

PORT ESBJERG

ANNUAL REPORT
2019



FINANCIAL AND KEY FIGURES

EUR million	2017	2018	2019
Revenue	31.61	30.83	30.54
Other operating income	0.953	0.18	0.23
Other external expenses	-5.73	-5.36	-6.21
Gross profit	26.83	25.64	24.56
Staff costs	-4.66	-4.49	-4.17
Depreciation	-7.95	-8.68	-9.44
Other operating expenses	-1.07	0.00	-0.16
Operating profit	13.15	12.48	10.79
Net financials	-2.32	-2.92	-1.66
Net profit	10.83	9.56	9.13
Total assets	195.72	198.56	203.04
Tangible fixed assets	170.86	171.16	170.58
Equity	119.06	128.61	137.75
Capital expenditure	32.11	8.98	8.96
Key figures (%)			
Return on equity	9.5%	7.7%	6.9%
ROAIC	8.4%	7.4%	6.4%
Solvency ratio	60.8%	64.8%	67.8%

FINANCIAL REVIEW

Port Esbjerg generated net profit of EUR 9.13 million for 2019, marking a decline of EUR 0.43 million relative to 2018 that was generally due to an increase in depreciation on investments made.

Depreciation charges were up 10 per cent from EUR 8.68 million in 2018 to EUR 9.44 million in 2019. As was the case in 2018, the increase in depreciation charges was a result of recent years' major investments in the East Port area and in multi-terminals. Investments in 2019 amounted to EUR 8.96 million, which was level with the 2018 figure.

The combined volume of wind turbine components (offshore and onshore) grew to a record high, and calls by crew transfer vessels (CTVs) were up by 32 per cent to 2,180 calls. A lot of the increased activity was related to work on the Horns Rev 3 wind farm. Income from sites leased to the wind turbine industry decreased temporarily, and the number of stacked drilling rigs fell from eight to one.

Cargo volumes were at 4.3 million tonnes in 2019, a drop of 2 per cent relative to 2018. On the other hand, business from the oil and gas market was up, and trailer cargo volumes were largely unchanged despite the uncertainty surrounding Brexit.

Revenue amounted to EUR 30.54 million, compared with EUR 30.83 million in 2018. The net profit for the year of EUR 9.13 million is considered satisfactory.

BALANCE SHEET AND STATEMENT OF CASH FLOWS

At 31 December 2019 Port Esbjerg had total assets of EUR 203.04 million compared with EUR 198.56 million at 31 December 2018. Net cash flows amounted to EUR -1.18 million.

Equity topped the DKK 1 billion mark, ending at EUR 137.75 million at 31 December 2019, up from EUR 128.61 million at 31 December 2018. As a result, the equity ratio increased from 64.8 to 67.8 per cent, illustrating the robust strength of the business.

ROAIC (return on average invested capital) was 6.4 per cent in 2019, compared with 7.4 per cent in 2018.

Staff costs fell to EUR 4.17 million in 2019 from EUR 4.49 million in 2018. Revenue per employee amounted to EUR 0.6 million, a 5.2 per cent increase on 2018.

Investments made in 2019 totalled EUR 8.96 million, while repayment of non-current debt amounted to EUR 4.19 million. Most of the capital expenditure in 2019 was spent on the construction of multi-terminals in the East Port.

CARGO TRANSPORT

Total cargo volumes fell slightly to 4,337 million tonnes from 4,428 million tonnes in 2018. RoRo volumes accounted for 40 per cent of overall cargo volumes, a one percentage point increase over 2018. Container cargo volumes accounted for 6 per cent, unchanged from 2018. Bulk (coal, gravel, stone

and liquid bulk such as fish oil, etc.) accounted for 31 per cent vs 40 per cent in 2018. Wind accounted for 14 per cent of cargo volumes, a 1 percentage point increase over 2018. Offshore wind shipments from Port Esbjerg reached a record high in 2019 at 1,500 MW, compared with 1,210 MW in 2018.

The number of cars arriving at Port Esbjerg dropped to 51,439 from 62,938 in 2018. In 2018, car carriers made 68 calls at Esbjerg, while in 2019 the number was 48. On the other hand, the average number of cars unloaded per call increased from 987 to 1,149.

SHIP CALLS AND PASSENGER NUMBERS

Port Esbjerg had a total of 5,696 ship calls in 2019 (excluding the Fanø ferry), which was some 300 less than the 5,974 calls recorded in 2018. The decline was due in particular to a drop in the number of fishing vessels and the lower number of calls by car carriers.

Overall, RoRo traffic remained largely unchanged at 517 calls, a 1 per cent increase on 2018. The same applies to calls by general cargo vessels, which were up by 2 per cent to 400 calls in 2019. Calls by CTVs (crew transfer vessels) were up by 32 per cent to 2,180. Calls by installation vessels fell from 78 to 68.

Over the past five years, the number of ship calls has generally been relatively stable, and the same goes for passenger numbers, which in 2019 was 1,829,000 against 1,834,000 in 2018.

ENVIRONMENTAL FACTORS

Port Esbjerg launched its first sustainability strategy in 2019. The strategy converts Port Esbjerg's ambition to be a sustainable port into specific focus areas and physical projects.

DEVELOPMENT ACTIVITIES

An environmental impact assessment (EIA) for a future port expansion of up to 1 million square metres was launched in 2017. The EIA process is expected to be completed by the autumn of 2020, after which an expansion could be initiated.

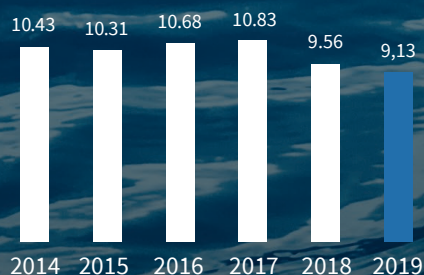
OUTLOOK FOR 2020

Port Esbjerg budgets for a revenue increase in 2020 driven by expectations of a continued increase in activity at the port. Both COVID-19 and the ongoing Brexit negotiations are expected to have a significant impact on the budget. The budget foresees a decline in operating profit of EUR 1.1-1.2 million relative to 2019, due to higher depreciation charges, costs of major renovations and a conservative estimate of the return on financial investments.

FACTS AND KEY FIGURES 2019

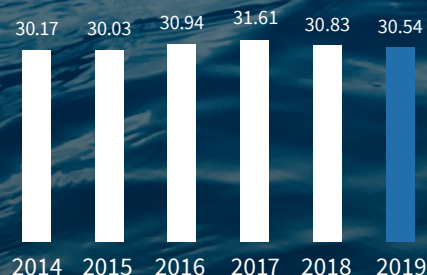
NET PROFIT

 **9.13** million EUR



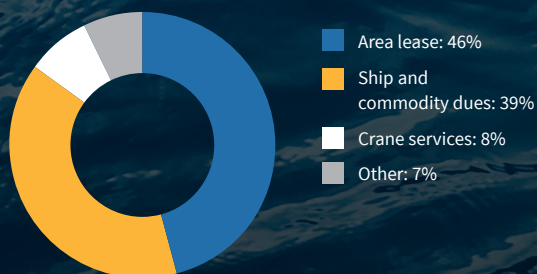
REVENUE

 **30.54** million EUR



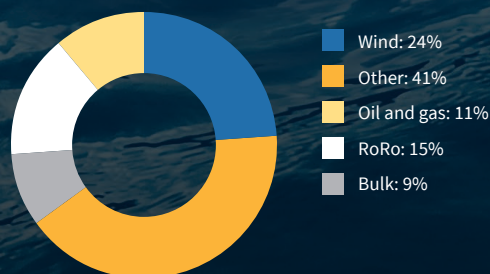
TURNOVER

 by type



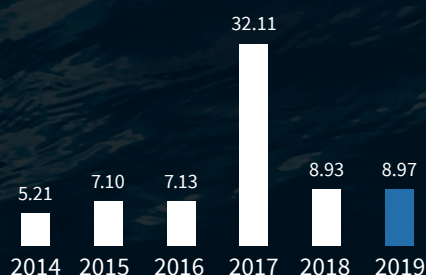
TURNOVER

 by business area



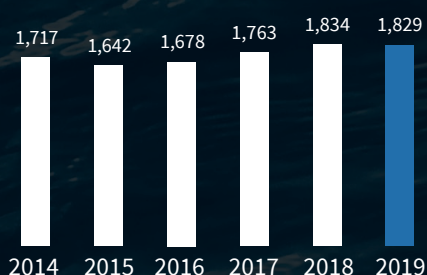
INVESTMENTS

 **8.96** million EUR



PASSENGERS

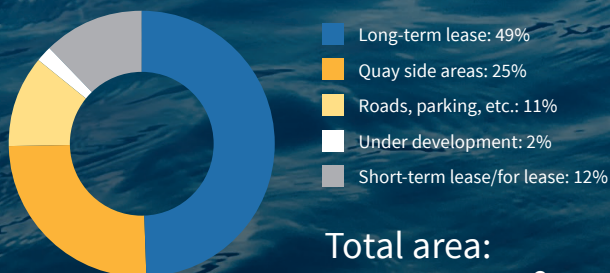
 **1,829** million persons



CONTRACTED AREAS



by type

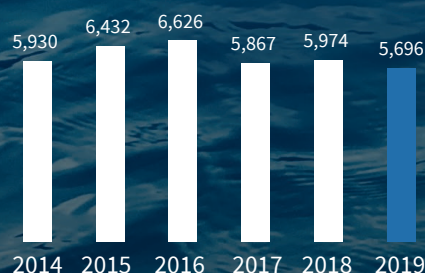


Total area:
4,500,000 m²

SHIP CALLS



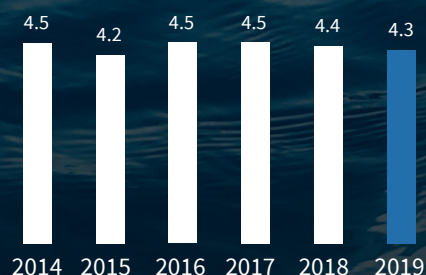
5,696



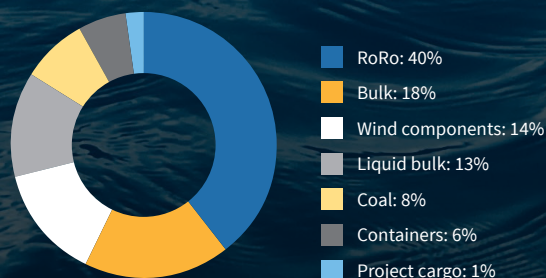
CARGO VOLUME



4.3 million tonnes



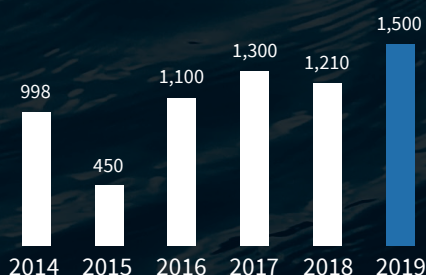
CARGO BY TYPE



OFFSHORE WIND SHIPPED



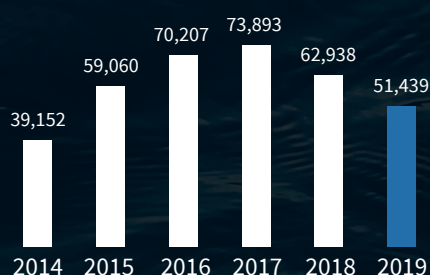
1,500 MW



CARS



51,439



TEXT:

Radius CPH

PHOTOS:

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