

PORT ESBJERG

ANNUAL REPORT
2022



CHAIRMAN'S REPORT

PRINCIPAL ACTIVITY

Port Esbjerg is a public self-governing port under the ownership of the Local Authority of Esbjerg.

The port operates in accordance with the Danish Port Act.

DEVELOPMENTS IN BUSINESS ACTIVITY AND FINANCIAL MATTERS

Net profit for 2022 amounted to 4.0 million EUR, compared with 6.5 million EUR for 2021.

Cargo turnover for the year was up by 5.0 per cent on 2021, while the number of ship calls was in line with 2021. Activity levels were quite volatile during the year, with stronger performance in the second half than the first half of the year.

In 2022, the markets constituting the main areas of activity for the port continued to be impacted by a shortage of steel and by challenges in the supply of electronic components. The shortages of commodities and electronic components have had a negative effect on imports and exports of cars, electronic components and wind turbines, among other goods.

Demand for storage space increased in 2022, and land rentals increased by 9.8 per cent over the previous year. We have noted, unfortunately, that cargo is generally stored at the port area for longer periods of time before being shipped.

In 2022, an offshore wind installation project for a German wind farm was shipped out of Port Esbjerg, and the port area was used extensively for storing and shipping components for wind turbine installation projects originating from other northern European ports.

A beleaguered UK economy continued to cause turbulence in Denmark's trade with the UK. While exports to the UK appear to have stabilised, imports from the UK to Denmark have fallen considerably.

Port Esbjerg has implemented several initiatives to continue the electrification of the port and enhance the services to its users. Port Esbjerg now has a total of 14 onshore power outlets for large vessels and 160 outlets for small vessels.

We expect to add more onshore power plants in the years ahead.

The 5,376 port calls in 2022 were largely in line with the figure for 2021. In 2022, 477 RoRo vessels, 412 general cargo vessels and 222 tankers called at Port Esbjerg.

Port Esbjerg expects a positive development in the overall level of activity for 2023.

Group revenue for 2022 amounted to 29.1 million EUR compared with 28.5 million EUR in 2021.

Operating profit for the year was up by 10.1 million EUR to 8.6 million EUR in 2022.

The increase was due to an increase in revenue, the sale of property, plant and equipment and timing differences in planned projects.

The net profit for the year of 4.0 million EUR, (down -2.5 million EUR relative to 2021) was due to unrealised fair value adjustments (-4.2 million EUR) on securities and equity investments. As a result, the profit from ordinary activities is considered to be satisfactory.

BALANCE SHEET AND STATEMENT OF CASH FLOWS

Total assets at 31 December 2022 amounted to 232.3 million EUR, compared with 206.2 million EUR at 31 December 2021.

Port Esbjerg had a net cash inflow of 19.4 million EUR, compared with a net outflow of -0.9 million EUR in 2021. Port Esbjerg made investments amounting to 17.0 million EUR in 2022 and repaid non-current debt of 4.3 million EUR.

Most of the capital expenditure related to establishing shore-to-ship and hydrogen power connections, completing the Scorpius Quay, constructing the Multiterminal II, a new crane, continuing the expansion of the East Harbour as well as renovating quays and streets.

OUTLOOK

Budget for 2023

Port Esbjerg is budgeting for an increase in business activity in 2023. The budget considers the increase in wind industry projects to be shipped out of Port Esbjerg, which will also add increased activity in crane operations. In addition, the new warehouse will be let to Siemens Gamesa at the end of 2023. Operating profit is expected to be in the 8.5 to 9.5 million EUR range.

ENVIRONMENTAL FACTORS

Through targeted and responsible efforts, Port Esbjerg works to implement energy-efficient solutions, stimulate demand for renewable energy and contribute to sustainable development. Port Esbjerg cooperates with competing ports in order to achieve the ambitious EU targets 'Fit for 55', which is the EU's climate legislation imposing a commitment to achieve the goal of reducing EU emissions by at least 55 per cent by 2030.

In 2022, Port Esbjerg updated its sustainability strategy, which is available on the website. The strategy is based on the United Nations' 17 Sustainable Development Goals, and Port Esbjerg has launched initiatives relating to a number of these goals.

Port Esbjerg collaborates with technology company Honeywell on measuring and reducing the overall CO2 emissions at the port. The system has enabled Port Esbjerg to invest in shore-to-ship power plants. The availability of onshore power has meant that an increasing number of the companies based at the port see the benefits of turning off the ships' generators and using green wind energy instead.

RESEARCH AND DEVELOPMENT ACTIVITIES

In 2017, Port Esbjerg launched an environmental impact assessment (EIA) regarding a future port expansion. The EIA was completed in September 2021 when Port Esbjerg received an EIA approval. The actual port expansion (stage 5) commenced in late 2022 and is slated for completion at the end of 2024.

As part of its ongoing development, Port Esbjerg will initiate the work to deepen the Grådyb fairway towards the end of 2023 in order to accommodate the new and larger installation vessels used in the wind industry and, not least, to attract more RoRo routes.

A deeper fairway is also a requirement if large NATO vessels are to use Port Esbjerg as a future logistics hub for shipping equipment to Europe. Likewise in 2023, work will commence to accommodate NATO's request that the railway at Port Esbjerg be extended to 835 metres.

EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred since the balance sheet date which change the evaluation of the annual report.

FINANCIAL AND KEY FIGURES

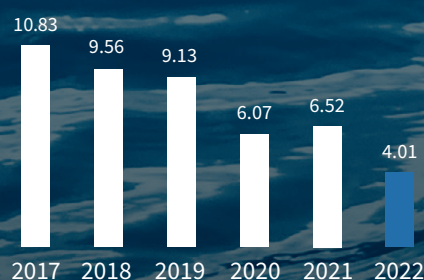
EUR million	2020	2021	2022
Revenue	28.04	28.45	29.08
Other operating income	0.13	0.00	2.36
Other external expenses	-6.17	-5.64	-6.94
Gross profit	22.00	22.81	24.50
Staff costs	-4.24	-4.56	-4.64
Depreciation	-9.68	-9.69	-9.79
Other operating expenses	0.00	0.00	0.00
Operating profit	8.08	8.55	10.07
Net financials	-2.01	-2.03	-6.05
Net profit	6.07	6.52	4.01
Total assets	206.43	206.15	232.34
Tangible fixed assets	169.58	164.52	171.69
Equity	143.81	150.33	154.34
Capital expenditure	8.71	4.92	17.01
Key figures (%)			
Return on equity	4.3%	4.4%	2.6%
ROAIC	4.8%	5.1%	6.5%
Solvency ratio	69.7%	72.9%	66.4%



FACTS AND KEY FIGURES 2022

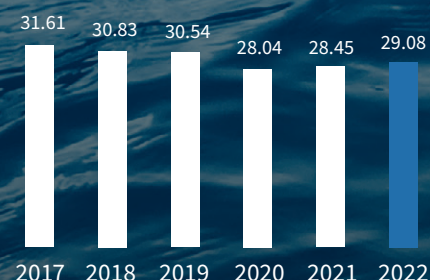
NET PROFIT

 **4.01** million EUR



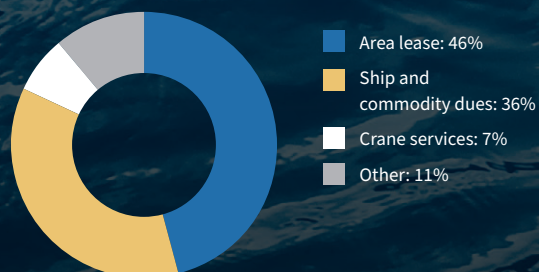
REVENUE

 **29.08** million EUR



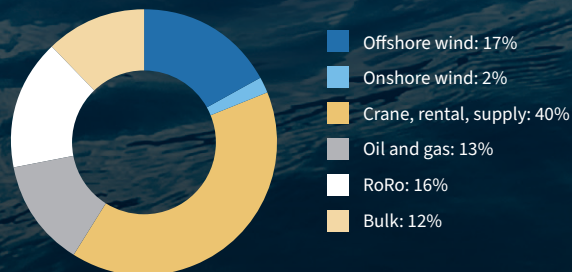
TURNOVER

 by type



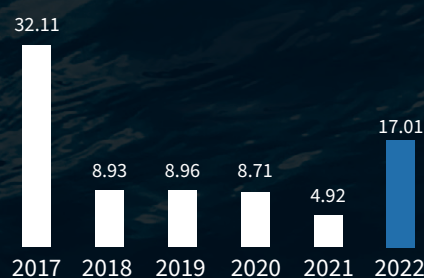
TURNOVER

 by business area



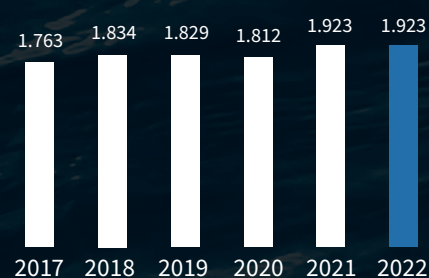
INVESTMENTS

 **17.01** million EUR



PASSENGERS

 **1.923** million persons



CONTRACTED AREAS



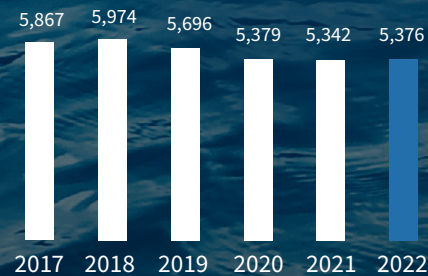
by type



SHIP CALLS



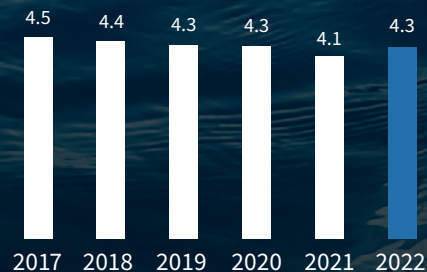
5,376



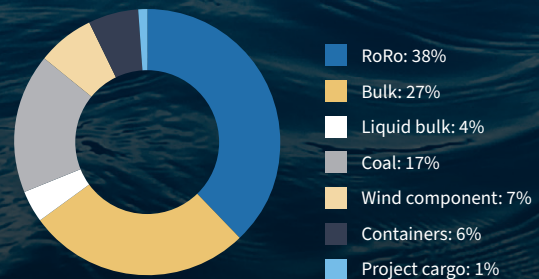
CARGO VOLUME



4.3 million tonnes



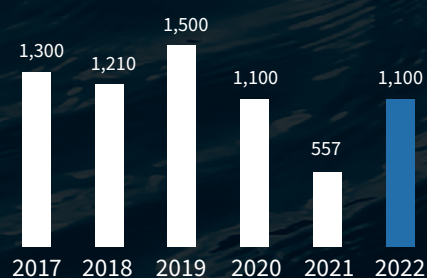
CARGO BY TYPE



OFFSHORE WIND SHIPPED



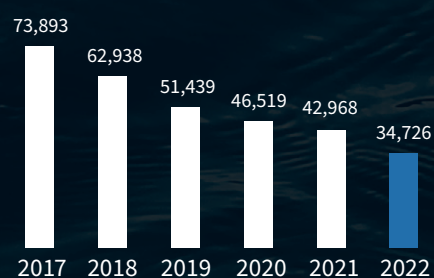
1,100 MW



CARS



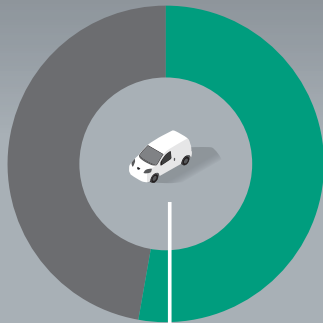
34,726





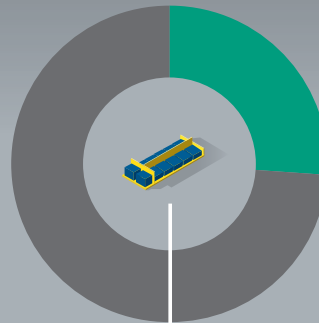
ENVIRONMENTAL REPORTING

MILEAGE IN ELECTRIC VEHICLES

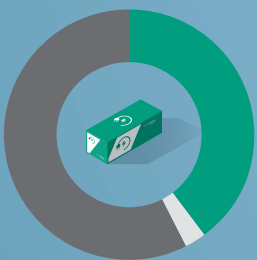
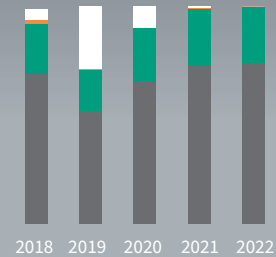


Mileage in electric vehicles 53%
Mileage in petrol and diesel cars 47%

WASTE FROM VESSELS



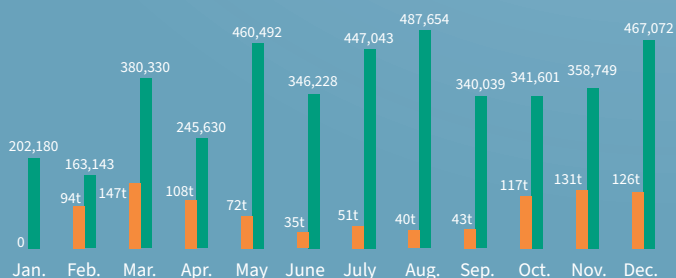
Recycled 26%
Incinerated 74%
Not categorised 0%
Sent to landfill 0%



Vestkraftkaj 1,691,799 kWh
Humberkaj 121,640 kWh
Fanøfærge 2,426,733 kWh

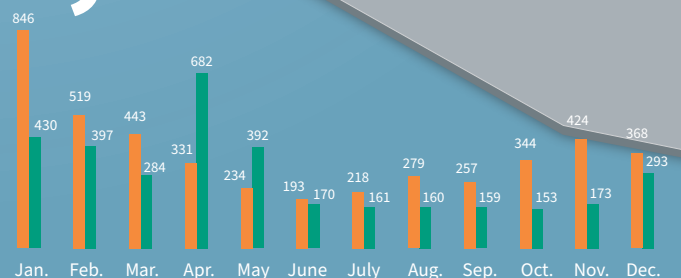
SHORE POWER

4,240,172 kWh



CO₂ EMISSIONS FROM VESSELS

3,454 tonnes



2021 - Total of 4,456 tonnes

2022 - Total of 3,454 tonnes



BOARD OF DIRECTORS

CHAIRMAN

Søren Gade,
Speaker of the Danish Parliament

VICE CHAIRMAN

Jesper Frost Rasmussen, Mayor of Esbjerg

BOARD MEMBERS

Diana Mose Olsen, Councillor

Helle Vingolf, CEO

John Sørensen, Managing Director

Mads Kirkegaard, CEO

Johnny Thomsen

Freddy Hansen, Service Assistant
(employee representative)

Jane Behrens von Qualen, HSEQ Manager
(employee representative)

MANAGEMENT

Dennis Jul Pedersen, CEO

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