

**Scandlines Gedser Havn  
ApS**  
Havneholmen 25, 8th floor  
1561 Copenhagen V, Denmark  
Central Business Registration No  
33509170

## **Annual report 2016**

The Annual General Meeting adopted the annual report on 25.04.2017

**Chairman of the General Meeting**



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Name: Søren Poulsgaard Jensen

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## Entity details

### Entity

Scandlines Gedser Havn ApS  
Havneholmen 25, 8th floor  
1561 Copenhagen V, Denmark

Central Business Registration No: 33509170  
Registered in: City of Copenhagen, Denmark  
Financial year: 01.01.2016 - 31.12.2016

Phone: +4533151515  
Fax: +4535290201  
Website: [www.scandlines.com](http://www.scandlines.com)  
E-mail: [scandlines@scandlines.com](mailto:scandlines@scandlines.com)

### Executive Board

Søren Poulsgaard Jensen, CEO  
Per Johannesen Madsen, CFO

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
P.O. Box 1600  
0900 Copenhagen C

## Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Scandlines Gedser Havn ApS for the financial year 01.01.2016 - 31.12.2016.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

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.

Copenhagen, 25.04.2017

### Executive Board



Søren Poulsen  
CEO



Per Johannesen Madsen  
CFO

## Independent auditor's report

### To the shareholders of Scandlines Gedser Havn ApS

#### Opinion

We have audited the financial statements of Scandlines Gedser Havn ApS for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 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 financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 financial statements

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

In preparing the financial statements, Management is responsible for assessing the 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 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 financial statements

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

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

## Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 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 Entity to cease to continue as a going concern.
- 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 gives a true and fair view.

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

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 under the Danish Financial Statements Act.

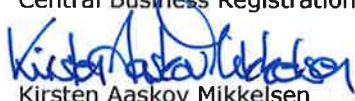
## Independent auditor's report

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

Copenhagen, 25.04.2017

### Deloitte

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No: 33963556



Kirsten Aaskov Mikkelsen

State Authorised Public Accountant



Bjarne Iver Jørgensen

State Authorised Public Accountant

## Management commentary

### **Primary activities**

The Company's primary activity is to own and operate the harbor in Gedser.

### **Development in activities and finances**

The financial year 2016 shows a profit of MDKK 14 compared to a profit of MDKK 17 in 2015.

### **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.



## Income statement for 2016

	<u>Notes</u>	<u>2016</u> <u>DKK'm</u>	<u>2015</u> <u>DKK'm</u>
Revenue		42	41
Other external expenses		-4	-1
<b>Gross profit/loss</b>		<b>38</b>	<b>40</b>
Depreciation, amortisation and impairment losses		-9	-9
<b>Operating profit/loss</b>		<b>29</b>	<b>31</b>
Financial expenses from group enterprises		-7	-7
<b>Profit/loss before tax</b>		<b>22</b>	<b>24</b>
Tax on profit/loss for the year	1	-8	-7
<b>Profit/loss for the year</b>		<b>14</b>	<b>17</b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		14	17
		<b>14</b>	<b>17</b>

**Balance sheet at 31.12.2016**

	<u>Notes</u>	<u>2016 DKK'm</u>	<u>2015 DKK'm</u>
Land and buildings		70	72
Plant and machinery		212	219
Property, plant and equipment in progress		<u>23</u>	<u>7</u>
<b>Property, plant and equipment</b>	2	<u><b>305</b></u>	<u><b>298</b></u>
<b>Fixed assets</b>		<u><b>305</b></u>	<u><b>298</b></u>
Receivables from group enterprises		26	2
Other receivables		<u>1</u>	<u>1</u>
<b>Receivables</b>		<u><b>27</b></u>	<u><b>3</b></u>
<b>Current assets</b>		<u><b>27</b></u>	<u><b>3</b></u>
<b>Assets</b>		<u><b>332</b></u>	<u><b>301</b></u>

## Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK'm</u>	<u>2015 DKK'm</u>
Contributed capital		14	14
Retained earnings		114	117
<b>Equity</b>		<b>128</b>	<b>131</b>
Deferred tax		6	2
<b>Provisions</b>		<b>6</b>	<b>2</b>
Trade payables		3	3
Payables to group enterprises		178	148
Income tax payable		6	10
Other payables		11	7
<b>Current liabilities other than provisions</b>		<b>198</b>	<b>168</b>
<b>Liabilities other than provisions</b>		<b>198</b>	<b>168</b>
<b>Equity and liabilities</b>		<b>332</b>	<b>301</b>
Contingent liabilities	3		
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## Statement of changes in equity for 2016

	<b>Contributed capital DKK'm</b>	<b>Retained earnings DKK'm</b>	<b>Proposed dividend DKK'm</b>	<b>Total DKK'm</b>
Equity beginning of year	14	100	17	131
Ordinary dividend paid	0	0	-17	-17
Profit/loss for the year	0	14	0	14
<b>Equity end of year</b>	<b>14</b>	<b>114</b>	<b>0</b>	<b>128</b>

The share capital consist of 13.500 shares at 1.000 nominal. There have not been any changes in the share capital since inception.

## Notes

	<b>2016</b>	<b>2015</b>
	<b>DKK'm</b>	<b>DKK'm</b>
<b>1. Tax on profit/loss for the year</b>		
Tax on current year taxable income	12	5
Change in deferred tax for the year	-4	2
	<b>8</b>	<b>7</b>

	<b>Land and buildings</b>	<b>Plant and machinery</b>	<b>Property, plant and equipment in progress</b>
	<b>DKK'm</b>	<b>DKK'm</b>	<b>DKK'm</b>
<b>2. Property, plant and equipment</b>			
Cost beginning of year	130	322	7
Additions	0	0	16
<b>Cost end of year</b>	<b>130</b>	<b>322</b>	<b>23</b>
Depreciation and impairment losses beginning of the year	-58	-103	0
Depreciation for the year	-2	-7	0
<b>Depreciation and impairment losses end of the year</b>	<b>-60</b>	<b>-110</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>70</b>	<b>212</b>	<b>23</b>

### 3. Contingent liabilities

Scandlines Gedser Havn ApS is jointly taxed with all Danish Scandlines companies. Under the joint taxation scheme, each company is liable only for its own tax on the taxable income until the tax has been paid to the administration company.

The Company is jointly and severally liable for the subsidiaries intra-group accounts in the Scandferries Holding ApS Group's cash pool arrangement.

The Company participates in a Danish joint taxation arrangement in which Scandferries ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

## Notes

### 4. Mortgages and securities

Debt of the ultimate parent company is secured by way of a charge on the ultimate parent company's "trademarks", such as Scandlines Gedser Havn ApS' Land and Buildings and Receivables.

**At 31 December, the carrying amounts of assets provided as security are as follows:**

	<b>2016</b>	<b>2015</b>
	<b>MDKK</b>	<b>MDKK</b>
Land and buildings as well as harbor facilities and harbor installations	305	298
Receivables	27	3

### 5. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Scandferries ApS, Copenhagen

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Scanferries Holding UK Ltd, London

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

The accounting policies applied for these 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 Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company 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 Company, 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.

### 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 one 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. Fixed assets purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates that do not significantly deviate from the rates at the transaction date.

### Income statement

#### Revenue

Revenue relating income from rental and harbor charges.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

#### Depreciation, amortisation and impairment losses

## Accounting policies

Intangible assets and property, plant and equipment are amortised or depreciated straight-line based on an individual estimate of their useful lives.

### Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

### 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 Company is jointly taxed with all Danish Scandlines companies. 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, harbour plant and harbour installations as well as 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.

The basis of depreciation is cost less estimated residual value after the end of useful life. Depreciation is provided on a straight-line basis from the following assessment if the assets expected useful lives:

Land and buildings	40 years
Harbor facilities and harbor installations	40 years
Other fixtures and fittings, tools and equipment	3 - 5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount. Recoverable amount is the higher of value in use (present value of the future net payments) and selling price (broker assessments) less expected selling costs. Value in use is calculated by ferry line.

Profits and losses from the sale of property, plant and equipment are calculated at the difference between selling price less selling costs and carrying amount at the time of sale. Profits and losses are recognised in the income statement under other operating income/other operating expenses.

### Receivables

Receivables are measured at amortised cost, usually equaling nominal value less write-downs for bad debts.

### Deferred tax



## Accounting policies

Deferred tax are included and measured using balance sheet liability on all temporary differences between accounting and tax values of assets and liabilities. The tax value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax value of tax loss are including in the balance sheet value, which they are expected to be realised, either against deferred tax liabilities or as the net assets.

### **Other financial liabilities**

Other financial liabilities are recognized at amortized cost, usually equaling nominal value.

### **Income tax receivable or payable**

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.