.904
Profit for the year	-	-	-	17.668.284	17.668.284
Equity					
31 December 2021	50.000.000	20.274.608	-34.177.064	198.958.105	235.055.650

Share capital, subscribed upon formation, 1 January 2004

50.000.000

The shares are non-negotiable but are registered and listed in the company's register of shareholders.

No shares carry special rights.

Ownership:

The following shareholders are listed in the company's register of shareholders

Regional Municipality of Bornholm

Danish Confederation of Trade Unions, Section Bornholm

Confederation of Danish Industry, Bornholm Regional Association (DI Bornholm)

CASH FLOW STATEMENT

1 JANUARY – 31 DECEMBER

	2021	2020
Cash flows from operating activities:		
Profit for the year	17.668.284	10.355.431
Depreciation and write-down of property, plant and equipment	17.652.855	18.058.753
Adjustments of profit from disposal of fixed assets	(206.440)	50.144
Adjustment of operational balance sheet items		
Receivables	36.099.576	(16.941.606)
Other receivables	(11.443.273)	7.277
Trade payables	29.213.753	(28.540.878)
Other debts	(6.481.374)	6.797.417
Cash flows from operating activities	82.503.381	(10.213.462)
Cash flows from investment activity:		
Purchase of property, plant and equipment	(189.346.357)	(19.270.328)
Sale of property, plant and equipment	206.440	575.856
Other cash flows from investment activity	-	-
Cash flows from investment activity	(189.139.917)	(18.694.472)
Cash flows from financing activity:		
Raising of loans for mortgage-credit institutions	108.039.717	604.000.000
Repayment of long-term debt	(23.420.753)	(569.531.817)
Other cash flows from financing activity	-	-
Cash flows from financing activity	84.618.964	34.468.183
Change in cash and cash equivalents for the year	(22.017.573)	5.560.249
Liquidity:		
Cash and cash equivalents, opening	25.564.803	20.004.554
Change in cash and cash equivalents for the year	(22.017.573)	5.560.249
Cash and cash equivalents, closing	3.547.230	25.564.803

NOTES

NOTE 1. SPECIAL ITEMS

In conjunction with the change of operator of the Bornholm ferry service (PSO) in 2018, the company filed a lawsuit against the then ferry operator Danske Færger (now Mols-linjen A/S) concerning the payment of port fees, as well as some financing and usage agreements entered into by the parties since 1999.

In March 2021, the port-fees case was reviewed by the Copenhagen Maritime and Commercial Court, which concluded that Port of Roenne A/S had not set unreasonably high prices, but that the contractual basis precluded it from demanding payment of these up to 31 August 2018, which was why Danske Færger was awarded partial costs.

In December 2021, the lawsuit concerning financing and usage agreements was reviewed by the Eastern High Court of Denmark, which ruled in favour of Port of Roenne A/S's claim that Danske Færger must re-pay its residual debt insofar as this concerns the net sum and must completely re-establish four out of the six facilities constructed under the agreements.

The lawsuits have had a negative impact on the financial result for the year in the amount of DKK 0.9 million, dispersed on net revenue (in the amount of DKK -13.9 million), other operating income (DKK 7.6 million) and other operating costs (DKK -0.6 million) and financial income (DKK 5.9 million).

NOTE 2. STAFF COSTS

	2021	2020
Wages and salaries	(18.021.729)	(16.276.464)
Pensions	(1.970.996)	(1.796.823)
Other social security expenses	(249.966)	(204.130)
Staff costs, total	(20.242.691)	(18.277.418)
Average number of employees	28	27

The following remuneration was paid to the board in 2021:

Member	Name	Period	Remuneration
Chairman of the Board	Lars Karlsson	1 January – 31 December	175,000
Deputy Chairman	Jess Persson	1 January – 31 December	60,000
Member	Thomas Thors	1 January – 31 December	60,000
Member	Rainer Harboe	1 January – 31 December	60,000
Member	Anette Stæhr	1 January – 31 December	60,000
Member	Michael Svane	1 January – 31 December	95,000
Member	Ole A. Philipsen	1 January – 31 December	95,000
Member	Kaj V. Holm	1 January – 31 December	95,000
Member	Sisse Mai	1 January – 31 December	95,000

In 2021, DKK 3.1 million was disbursed in remuneration, pension and bonus to the management. A bonus agreement was entered into with the management concerning ongoing business activities, which was triggered in 2021. In 2020, the board entered into a new retention agreement with the CEO which will be triggered in 2022.

NOTE 3. TAX ON PROFIT FOR THE YEAR

Pursuant to Section 3(1)(iv) of "Order concerning the act on income taxation of public limited companies, etc.," Port of Roenne A/S, which is open to public transport, is exempt from income taxation.

NOTE 4. PROPERTY, PLANT AND EQUIPMENT (PPE)

<i>DKK '000</i>	LAND AND AREAS	LAND AND BUILDINGS	DOCKS, NAVIGA- TIONAL CHANNELS, JETTIES, ETC.	FIXTURES, FITTINGS, TOOLS AND EQUIP- MENT	PPE UNDER CON- STRUC- TION	TOTAL
Accumulated acquisition sum, at 1 January 2021	135.062	23.983	631.122	127.319	7.816	925.302
Additions during the year	1.212	6.943	272	750	180.170	189.347
Disposals during the year	-	-	-	-	-	-
Accumulated acquisition sum, 31 December 2021	136.274	30.926	631.394	128.069	187.986	1.114.649
Accumulated depreciation, write-downs and amortisation, 1 January 2021	-	11.925	96.135	80.297	-	188.357
Depreciation, assets disposed	-	-	-	-	-	-
Depreciation for the year	-	630	13.076	3.947	-	17.653
Accumulated depreciation and write-downs, 31 December 2021	-	12.555	109.211	84.244	-	206.010
Book value, 31 December 2021	136.274	18.371	522.183	43.825	187.986	908.639
Out of which the financial value of recognised interest for the year:	-	-	-	-	640	640

NOTE 5. OTHER RECEIVABLES

Out of other receivables, DKK 16.0 million is payable more than one (1) year from the balance sheet date.

NOTE 6. LONG-TERM DEBT LIABILITIES

	2021	2020
Bank loans	67.585.762	76.593.063
Mortgage-credit loans	479.628.891	494.042.343
	547.214.653	570.635.406
Reserve for cash flow hedging	34.177.064	51.115.962
	581.391.717	621.751.368
Out of the long-term debt, payable within one (1) year	23.381.000	23.856.000
Total long-term liabilities	558.010.717	597.895.368
Long-term that is payable after more than five (5) years	427 mio.	448 mio.
Long-term debt, total, exclusive of cash flow hedging	524 mio.	547 mio.

NOTE 7. FAIR VALUE DISCLOSURE:

	2021
Fair value of interest-rate swaps, closing	34.177.064
Adjustment of fair value, income statement	-
Adjustment of fair value, equity	9.268.904

NOTE 8. CONTINGENT LIABILITIES AND CHARGES

- Port of Roenne A/S has taken over ordinary obligations and rights in conjunction with the takeover of Port of Roenne.
- With security in land and buildings with a financial value of DKK 677 million as of 31 December 2021, mortgages were registered to owners for the nominal value of DKK 604 million, which are placed as collateral for debt to banks and mortgage credit institutions.
- In addition, the company's other assets are prohibited from being placed as collateral.
- In conjunction with the change of operators in 2018 of the Bornholm ferry service (PSO), the previous operator, Danske Færger A/S, has contractual obligations that include payment pursuant to concluded usage and financing agreements, re-establishment and payment of adjusted port fees.

Both lawsuits were concluded in 2021 (see Note 1).

The current operator of the Bornholm ferry service (PSO), Molslinjen (Bornholmslinjen) filed a new lawsuit in 2021 with the Copenhagen Maritime and Commercial Court concerning the payment of port fees.

The lawsuit is expected to be heard in 2022 or 2023. The company fully expects to be cleared of Molslinjen's claim alleging that the company had misused its position by charging Molslinjen excessively high port fees.

NOTE 9. RELATED PARTIES

Port of Roenne A/S's related parties comprise the following:

Controlling interest:

Regional Municipality of Bornholm

Ullasvej 23

DK-3700 Rønne, which is the principal shareholder.