

P/F SMYRIL LINE

# Annual Report 2023



Reg.no. 544



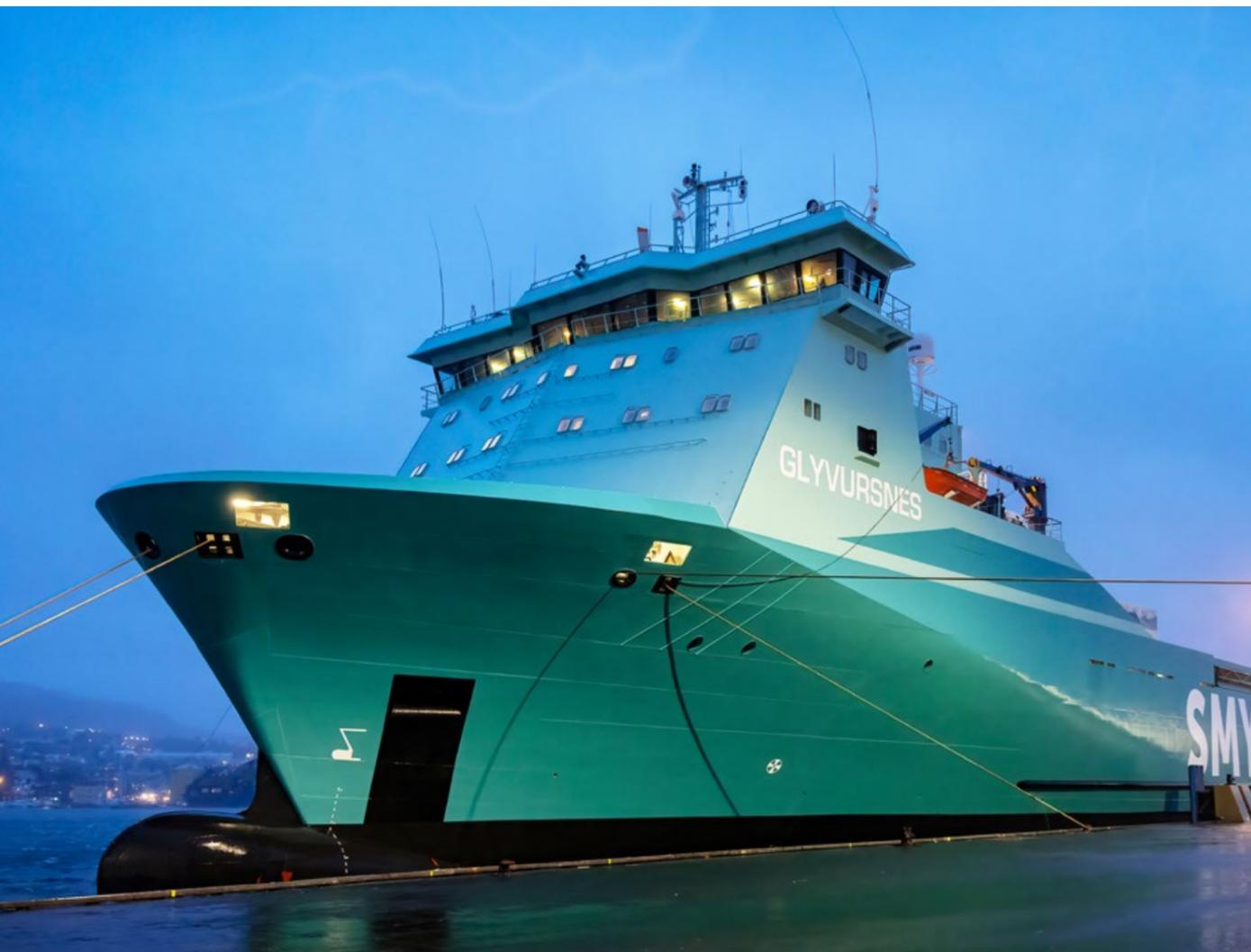
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Letter from the CEO

# The key to our progress



2023 was eventful and successful for P/F Smyril Line.

On the Travel front, we have navigated a season marked by both excitement and challenges with commendable results.

High passenger numbers and our commitment to providing a service of which we can be proud are key factors in our success and positive results.

On the Cargo side, we have certainly also seen challenges and excitement. However, with efficient operations across all routes and a dedication to excellent service, we have positioned ourselves as the preferred choice for our clients. And with the recent acquisition of Glyvursnes, we have secured our capacity to cover our route network with our own vessels.

We have decided to pursue ISO 9001, 14001, and 45000 certifications, aiming for full certification by Q1 2025. This decision reflects our dedication to quality and environmental responsibility.

These certifications are not just about standards; they are a commitment to excellence and sustainability. ISO certifications are more than accolades, they simplify our work. Adherence to these certifications will streamline processes, enhance efficiency, and provide a structured framework for success. Certification is a collective mission that requires dedication from each member of our organisation, setting new standards and exemplifying responsible business practices.



Jens Meinhard Rasmussen, CEO

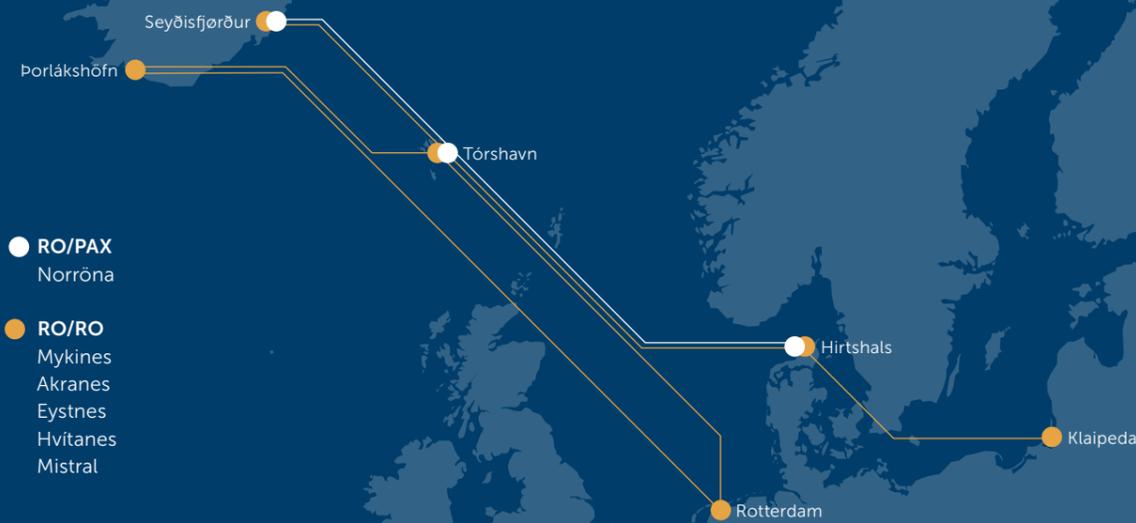
While our results are encouraging, we must acknowledge the broader economic landscape. Inflation continues to impact our society and new taxes are now levied on all shipping routes in Europe. These external factors emphasise the need for caution. Our satisfied and loyal customers remain the key to our success. Therefore, we must continue to strive for better and keep our spirits high. This is why we equally strive to create optimal conditions for all Smyril Line employees, so they can provide our customers with excellent service. Nothing is more important than safety, however, and we must ensure that all employees always return home safely from work!

Jens Meinhard Rasmussen,  
CEO

# Management's Review



# Management's Review



## Company activities

Smyril Line's main activity is to operate tourism and freight business, which includes passenger and freight transport, door-to-door shipping, tourist accommodation and other related activities. The Company owns and operates ships and real estate in addition to owning shares in other companies.

## Purpose

Safe and reliable transport of passengers and freight linking the furthest reaches of the North Atlantic to the world.

## VESSEL FLEET



### NORRÖNA

2003	
Type:	RO/PAX
Length:	165.74
Width:	30.00
Gross Tonnage:	36.976



### GLYVURSNES

1999	
Type:	RO/RO
Length:	153.45
Width:	20.60
Gross Tonnage:	10,488



### AKRANES

1998	
Type:	RO/RO
Length:	138.50
Width:	22.65
Gross Tonnage:	10,585



### MYKINES

1996	
Type:	RO/RO
Length:	102.20
Width:	16.50
Gross Tonnage:	4,610



### EYSTNES

1981	
Type:	Multi Purpose Vessel
Length:	102.20
Width:	16.50
Gross Tonnage:	4,610



### HVÍTANES

1980	
Type:	Multi Purpose Vessel
Length:	102.20
Width:	16.50
Gross Tonnage:	4,636

# Smyril Line 2023



Travel- and cargo operations were successful overall. With the recent acquisition of Glyvursnes, we have secured the capacity to service our route network with our own vessels.

### Significant Events

The ongoing conflict in Europe has, to a degree, altered the pattern of our export goods and Smyril Line has adapted its routes in order to meet the new demand.

The results for 2023 yielded a surplus of DKK 122 million.

Bearing in mind inflation, combined with soaring interest rates and fuel prices, the board and management are satisfied with the overall result.



## Smyril Line - Cargo Division

Our primary goal is to provide our customers with high quality and competitive services to and from mainland Europe with the Faroe Islands and Iceland as our primary markets.

As a supplier of RO/RO shipment in the Faroe Islands and Iceland, we can offer high quality transportation of food, building materials and industry goods, as well as transportation of wheeled cargo such as cars, busses, and larger machinery.

Over the past years, the Company has invested in ships, vehicles, and further equipment, in addition to having opened offices and warehouses in Hirtshals, Denmark, and in Rotterdam, Netherlands.

These steps were taken to secure our goal of remaining an outstanding shipping line and partner for the industries in our primary markets. Today, Smyril Line sails regularly to harbours in the Faroe Islands, Iceland, Denmark, the Netherlands, and the Baltic countries.



## Smyril Line - Travel Division

### Passenger Transport

Smyril Line Travel – sales, marketing and service offices

Smyril Line Travel operates four sales offices located in the Faroe Islands, Germany, Denmark, and Iceland. Their primary responsibility is to sell and promote passenger transport and travel package deals with the MS Norröna. The sales offices in Denmark, Germany, and Iceland are part of the Group's subsidiaries, each with its own sales accounts and geographical focus. Marketing campaigns are developed and coordinated in close collaboration with our Marketing Department based in the Faroe Islands.

### Sales & marketing

The Sales and Marketing team continuously focuses on enhancing online visibility, with most marketing activities conducted online in 2023. Our online marketing efforts include search engine optimisation and advertising. Additionally, we harness social media (SoMe) to promote Smyril Line's travel services and prioritise email marketing. Email marketing has become a crucial component of our sales, service, and promotional activities and is expected to expand with an intensified focus. We are dedicated to improving customer service by ensuring easy access to our services and relevant information, as well as by improving the quality and relevance of our offerings.

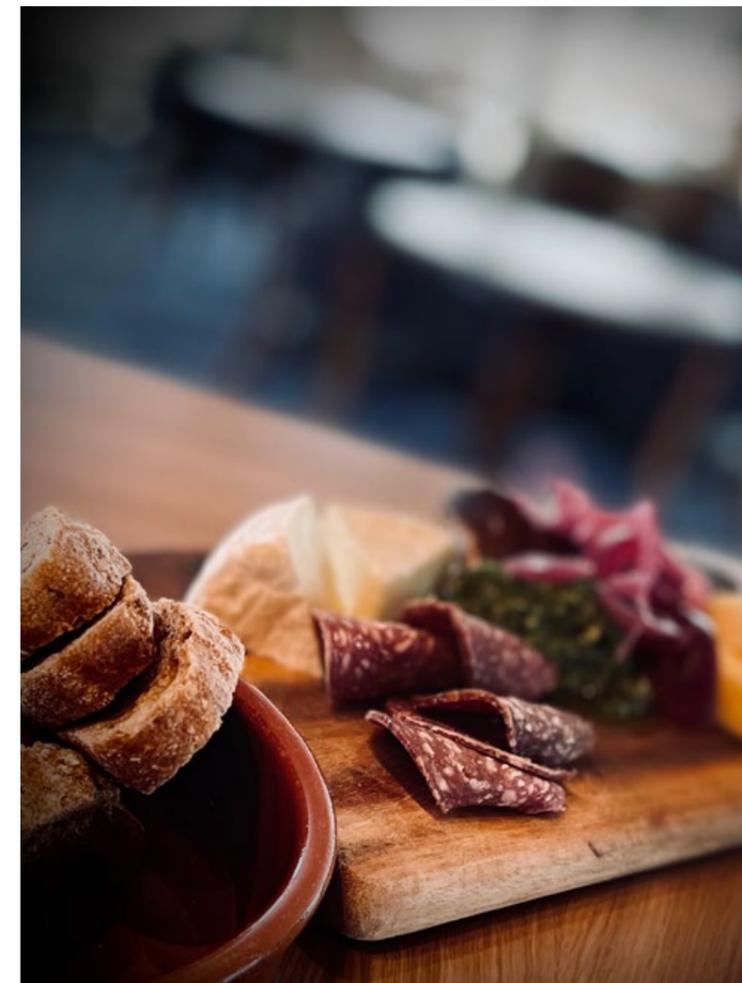
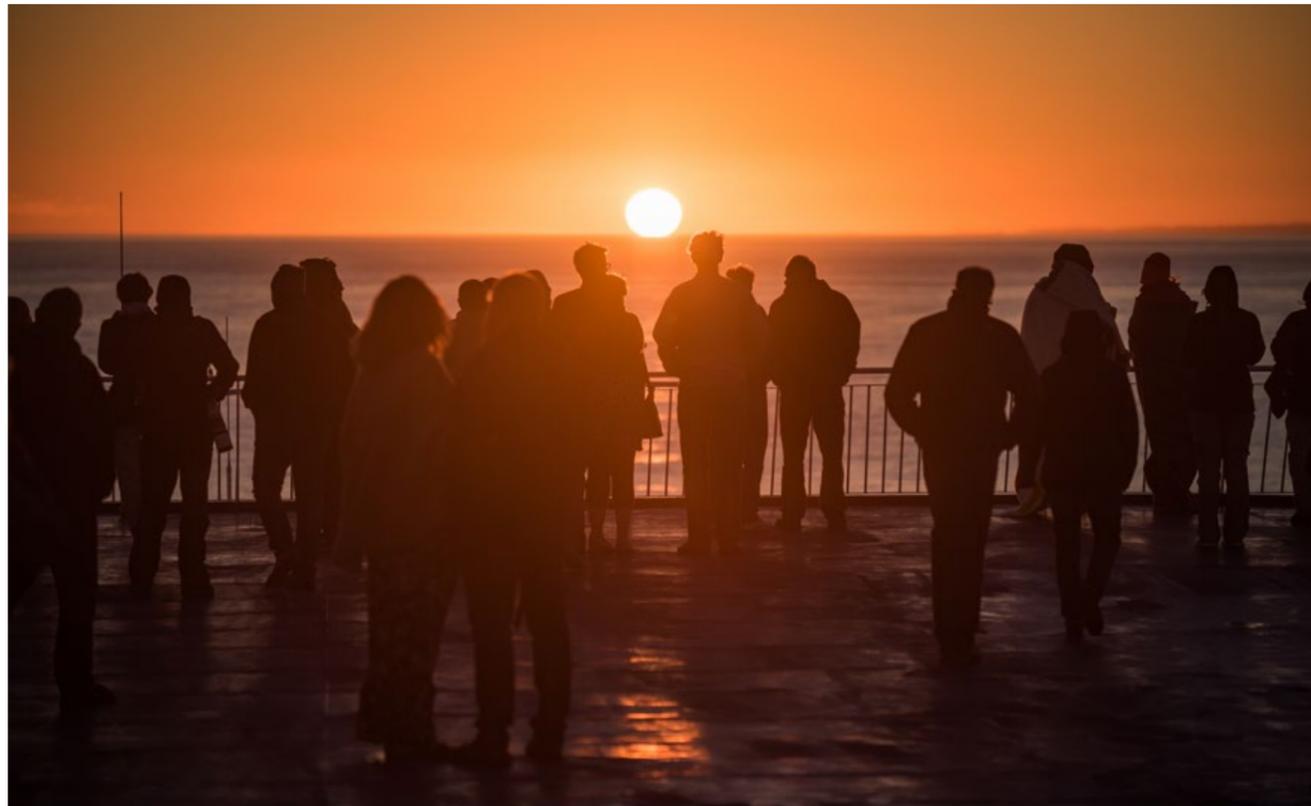
Smyril Line operates and manages seven travel-focused websites, available in seven different languages.

### Our customers

We categorise our customer segments into two main markets: Northbound and Southbound.

Northbound customers travel from the European mainland to Iceland and/or the Faroe Islands, while Southbound customers travel from Iceland or the Faroe Islands to mainland Europe. A key factor for travellers choosing our MS Norröna ferry service is the option we provide for them to bring their own vehicles to their holiday destinations.

Typically these customers appreciate the onboard luxury, viewing the crossing as an integral part of their vacation and adventure. Additionally, we are seeing an increase in customers who are conscious of their carbon footprint and prioritise sustainable travel options.



# Green and Efficient Operation



*We systematically work to minimise the environmental impact from our operations*

In 2023 we updated our vessel's color and began repainting them – Green.

The choice is no coincidence, as it marks our transition and efforts to become a green company throughout our entire business.

That is why we are currently working towards obtaining ISO certification [ISO 9001, ISO 14001 & ISO 45001] aiming for full certification by Q1 in 2025. This decision reflects our dedication to quality and environmental responsibility, as these standards are a commitment to excellence and sustainability. Obtaining ISO certifications will streamline processes, enhance efficiency, and provide a structured framework for success.

Sensible green operations are crucial in reducing our environmental impact and to improve the Groups efficiency, one of which is bunker fuel expenses. Currently the Group is heavily dependent on bunker fuel, making the Group vulnerable to fuel price fluctuations.

Therefore, in April 2022 we introduced new sailing schedules with the sole purpose of lowering vessel speed in order to reach our emission-reduction targets.

Other special measures have also been put in place to reduce fuel consumption.

These measures include:

- Hull cleaning, coating and propeller polishing
- Optimised sailing schedule combined with frequency drive and PTO
- Upgraded and improved propulsion system



# ESG Reporting



At Smyril Line we champion sustainability and we work proactively towards a sustainable future for our business, our planet and for future generations to come.

We acknowledge the impact our business has on the environment and can have for society at large. We embrace our responsibility and work together with various stakeholders and encourage them to join us in our journey towards a sustainable future.

To keep track of our performance and reach our objectives we 'started in 2022 to report' ESG metrics, which help us measure the impact of our Environmental, Social and Governance initiatives.

Our ESG strategy is to drive/fuel responsible and sustainable transport, travel and tourism in the North

Atlantic. We are committed to eliminate our environmental impact while creating positive impacts in the communities we operate in and beyond.

We have taken steps to integrate our ESG strategies into our new Smyril Line Integrated Management System, which will help us to track, analyse and report our environmental and social impact at each of the Groups entities, and on our overall progress towards our [2050] goals.

Our goals are underpinned by targets that align with the UN global Sustainability Development Goals [SDGs].

Below are the SDGs that are considered the most material for Smyril Line, i.e. those where we can have the greatest impact, but we also contribute to others.

## The UN Sustainable Development Goals (SDGs)



# The Environment

By linking the furthest corners of the North Atlantic to the rest of the world, our operations support the backbone of the local communities wherever we operate. About 90% of world trade is carried by the international shipping industry. Maritime transportation truly is global in nature, but so are its emissions.

The maritime transport sector is estimated to account for roughly 3% of annual global CO<sub>2</sub> emissions.

When compared to other modes of transportation, transport by sea is a highly environmentally friendly way of transport. However, we believe our responsibility exceeds beyond comparison.

In July 2023 the International Maritime Organisation [IMO] announced its new strategy for international shipping setting long term CO<sub>2</sub> emission reduction goals, which aims for net zero emissions by 2050.

Reaching these goals set strong requirements for shipping businesses, which encompass both operational indexes and mechanical indexes as well as enhanced short- and mid-term measures for reducing GHG emissions.

We are committed to our cause and our ambition is to reach net-zero emissions by 2050.

To achieve our ambition, bold steps must be taken to ensure a sustainable future.

## Ready for the future

Starting 2024, Smyril Line announced its investment in two brand new RoRo ships, measuring 190 meters in length and having a capacity of 3,300 lane meters for trailers. The ships are designed for optimal year-round seaworthiness in the North Atlantic with great emphasis on meeting all international emission standards. The ships will be modern and environmentally friendly.

The new ships will be equipped with a battery system and the possibility for shore power, which means that port operations can be conducted without emissions.

The ships will also be prepared to sail on e-methanol, which is considered to be the best future choice for green energy at Smyril Line.

All this is an important step for us to achieve our goals towards net-zero emissions by 2050, while we can offer our customers an even better service.

## Unlocking possibilities with GreenKey

Hotel Brandan and Hotel Hafnia are 'Green Key Hotels', which means that they meet international standards for environmental protection and sustainability. The guiding principal is to limit unnecessary consumption, use local goods and services, and work organically.

From the green roof tops of Hotel Brandan to the local greens and vegetables served at Hotel Hafnia, our hotels are constantly exploring new innovative ways to improve and go green beyond the walls of the hotels. Both hotels are actively supporting 'Rudda Føroyar' the Faroese instalment of World Clean-up Day, a global initiative mobilising volunteers to rid nature of litter.

Although GreenKey is a hotel industry standard, similar efforts to limit consumption and work organically have been made elsewhere in the Group's operations in the course of the year, where we aim at incorporating sustainable principles throughout our operations.

## No waste of opportunities

In 2023, we started measuring food waste at the buffet onboard Norrøna. A pilot project, where the leftovers from the buffet are sorted, weighted, and sent to biogas plants, which then produce energy out of food waste. The project has proven to be a success.

Our hotels in the Faroe islands are also paving the way for circular solutions through cooperation with local partnerships, such as biogas plants, farmers and others in achieving sustainable benefits from biodegradable waste.

Keeping track of food waste is a win-win as it enables our team to optimize consumption and to reduce our food waste, saving both money and the environment.



# Corporate Social Responsibility

## Health and safety

We strive for a continuous improvement culture and have taken steps to harmonise and standardise our HSEQ process at group level. This includes revising policies, procedures, processes and setting objectives.

We are working actively with health and safety at all our warehouses, and onboard all our vessels. Any issues concerning health and safety are discussed and acted on and shared across the organisation.

These efforts are part of building a strong health and safety culture, where zero harm to personnel has top priority.

Incident reporting plays an important role in remaining proactive and preventing harm to people, environment and property. By extension we are promoting a 'just culture' in which incident reporting is encouraged and welcomed.

As always, our aim is to make the year one without any serious accidents. (i.e., Lost Time Injury (LTI)).

## Human rights and labour rights

At Smyril Line we take human rights and labour rights seriously. We also provide support to people who want to return to the labour market.

In the context of a very low unemployment rate, especially in the Faroe Islands, we recruit locally and globally and all recruiting is handled in-house.

We were pre-approved to hire within the EU for many years. The Faroese government introduced a fast-track scheme for non-EU citizens. Smyril Line qualified for the fast-track when the scheme was first implemented. This shortens the process for us

to recruit personnel outside the EU, but necessarily entails additional obligations for us as an employer.

We provide in-depth on-boarding for our overseas employees to make sure they are aware of their employment rights and understand how the Faroese labour system works. Additionally, to ease new employees' transition to a new country, we offer Faroese language lessons.

## Diversity and inclusion

We believe that a diverse workforce fosters greater innovation, creativity and value-creation, and so it makes both human sense and business sense that we all do our utmost to respect each other.

At Smyril Line we are committed to ensuring a working environment free from harassment and continuously work to avoid any form of discrimination based on gender, ethnicity, nationality etc. In 2023 Smyril Line had 595 employees, 416 (70%) men and 179 (30%) women employees.

Shore based employees:	342
Sea going employees:	253

In a male-dominated sector we work towards ensuring equal pay for equal work. We encourage men and women to go for all positions and we do not tolerate gender-based discrimination.

## Learning & development

We offer our employees a wide range of career opportunities within shipping, leisure and hospitality. We strive to continuously educate our employees and, where possible, offer them the option to try different career paths within the Company.

Safety is at the forefront of everything we do. We arrange annual safety seminars where we focus on maritime safety to ensure constant improvement in this crucial area.

Gender diversity 2023



Men 70% Women 30%

**342** Shore based employees

**253** Sea going employees



**We have apprentices in almost all fields ranging from waiters, chefs, sales, accounting to freight forwarding**

We train and guide our managers in how to lead and work in a multicultural workplace and how to foster an environment in which different cultures are embraced. We usually combine this with our annual seminars for our hospitality managers.

We have apprentices in almost all fields ranging from waiters, chefs, sales, accounting to freight forwarding. We offer them the opportunity to rotate within the Company, which allows them to experience different fields and workplaces and helps them to choose their desired career path.

The Company works hard to provide competitive services to its customers, while remaining dedicated

to its social responsibility. Smyril Line also strives to operate in a responsible and transparent manner to the benefit of all its stakeholders.

We collaborate with schools and offer two-week work placements to pupils in the 9th and 10th grade, both at our hotels and onboard our vessels.

We also have an on-going close collaboration with Nordjobb, as we believe that it is important that young people in the Nordic countries get the opportunity to experience working and living in the Faroe Islands.

We are part of the cadet programme for the shipmaster degree in the Faroe Islands. This means that generations of shipmaster and marine engineer students have clocked the required sea time with us to get their first certificate and advance in their careers.

We work with marine engineering schools in Denmark and have had many engine cadets onboard our vessels working towards the sea time required as part of their education.

### Sponsorships

As an active member of society, the Company sponsors individuals, groups and organisations. We want to make a difference where possible. With these sponsorships we seek to give something back to society.

### Charity

Smyril Line financially supports individuals, groups and organisations.



# ESG-report

## ENVIRONMENTAL

	Unit	Target 2024	2023	2022	Remarks
CO <sub>2</sub> e - Scope 1	Tonnes	140.816	143.615	157.553	1
CO <sub>2</sub> e - Scope 2	Tonnes	-	389	N/A	
Energy Consumption	GJ	-	1.994.199	N/A	
Renewable Energy Share	%	-	0,0	N/A	2
Waste generated	Tonnes	-	1.032	701	3

VESSELS ONLY	Unit	Target 2024	2023	2022	Remarks
CO <sub>2</sub> e - Scope 1	Tonnes	137.156	139.955	157.553	1
CII	gCO <sub>2</sub> /t*nmile	-	21,4	21,9	
Waste generated	Tonnes	-	687	701	

## SOCIAL

	Unit	Target 2024	2023	2022	Remarks
Full time workforce	FTE	-	595	612	1
Gender Diversity - Male	%	-	70	68	
Gender Diversity - Female	%	-	30	32	
Gender Diversity, Management - Male	%	-	72	70	2
Gender Diversity, Management - Female	%	-	28	30	3

## GOVERNANCE

	Unit	Target 2024	2023	2022	Remarks
Gender Diversity, Board - Male	%	33-67	67	100	4
Gender Diversity, Board - Female	%	33-67	33	0	4
Board meeting attendance	%	100	100	100	4
Nationality of the board [foreign]	%	-	0	0	5

The ESG-metrics are reported in reference to the GRI Standards for the period of January to December 2023

- 2023 reflects the whole group's activities, while the environmental figures for 2022 only reflects the activities from vessels
- We continuously explore new opportunities to adapt renewable energy solutions. However, as fuel and bunkers accounts for the majority [97%] of the groups energy consumption, green efforts made elsewhere will not be visible until renewable energy sources for vessels and trucks are available - In 2023, 41% of all electricity consumption utilized in shore-based properties was from renewable sources.
- 2023 reflects total waste generated by the whole group, while the environmental figures for 2022 only reflects waste generated from vessels. Waste was wrongly calculated in 2022 resulting in 1.968 tonnes. This has been corrected to 701 tonnes.
- The metric only reflects the board of the parent company - P/F Smyril Line
- A foreigner is defined as a person, who does not have Faroese as his/hers primary language.

# Hotels

Smyril Line owns P/F Hotel Hafnia, which owns and operates Hotel Hafnia and Hotel Brandan.

Hotel Hafnia is a 4-star hotel with a 4-star conference facility. The hotel has 79 guest rooms and 5 cottages. In 2022 Hotel Hafnia was renovated and refurbished, and the hotel is situated in the heart of Tórshavn.



Hotel Brandan is a 4-star superior hotel with a 4-star conference section. The hotel is located in Gundadalur in Tórshavn and has a total of 124 guest rooms, 4 meeting rooms, sauna, fitness, hot tubs and 130 parking spaces.

Both Hotel Hafnia and Hotel Brandan hold the Green Key. Green Key is the hospitality industry's international eco label. It is awarded to hospitality businesses that go the extra mile to protect the environment.



HOTEL BRANDAN



# Logistics



Smyril Line Group owns the transport company OCD, established in 1995 and based in Saltangará, Faroe Islands.

The subsidiary is one of the largest trucking companies in the Faroe Islands and manages 10 trucks and 3 lorries. The acquisition of OCD has increased the value chain by expanding our in-house service provision to a previously outsourced segment. OCD manages all cargo transportation to and from our vessels in the Faroe Islands to customers around the country. Transportation in Iceland and mainland Europe is purchased from external parties.



# Risks

## Market Risks

Economic development in both the Faroe Islands and our neighbouring countries impacts the demand for cargo and passenger services and thereby Smyril Line's profit.

## Interest Rate Risks

The Company has interest bearing debt and changes in interest rates will affect part of the loans. Nonetheless, a portion of this debt carries fixed interest rates, mitigating associated risks.

## Currency risk

The Group's revenue is mainly in DKK and EUR. The operating costs are mainly in DKK and EUR, but oil expenses are mainly in USD.

The Group is therefore exposed to currency risk and the financial performance of the Group can be affected by changes in foreign exchange rates, especially between DKK and USD/ISK.

The Group's debt is financed in DKK.

## Fuel Prices

Fuel price fluctuations influence the operating result. Hedging has played an important part in limiting short-term exposure to fuel price fluctuations. The Company continues to use bunker hedging as part of its overall risk management.

## IT Risks

Cyber-attacks, loss of data and lack of internal control can seriously impact any company's operations and earnings.

Smyril Line has authorised a common Information Security Policy for the whole Group. An Information Security Officer (ISO) has been given the mandate and authority to publish, implement and ensure compliance with the policy.

## Weather Conditions

Adverse weather conditions are part and parcel of operational reality in the North Atlantic in wintertime. Skilled personnel and 40 years of operational experience contribute to minimise operational risk, but the financial cost of adjusting routes and schedules to adverse weather conditions can be significant.

## Pandemic

Pandemics have proven to pose a significant risk to the operations of Smyril Line. In addition to posing a risk to public health, there is also an inherent political risk given that different countries differ greatly in their coping strategies and capacities.

# Subsequent Events



Smyril Line has through its fully owned daughter company Smyril Line Agency signed a contract with CIMC Raffles shipyard in China to build two new cargo ships for the company. These will be two identical RoRo ships, 190 meters long and with 3,300 lane meters for trailers. The new cargo ships will join Smyril Line's current network, and they are scheduled to start sailing in 2026. The ships are designed for optimal year-round seaworthiness in the North Atlantic with particular emphasis on crew comfort and wellbeing on board.

The ships are being designed in close cooperation with Knud E. Hansen, naval architects, who, pooled with Smyril Line's extensive experience in the North Atlantic, will ensure that the ships are built for the special route between Europe, the Faroe Islands and Iceland. The ships will be modern and environmentally friendly meeting all international emission standards. Compared to the company's existing fleet, they will emit significantly less per transported tonne. Furthermore, these vessels will be equipped with a battery system and the possibility for shore power, which means that port operations can be conducted without emissions. The ships will also be prepared to sail on e-methanol, which is considered to be the best future choice of green energy for Smyril Line.

The investment in these new vessels is a commitment to futureproofing Smyril Line by leading the company towards greener energy solutions paving

the way for reaching our decarbonisation goals through our fleet renewal. Leading by example is our contribution to the green transition of the shipping industry.

Smyril Line plans to build a new headquarters and warehouse in Tórshavn. The construction is planned to commence during spring 2024 and is expected to be completed in first half 2026.

Smyril Line has decided to put the sister ships Eystnes and Hvítanes up for sale.

Since joining the fleet in 2015, Eystnes and Hvítanes have been vital to the development of Smyril Line's cargo operations. However, Smyril Line has now decided to put these vessels up for sale.

Going forward, Smyril Line will focus on its core business, which is passenger and cargo transportation with RoRo ships, the type of vessels in which Smyril Line has made significant investments in recent years.

## European Emission Trading System (ETS)

From 1. January 2024, the ETS is applicable for the maritime sector.

The company will need to purchase EU allowances for each ton CO<sub>2</sub> reported and surrender these allowances in 2025 for the year 2024.

# Outlook 2024

We expect stable development in both the travel and cargo segments. Profits are expected to be on par with 2023.

This forecast is based on assumptions with multiple uncertainties such as fuel prices, inflation, interest rates and the political situation in 2024.

# Group Structure

The company is part of the consolidated accounts for Sp/f Skansabrekka.



# Statements

## Statement by Management on the Annual Report

The Executive and Supervisory Boards have today discussed and approved the Annual Report of P/F Smyril Line for the financial year 1 January - 31 December 2023.

The Annual Report was prepared in accordance with the Faroese Financial Statements Act.

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Company's assets and liabilities and the financial position as at 31 December 2023 as well as the Group's and Company's operations and the Group's cash flows for the financial year 1 January - 31 December 2023.

In our opinion, the Management's Review constitutes a fair review of the matters dealt with in the Management's Review.

We recommend the adoption of the Annual Report at the annual general meeting.

Tórshavn, 21 March 2024

### **Executive Board**

Jens Meinhard Rasmussen, CEO

### **Supervisory Board**

Tummas Justinussen, Chairman

Helga á Borg

Arne Joensen

# Independent Auditor's Report

To the Shareholders of P/F Smyril Line

## Opinion

We have audited the consolidated financial statements and the parent company financial statements of P/F Smyril Line for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet and notes, for both the group and the parent company as well as consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared under the Faroese Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December and of the results of the group and the parent company's operations and consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Faroese Financial Statements Act.

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in the Faroe Islands. Our

responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements" section of our report. We are independent of the group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in the Faroe Islands, 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 Consolidated Financial Statements and the Financial Statements

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

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 on the Faroe Islands 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 consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable on the Faroe Islands, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and parent company 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 group's and the parent company'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 consolidated financial statements and parent company 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 group's and the parent 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 auditor's report to the related disclosures in the consolidated financial statements and parent company 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements

and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information for the group's entities or business activities to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the group. We alone are responsible for our audit opinion.

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 Management's Review

Management is responsible for the Management's Review.

Our opinion on the consolidated financial statements and parent company financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and parent company financial statements, our responsibility is to read the Management's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the consolidated financial statements and parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's Review provides the information required under the Faroese Financial Statements Act.

Based on the work we have performed; we conclude that the Management's Review is in accordance with the consolidated financial statements and parent company financial statements and has been prepared in accordance with the requirements of the Faroese Financial Statements Act. We did not identify any material misstatement in the Management's Review.

Tórshavn, 21. mars 2024

*Sp/f SPEKT State Authorised Public Accountants*

Jóhannes Færø

*State Authorised Public Accountant*



# Company Details

## The Company

P/F Smyril Line  
 Yviri við Strond 1  
 Postbox 370  
 Tórshavn  
 Faroe Islands

Reg. nr.: 544

## Financial year:

1 January - 31 December

## Domicil:

Tórshavn, Faroe Islands

## Supervisory Board

Tummas Justinussen, Chair  
 Arne Joensen  
 Helga á Borg

## Executive Board

Jens Meinhard Rasmussen, CEO

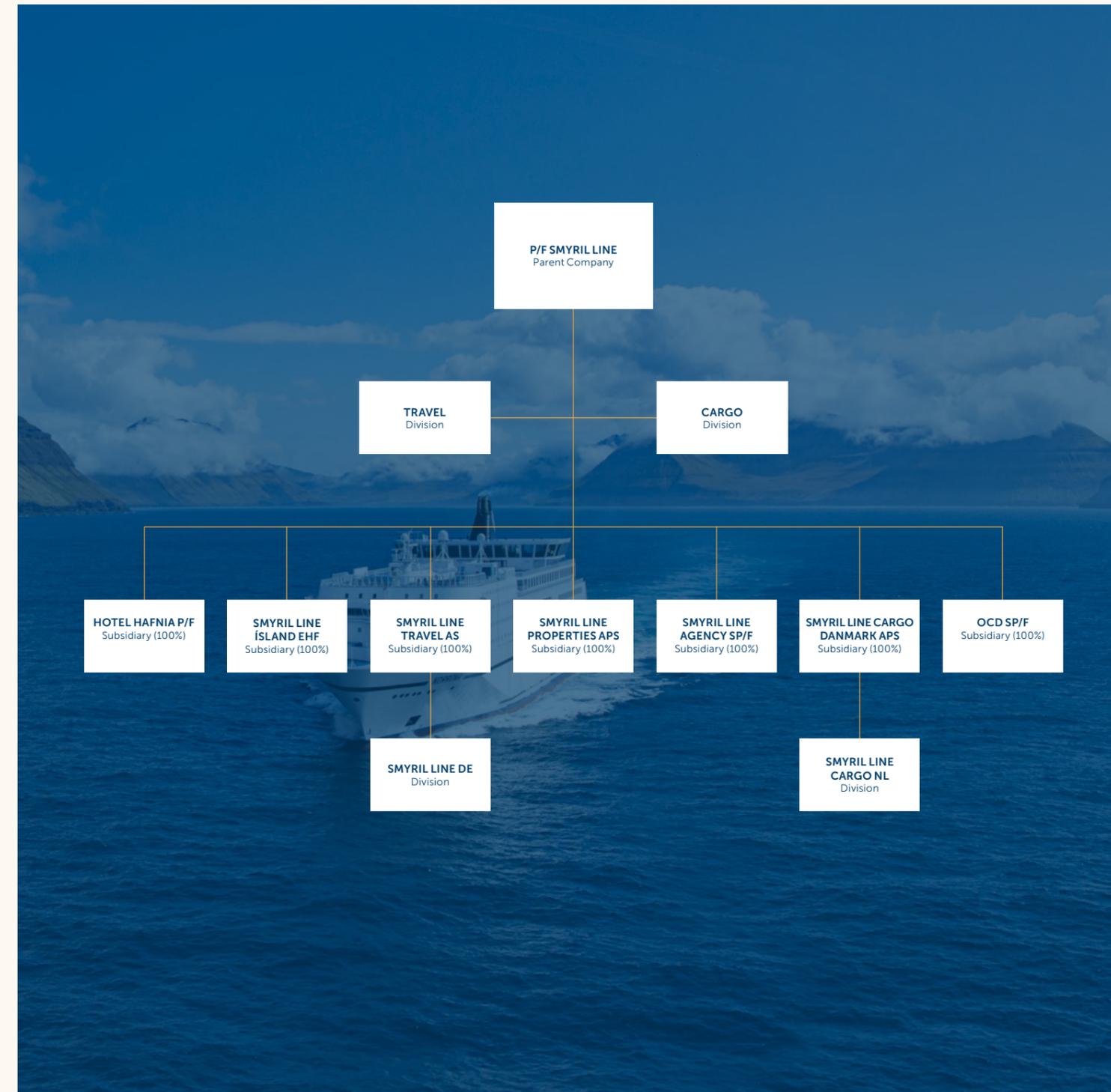
## Auditors

Sp/f SPEKT løggildir grannskoðarar  
 Staravegur 17  
 110 Tórshavn  
 Faroe Islands

## Consolidated financial statements.

The Company is included in the group Annual Report of Sp/f Skansabrekka.

# Group Chart



# Financial Highlights

## 5 year summary

	SAMTAK / GROUP				
(tkr.)	2023	2022	2021	2020	2019
<b>ÚRSLIT</b> <i>PROFIT/LOSS</i>					
Nettosøla <i>Revenue</i>	1.463.287	1.432.814	1.179.087	849.035	937.074
Bruttoúrslit <i>Gross profit</i>	513.397	439.753	338.220	243.286	324.020
Úrslit áðrenn av- og niðurskrivingar <i>EBITDA</i>	266.545	200.799	119.156	75.623	150.002
Úrslit frá figgjarpostum <i>Net financials</i>	-49.090	-41.097	-28.125	-21.068	-17.161
<b>Ársúrslit</b> <i>Profit/loss for the year</i>	<b>122.340</b>	<b>77.246</b>	<b>15.580</b>	<b>7.841</b>	<b>75.893</b>
<b>FÍGGJARSTØÐA</b> <i>BALANCE SHEET</i>					
Figgjarstöðujavni <i>Balance sheet total</i>	1.567.536	1.434.442	1.351.965	1.350.027	1.173.449
Eginogn <i>Equity</i>	550.297	448.930	371.692	356.112	348.272

### 5 YEAR SUMMARY

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions see the summary of significant accounting policies.

	SAMTAK / GROUP				
Key figures (tkr.)	2023	2022	2021	2020	2019
<b>PENINGASTREYMUR FRÁ</b> <i>CASH FLOWS FROM</i>					
Rakstrarvirksemi <i>Operating activities</i>	197.259	133.088	112.107	53.231	110.897
Ílöguvirksemi <i>Investing activities</i>	-192.203	-115.318	-110.435	-227.719	-226.628
Ílögur í materiella stöðisogn <i>Including investment in tangible assets</i>	-190.061	-117.780	-105.131	-184.640	-226.940
Figgjarvirksemi <i>Financing activities</i>	-2.229	24.574	-14.952	136.268	214.399
Starvsfólkatal <i>Number of employees</i>	595	612	549	461	475
<b>LYKLATÖL</b> <i>FINANCIAL RATIOS</i>					
Hövðusavkast <i>Return on assets</i>	12,4%	9,1%	3,8%	1,9%	10,1%
Tryggleikastig <i>Solvency ratio</i>	35,1%	31,3%	27,5%	26,4%	29,7%
Eginpeningsavkast <i>Return on equity</i>	24,5%	18,8%	4,3%	2,2%	24,5%
Gjaldförlutfall <i>Current ratio</i>	123%	127%	104%	108%	138%

ANNUAL REPORT 2023

# Consolidated and Parent Financial Statements

## Consolidated and Parent Financial Statements

# Accounting Policies

The Annual Report of P/F Smyril Line for 2023 has been prepared in accordance with the provisions of the Faroese Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies are the same for both the Parent Company and the Financial Statements.

The accounting policies are consistent with those applied last year.

### RECOGNITION AND MEASUREMENT

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

### CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the Parent Company P/F Smyril Line and subsidiaries in which the Parent Company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest. Entities in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control are considered associates. The consolidated accounts are prepared and based on the accounts for P/F Smyril Line and subsidiaries Sp/f Smyril Line Agency, Smyril Line Travel A/S, Smyril Line Ísland ehf, Smyril Line Cargo Danmark ApS, P/F Hotel Hafnia, Smyril Line Properties ApS and Sp/f OCD by consolidating consistent accounting items.

On consolidation, intra group income and expenses, holdings of shares, intra group balances and dividends as well as realised and unrealised gains and losses on intra group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition. Entities disposed of are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

### INCOME STATEMENT SEGMENT INFORMATION

Information is provided on business segments and geographical markets. The segment information is provided in consideration of the Company's accounting policies, risks and management control.

Segment assets comprise assets that are used directly in the segment's revenue producing activities.

Segment liabilities comprise liabilities resulting from the segment's operations, including trade payables and other payables.

### REVENUE

Revenue is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

### RAW MATERIALS AND CONSUMABLES

Expenses for raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

### OTHER OPERATING INCOME

Other operating income comprises items of a secondary nature relative to the Company's activities, including gains on the sale of intangible assets and property, plant and equipment.

### OTHER EXTERNAL EXPENSES

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### STAFF COSTS

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

### AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### FINANCIAL INCOME AND EXPENSES

Financial income and expenses include interest, capital and exchange gains and losses on securities, debts and foreign currency transactions, amortisation of financial assets and liabilities.

## INCOME FROM INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The proportionate share of the profit or loss after tax of the individual subsidiaries is recognised in the income statement after full elimination of intra group gains/losses.

The proportionate share of the profit or loss after tax of the individual associates is recognised in the income statement after elimination of the proportionate share of intra group gains/losses.

## TAX ON PROFIT/LOSS FOR THE YEAR

The parent company and its subsidiary, Sp/f Smyril Line Agency, calculate the taxable income of their shipping activities in accordance with the Faroese tonnage tax legislation. According to the tonnage tax legislation the taxable income is not based on income and expenses but rather based on the net tonnage of the companies' ships. The taxable income regarding other activities than shipping is calculated in accordance with ordinary tax rules. The taxable income of other group companies is calculated on the basis of the operating profit in accordance with ordinary tax rules in the company's home country.

The tax on the profit/loss for the year in the income statement consists of:

- current corporate tax that can be attributed to the
- profit/loss for the year, changes in deferred tax relating to non-tonnage taxed assets and liabilities, and
- adjustments relating to previous years.

For tonnage-taxed assets and liabilities, deferred tax is recognized to the extent that deferred tax is expected to arise. This based on that the parent company's and Sp/f Smyril Line Agency's shipping activities are covered by the tonnage tax scheme and that there are no plans to withdraw from the tax scheme or carry through such changes in the activities or investments that could lead to an obligation to settle deferred tax regarding transitional balances.

The parent company's and Sp/f Smyril Line Agency's planned use of ships and use of the tonnage tax schemes thus entails a deferred tax liability, which is recognized if there are changes in the mentioned assumptions.

On non-tonnage taxed assets and liabilities deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

## BALANCE SHEET INTANGIBLE ASSETS

### Goodwill

Gains or losses on the disposal of subsidiaries and associates are stated as the difference between the selling price and the carrying amount of net assets at the time of sale, including non-amortised goodwill and expected costs to sell.

Acquisitions of entities are accounted for using the purchase method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired entity in connection with the acquisition. Allowance is made for the tax effect of revaluations made.

Any excess (goodwill) of the cost over the fair value of the identifiable assets and liabilities taken over, including provisions for restructuring costs, is recognised under intangible assets and amortised systematically in the income statement based on individual assessments of the useful lives of the assets, which cannot, however, exceed 20 years.

Goodwill arising on acquisition can be adjusted until the end of the year after the acquisition."

Goodwill is amortised over the expected useful life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight line basis over the amortisation period, which is 5 years. For strategically acquired entities with a strong market position and a long-term earnings profile, the amortisation period exceeds five years.

### TANGIBLE ASSETS

Items of tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub suppliers.

Interest expenses on loans obtained specifically for the purpose of financing the manufacture of property, plant and equipment are included in cost over the manufacturing period. All indirect, attributable borrowing costs are recognised in the income statement.

Where individual parts of an item of property, plant and equipment have different useful lives, the cost is divided into separate parts, which are depreciated separately.

Depreciation is provided on a straight line basis over the expected useful life of the asset based on the following expected useful lives:

	Useful life	Residual value
Buildings	12-30 years	0-60 %
Tools and equipment	2-20 years	0 %
Ships	3-40 years	20-33 %

Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

### LEASES

Leases concerning property, plant and equipment in respect of which the Company bears all significant risks and enjoys all significant benefits associated with the title to such assets are classified as finance leases, which are measured, on initial recognition, in the balance sheet at the lower of the fair value of the leased asset and the net present value of future lease payments. For purposes of calculating the net present value, the internal rate of return of the lease or, alternatively, the Company's borrowing rate is used as discount factor. Subsequently, assets held under finance leases are accounted for as the Company's other fixed assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are considered operating leases. Payments under operating leases are recognised in the income statement over the term of the lease. The Company's aggregate commitment relating to operating leases is disclosed under contingencies, etc.

### INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Investments in subsidiaries and associates in the balance sheet include the proportionate ownership share of the

net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

Investments in subsidiaries and associates with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the Parent Company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries and associates are taken to the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds the cost. Dividends from subsidiaries that are expected to be declared before the Annual Report of P/F Smyril Line is adopted are not taken to the net revaluation reserve.

Acquisitions are accounted for using the purchase method, cf. the description of the statement of goodwill above.

### OTHER INVESTMENTS, FIXED ASSETS

Other investments are measured at fair value.

### STOCKS

Stocks are measured at using FIFO method. Where the net realisable value is lower than the cost, inventories are carried at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

### IMPAIRMENT OF FIXED ASSETS

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there are indications of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The value in use is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

#### RECEIVABLES

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

#### PREPAYMENTS

Prepayments comprise costs incurred concerning subsequent financial years.

#### DIVIDEND

Dividend proposed by Management to be distributed for the year is recognised under liabilities.

#### INCOME TAX AND DEFERRED TAX

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the taxation rules and taxation rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

#### LIABILITIES

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual finance lease commitment.

Other debts are measured at net realisable value.

#### DEFERRED INCOME

Deferred income comprises payments received concerning income in subsequent reporting years.

#### FOREIGN CURRENCY TRANSLATION

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered independent entities. Income statement items are translated at an average exchange rate for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign-exchange differences arising on translation of the opening balance of equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of income statements from the average exchange rates at the transaction date to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries which are considered part of the total investment in the subsidiary are recognised directly in equity. Correspondingly, foreign exchange gains and losses on loans and derivative financial instruments entered into to hedge net investments in foreign subsidiaries are recognised directly in equity.

#### DERIVATIVE FINANCIAL INSTRUMENTS

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables or other payables, respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets and liabilities are recognised in the income statement together with changes in the fair value of the hedged asset or liability. Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or other payables and in equity. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

#### CASH FLOW STATEMENT

The cash flow statement shows the Group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the Group's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

#### CASH FLOWS FROM OPERATING ACTIVITIES

Cash flows from operating activities are stated as the profit or loss for the year, adjusted for non cash operating items, changes in working capital and paid income taxes.

#### CASH FLOWS FROM INVESTING ACTIVITIES

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities, intangible assets, property, plant and equipment and investments.

#### CASH FLOWS FROM FINANCING ACTIVITIES

Cash flows from financing activities comprise changes in the size or composition of the share capital and related costs, as well as the raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and short term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

#### FINANCIAL HIGHLIGHTS

Definitions of financial ratios

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
Current ratio	$\frac{\text{Current assets total} \times 100}{\text{Short term liabilities}}$

## Consolidated and Parent Financial Statements

## Income Statement

1 January - 31 December 2023

(tkr.)	Nota	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
		2023	2022	2023	2022
<b>Nettosöla</b> <i>Revenue</i>	1	1.463.287	1.432.814	1.039.567	1.091.632
Aðrar rakstrarinntøkur <i>Other operating income</i>		713	1.077	6.418	490
Kostnaður fyri rávøru og hjálpitilfar <i>Raw materials and consumables</i>		-59.744	-56.103	-31.846	-30.496
Aðrir uttanhýsis kostnaðir <i>Other external expenses</i>		-890.859	-938.035	-812.949	-874.505
<b>Bruttoúrslit</b> <b>Gross profit</b>		<b>513.397</b>	<b>439.753</b>	<b>201.190</b>	<b>187.121</b>
Starvsfólkakostnaður <i>Staff cost</i>	2	-246.852	-238.954	-94.609	-90.795
<b>Úrslit áðrenn av- og niðurskrivingar</b> <b>EBITDA</b>		<b>266.545</b>	<b>200.799</b>	<b>106.581</b>	<b>96.326</b>
Av- og niðurskrivingar <i>Depreciation, amortisation and impairment</i>	6-7	-80.223	-74.438	-29.243	-28.393
<b>Úrslit áðrenn figgjarpostar</b> <b>EBIT</b>		<b>186.322</b>	<b>126.361</b>	<b>77.338</b>	<b>67.933</b>

(tkr.)	Nota	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
		2023	2022	2023	2022
Inntøkur frá kapitalpørtum í atknýttum feløgum <i>Income from investments in subsidiaries</i>	8	0	0	70.373	40.040
Inntøkur frá kapitalpørtum í leyst atknýttum feløgum <i>Income from investments in associates</i>	9	-27	0	-27	0
Figgjarligar inntøkur <i>Financial income</i>	3	1.557	859	455	127
Figgjarligir kostnaðir <i>Financial costs</i>	4	-50.620	-41.956	-25.022	-30.170
<b>Úrslit áðrenn skatt</b> <b>Profit/loss before tax</b>		<b>137.232</b>	<b>85.264</b>	<b>123.117</b>	<b>77.930</b>
Skattur av ársúrslitinum <i>Tax on profit/loss for the year</i>	5	-14.892	-8.018	-777	-684
<b>Ársúrslit</b> <b>Net profit/loss for the year</b>		<b>122.340</b>	<b>77.246</b>	<b>122.340</b>	<b>77.246</b>
<b>UPPSKOT TIL YVIRSKOTSBÝTI</b> <b>PROPOSED DISTRIBUTION OF PROFIT</b>					
Uppskot til vinningsbýti <i>Proposed dividend for the year</i>		10.000	0	10.000	0
Tiltakspeningur til nettouppskriving eftir innaravirðisháttinum <i>Reserve for net revaluation under the equity method</i>		0	0	58.977	32.265
Flutt úrslit <i>Retained earnings</i>		112.340	77.246	53.363	44.981
		<b>122.340</b>	<b>77.246</b>	<b>122.340</b>	<b>77.246</b>

## Consolidated and Parent Financial Statements

## Balance Sheet

at 31 December 2023

OGN ASSETS	Nota	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
		2023	2022	2023	2022
(tkr.)					
<b>OGN ASSETS</b>					
Goodwill <i>Goodwill</i>		0	26	0	0
<b>Immateriell stöðisogn <i>Intangible assets</i></b>	6	<b>0</b>	<b>26</b>	<b>0</b>	<b>0</b>
Grundðeki og bygningar <i>Land and buildings</i>		284.740	289.793	11.048	11.425
Rakstartól og innbúgv <i>Tools and equipment</i>		125.875	140.937	7.070	8.841
Skip <i>Ships</i>		815.427	685.935	481.133	483.947
Materiell stöðisogn í gerð <i>Tangible asset in progress</i>		15.138	15.222	14.488	14.488
<b>Materiell stöðisogn <i>Tangible assets</i></b>	7	<b>1.241.180</b>	<b>1.131.887</b>	<b>513.739</b>	<b>518.701</b>
Kapitalpartar í atknýttum felögum <i>Investments in subsidiaries</i>	8	0	0	255.189	196.186
Kapitalpartar í leyst atknýttum felögum <i>Investments in associates</i>	9	2.973	0	2.973	0
Áogn hjá atknýttum felögum <i>Receivables from subsidiaries</i>		0	0	2.520	2.660
Önnur virðisbrøv og kapitalpartar <i>Other fixed asset investments</i>		1.603	3.196	28	46
Önnur áogn <i>Other receivables</i>		2.273	1.762	950	250
Depositum <i>Deposits</i>		1.189	0	1.000	0
<b>Figgjarlig stöðisogn <i>Fixed asset investments</i></b>		<b>8.038</b>	<b>4.958</b>	<b>262.660</b>	<b>199.142</b>
<b>Stöðisogn tilsamans <i>Fixed assets total</i></b>		<b>1.249.218</b>	<b>1.136.871</b>	<b>776.399</b>	<b>717.843</b>

OGN ASSETS	Nota	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
		2023	2022	2023	2022
(tkr.)					
Rávøra og hjálpitilfar <i>Raw materials and consumables</i>		413	447	0	0
Liðugtvarur og handilsvarur <i>Finished goods and goods for resale</i>		25.096	22.408	21.056	20.727
<b>Vørugoymslur <i>Stocks</i></b>		<b>25.509</b>	<b>22.855</b>	<b>21.056</b>	<b>20.727</b>
Áogn av sølu og tænastrum <i>Trade receivables</i>		103.505	91.824	52.987	42.197
Áogn hjá atknýttum felögum <i>Receivables from subsidiaries</i>		0	0	42.925	11.192
Önnur áogn <i>Other receivables</i>		24.121	16.846	6.582	7.155
Útsett skattaáogn <i>Deffered tax asset</i>	5	146	319	0	0
Tíðaravmarkingar <i>Prepayments</i>		4.435	7.952	2.765	6.630
<b>Áogn <i>Receivables</i></b>		<b>132.207</b>	<b>116.941</b>	<b>105.259</b>	<b>67.174</b>
<b>Tøkur peningur <i>Cash at bank and in hand</i></b>		<b>160.602</b>	<b>157.775</b>	<b>81.810</b>	<b>101.613</b>
<b>Ogn í umferð tilsamans <i>Currents assets total</i></b>		<b>318.318</b>	<b>297.571</b>	<b>208.125</b>	<b>189.514</b>
<b>Ogn tilsamans <i>Assets total</i></b>		<b>1.567.536</b>	<b>1.434.442</b>	<b>984.524</b>	<b>907.357</b>

## Consolidated and Parent Financial Statements

## Balance Sheet

at 31 December 2023

SKYLDUR LIABILITIES AND EQUITY	Nota	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
		2023	2022	2023	2022
(tkr.)					
Felagskapitalur <i>Share capital</i>		112.012	112.012	112.012	112.012
Tiltakspeningur til nettouppskriving eftir innaravirðisháttinum <i>Reserve for net revaluation under the equity method</i>		0	0	146.077	87.100
Fluttur vinningur <i>Retained earnings</i>		438.285	336.918	292.208	249.818
<b>Eginogn Equity</b>	10	<b>550.297</b>	<b>448.930</b>	<b>550.297</b>	<b>448.930</b>
Útsettur skattur <i>Provision for deferred tax</i>	5	10.919	9.891	0	0
<b>Avsetingar til samans Provisions total</b>		<b>10.919</b>	<b>9.891</b>	<b>0</b>	<b>0</b>
Lánistovnar <i>Other credit institutions</i>		679.679	663.648	287.009	321.973
Langleiguskuldur <i>Lease obligations</i>		67.146	78.393	0	0
<b>Langfreistað skuld Long-term debt</b>	11	<b>746.825</b>	<b>742.041</b>	<b>287.009</b>	<b>321.973</b>

SKYLDUR LIABILITIES AND EQUITY	Nota	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
		2023	2022	2023	2022
(tkr.)					
Stuttfreistaður partur av lang- freistaðari skuld <i>Short-term part of long-term debt</i>	11	83.718	79.782	33.121	37.127
Peningastovnar <i>Banks</i>		65	40	0	0
Undangoldið frá kundum <i>Prepayments from costumers</i>		13.111	22.600	4.575	3.807
Vøru- og tænauskuld <i>Trade payables</i>		106.187	96.811	57.221	59.559
Skuld til atknýtt feløg <i>Payables to subsidiaries</i>		0	0	27.599	22.657
Partafelagsskattur <i>Corporation tax</i>	5	13.595	6.145	777	684
Onnur skuld <i>Other payables</i>		31.510	27.034	13.876	12.620
Tíðaravmarkingar <i>Deferred income</i>		1.309	1.168	49	0
Uppskot til vinningsbýti fyri roknskaparárið <i>Proposed dividend for the year</i>		10.000	0	10.000	0
<b>Stuttfreistað skuld Short-term debt</b>		<b>259.495</b>	<b>233.580</b>	<b>147.218</b>	<b>136.454</b>
<b>Skuld til samans Debt total</b>		<b>1.006.320</b>	<b>975.621</b>	<b>434.227</b>	<b>458.427</b>
<b>Skyldur til samans Liabilities and quity total</b>		<b>1.567.536</b>	<b>1.434.442</b>	<b>984.524</b>	<b>907.357</b>
Veðsetingar og trygdarveitingar <i>Charges and securities</i>	12				
Samsýning til grannskoðara <i>Fee to auditors</i>	13				
Nærstandandi partar <i>Related parties</i>	14				
Leiga og langleiguskuldur <i>Rental agreements and lease commitments</i>	15				

## Consolidated and Parent Financial Statements

## Cash Flow Statement

1 January - 31 December 2023

(tkr.)	Nota	SAMTAK GROUP	
		2023	2022
<b>Ársúrslit</b> <i>Net profit/loss for the year</i>		<b>122.340</b>	<b>77.246</b>
Javningar <i>Adjustments</i>	16	144.182	123.844
Broytingar í rakstrarkapitali <i>Change in working capital</i>	17	-15.290	-22.933
<b>Peningsastreymur frá rakstri áðrenn figgjarpostar</b> <i>Cash flow from operating activities before financial income and expenses</i>		<b>251.232</b>	<b>178.157</b>
Rentuinnngjaldingar og líknandi <i>Interest income and similar income</i>		1.557	859
Rentuútgjaldingar og líknandi <i>Interest expenses and similar charges</i>		-49.045	-40.653
<b>Peningsastreymur frá vanligum rakstri</b> <i>Cash flow from ordinary activities</i>		<b>203.744</b>	<b>138.363</b>
Goldin partafelagsskattur <i>Corporation tax paid</i>		-6.581	-5.475
Aðrar javningar <i>Other adjustments</i>		96	200
<b>Peningsastreymur frá rakstrarvirksemi</b> <i>Cash flows from operating activities</i>		<b>197.259</b>	<b>133.088</b>
Keyp av materiellari stöðisogn <i>Purchase of property, plant and equipment</i>		-190.061	-117.780
Keyp av figgjarligari stöðisogn v.m. <i>Fixed asset investments made etc</i>		-3.000	0
Søla av materiellari stöðisogn <i>Sale of proterty, plant and equipment</i>		858	1.357
Søla av figgjarligari stöðisogn v.m. <i>Sale of fixed asset investments etc</i>		0	1.105
<b>Peningsastreymur frá ilöguvirksemi</b> <i>Cash flows from investing activities</i>		<b>-192.203</b>	<b>-115.318</b>

(tkr.)	Nota	SAMTAK GROUP	
		2023	2022
Afturrindan av skuld kredittstovnar <i>Changes in loans from credit institutions</i>		-70.008	-47.470
Uppþoka av skuld kredittstovnar <i>Raising of loans from credit institutions</i>		90.000	62.600
Broyting í langleiguskyldum <i>Change in lease obligations incurred</i>		-11.247	22.478
Afturrindan av aðrari langfreistaðari skuld <i>Repayment of other long-term debt</i>		0	-13.034
Keyp av eignum kapitalpörtum, netto <i>Acquisition of treasury shares, net</i>		-974	0
Goldið vinningsbýti <i>Dividend paid</i>		-10.000	0
<b>Peningastreymur frá figgjarvirksemi</b> <i>Cash flows from financing activities</i>		<b>-2.229</b>	<b>24.574</b>
<b>Broyting í tókum peningi</b> <i>Change in cash and cash equivalents</i>		<b>2.827</b>	<b>42.344</b>
Tøkur peningur 1. januar 2023 <i>Cash and cash equivalents at 1 January 2023</i>		157.775	115.431
<b>Tøkur peningur 31. desember 2023</b> <i>Cash and equivalents at 31 December 2023</i>		<b>160.602</b>	<b>157.775</b>
Tøkur peningur kann sundurgreinast soleiðis: <i>Cash and cash equivalents are specifies as follows:</i>			
Tøkur peningur <i>Cash at bank and in hand</i>		160.602	157.775
<b>Tøkur peningur 31. desember 2023</b> <i>Cash and cash equivalents at 31 December 2023</i>		<b>160.602</b>	<b>157.775</b>

ANNUAL REPORT 2023

# Notes to the Annual Report



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## 1. SEGMENT UPPLÝSINGAR INFORMATION ON SEGMENTS

### Virksemi - hövðusæki/segment

Activities - primary segment

(tkr.)	Skipavirksemi Vessel operation	Hotel virksemi Hotel operation	Samtaks til samans Group total
<b>2023</b>			
<b>Nettosøla Revenue</b>	<b>1.361.953</b>	<b>101.334</b>	<b>1.463.287</b>

### 2022

Nettosøla Revenue	1.336.389	96.425	1.432.814
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## 2. STARVSFÓLKAKOSTNAÐUR STAFF COSTS

(tkr.)	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
	2023	2022	2023	2022
Lønir Wages and salaries	209.164	201.635	81.984	78.611
Eftirlónartryggingar Pensions	24.354	23.432	8.712	8.313
Önnur lönartengd gjöld Other social security costs	13.334	13.887	3.913	3.871
	<b>246.852</b>	<b>238.954</b>	<b>94.609</b>	<b>90.795</b>
<b>Av hesum er samsýning til stjórn og nevnd Including remuneration to the Executive and Supervisory Boards</b>	<b>4.193</b>	<b>4.101</b>	<b>3.679</b>	<b>3.591</b>
Starvsfólkatal í miðal Average number of employees	595	612	235	237

## 3. FÍGGJARLIGAR INNTØKUR FINANCIAL INCOME

(tkr.)	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
	2023	2022	2023	2022
Rentuinntøkur, atknýtt feløg Interest recieved from subsidiaries	0	0	454	114
Aðrar figgjarligar inntøkur Other financial income	1.557	859	1	13
	<b>1.557</b>	<b>859</b>	<b>455</b>	<b>127</b>

#### 4. FÍGGJARLIGIR KOSTNAÐIR FINANCIAL COSTS

(tkr.)	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
	2023	2022	2023	2022
Niðurskriving av fíggarligari ogn <i>Impairment losses on financial assets</i>	3.420	3.420	3.420	3.420
Annar fíggarligur kostnaður <i>Other financial costs</i>	43.371	30.069	21.468	15.034
Kursjavnningar, kostnaður <i>Exchange adjustments costs</i>	3	0	0	0
Gjaldoyratap <i>Exchange loss</i>	3.826	8.467	134	11.716
	<b>50.620</b>	<b>41.956</b>	<b>25.022</b>	<b>30.170</b>

#### 5. SKATTUR AV ÁRSÚRSLITINUM TAX ON PROFIT/LOSS FOR THE YEAR

(tkr.)	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
	2023	2022	2023	2022
Partafelagsskattur <i>Current tax for the year</i>	13.707	6.882	777	684
Útsettur skattur í árinum <i>Deferred tax for the year</i>	1.185	1.136	0	0
	<b>14.892</b>	<b>8.018</b>	<b>777</b>	<b>684</b>

Reiðarvirsemið í móðurfelagnum og dótturfelagnum, Sp/f Smyril Line Agency, verður skattað í samsvari við feroysku Tonsaskattalógina. Um móðurfelagið fer úr tonsaskattskipanini, kann útsettur skattur av Norrøna verða útloystur. *The shipping activities of the parent company and the subsidiary, Sp/f Smyril Line Agency, are taxed in accordance with the Faroese tonnage tax scheme. If the parent company withdraws from the tonnage tax scheme, a contingent tax on Norrøna can be triggered.*

#### 6. IMMATERIELL STØÐISOGN INTANGIBLE ASSETS

SAMTAK GROUP	Goodwill
Útveganarvirði 1. januar 2023 <i>Cost at 1 January 2023</i>	4.812
<b>Útveganarvirði við árslok 31. desember 2023</b> <b><i>Cost at 31 December 2023</i></b>	<b>4.812</b>
Av- og niðurskrivingar 1. januar 2023 <i>Impairment losses and amortisation at 1 January 2023</i>	4.786
Avskrivningar í árinum <i>Amortisation for the year</i>	26
<b>Av- og niðurskrivingar við árslok 31. desember 2023</b> <b><i>Impairment losses and amortisation at 31 December 2023</i></b>	<b>4.812</b>
<b>Roknskaparligt virði 31. desember 2023</b> <b><i>Carrying amount at 31 December 2023</i></b>	<b>0</b>

#### 7. MATERIELL STØÐISOGN TANGIBLE ASSETS

(tkr.)	Grundøki og bygningar Land and buildings	Rakstrartól og innbúgv Tools and equipment	Skip Ship	Materiell stöðisogn í gerð Tangible asset in progress
<b>SAMTAK GROUP</b>				
Keypsvirðið 1. januar 2023 <i>Cost at 1 January 2023</i>	325.498	212.591	1.292.370	15.138
Gjaldoyraðvning <i>Exchange adjustment</i>	120	67	-	0
Tilgongd í árinum <i>Additions for the year</i>	334	11.519	178.307	0
Frágongd í árinum <i>Disposals for the year</i>	0	-3.255	-25.453	0
<b>Keypsvirði við árslok 31. desember 2023</b> <b><i>Cost at 31 December 2023</i></b>	<b>325.952</b>	<b>220.922</b>	<b>1.445.224</b>	<b>15.138</b>
Av- og niðurskrivingar 1. januar 2023 <i>Impairment losses and depreciation at 1 January 2023</i>	35.705	71.654	606.435	0
Gjaldoyraðvning <i>Exchange adjustment</i>	12	22	-	0
Avskrivningar í árinum <i>Depreciation for the year</i>	5.495	25.888	48.815	0
Afturførdar avskrivningar upp á seldar ognir <i>Reversal of impairment and depreciation of sold assets</i>	0	-2.517	-25.453	0
Av- og niðurskrivingar við árslok 31. desember 2023 <i>Impairment losses and depreciation at 31 December 2023</i>	41.212	95.047	629.797	0
<b>Roknskaparligt virði 31. desember 2023</b> <b><i>Carrying amount at 31 December 2023</i></b>	<b>284.740</b>	<b>125.875</b>	<b>815.427</b>	<b>15.138</b>
Rentuupphædd, sum ein partur av kostprísinum fyri ogn <i>Interest expenses recognised as part of cost of assets</i>	8.349	0	0	0
Roknskaparligt virði langtíðarleigað ogn <i>Value of leased assets</i>	0	81.963	0	0

(tkr.)	Grundæki og bygningar Land and buildings	Rakstrartól og innbúgv Tools and equipment	Skip Ship	Materiell stöðisogn í gerð Tangible asset in progress
<b>MÓÐUR FELAG PARENT COMPANY</b>				
Keypsvirði 1. januar 2023 <i>Cost at 1 January 2023</i>	18.428	28.850	999.122	14.488
Tilgongd í árinum <i>Additions for the year</i>	0	975	23.304	0
Frágongd í árinum <i>Disposals for the year</i>	0	-1.503	-25.453	0
<b>Keypsvirði við árslok 31. desember 2023 Cost at 31 December 2023</b>	<b>18.428</b>	<b>28.322</b>	<b>996.973</b>	<b>14.488</b>
Av- og niðurskrivingar 1. januar 2023 <i>Impairment losses and depreciation at 1 January 2023</i>	7.003	20.009	515.174	0
Avskringing í árinum <i>Depreciation for the year</i>	377	2.746	26.119	0
Afturförðar avskringingar upp á seldar ognir <i>Reversal of impairment and depreciation of sold assets</i>	0	-1.503	-25.453	0
<b>Av- og niðurskrivingar við árslok 31. desember 2023 Impairment losses and depreciation at 31 December 2023</b>	<b>7.380</b>	<b>21.252</b>	<b>515.840</b>	<b>0</b>
<b>Roknskaparligt virði 31. desember 2023 Carrying amount at 31 December 2023</b>	<b>11.048</b>	<b>7.070</b>	<b>481.133</b>	<b>14.488</b>

## 8. KAPITALPARTAR Í ATKNYTTUM FELÖGUM INVESTMENTS IN SUBSIDIARIES

(tkr.)	2023	2022
<b>MÓÐUR FELAG PARENT COMPANY</b>		
Keypsvirði 1. januar 2023 <i>Cost at 1 January 2023</i>	109.085	61.036
Tilgongd í árinum <i>Additions for the year</i>	0	48.050
<b>Keypsvirði við árslok 31. desember 2023 Cost at 31 December 2023</b>	<b>109.085</b>	<b>109.086</b>
Virðisjavnir 1. januar 2023 <i>Revaluations at 1 January 2023</i>	87.100	52.811
Gjaldoyrajaning <i>Exchange adjustment</i>	258	-606
Ársúrslit <i>Net profit/loss for the year</i>	70.399	40.988
Vinningsbýti <i>Dividend to the Parent Company</i>	-11.627	-2.000
Avskringingar upp á goodwill <i>Amortisation of goodwill</i>	-26	-948
Kapitalpartar við negativum innara virði niðurskrifaðir yvir áögn hjá atknýttum felögum <i>Equity investment with negative net asset value amortised over receivables</i>	0	-3.145
<b>Virðisjavnir við árslok 31. desember 2023 Revaluations at 31 December 2023</b>	<b>146.104</b>	<b>87.100</b>
<b>Roknskaparligt virði 31. desember 2023 Carrying amount at 31 December 2023</b>	<b>255.189</b>	<b>196.186</b>
Eftirverandi positiv mundarupphædd, ið eru partur av omanfyristandandi roknskaparliga virðinum, er tann 31. desember 2023 <i>Remaining positive difference included in the above carrying amount at 31 December 2023</i>	0	26

Kapitalpartar í leyst atknýttum feløgum kunnu sundurgreinast soleiðis:

Investments in subsidiaries are specified as follows:

	Heimstaður Place of registered office	Atkvøðu- og ognarpartur Votes and ownership	Eginogn Equity	Ársúrslit Net profit/loss for the year
<b>MÓÐUR FELAG PARENT COMPANY</b>				
Smyril Line Travel A/S	Danmark	100%	643	2.009
Smyril Line Ísland ehf.	Ísland	100%	78.864	43.458
Sp/f Smyril Line Agency	Føroyar	100%	96.461	11.575
Smyril Line Cargo Danmark ApS	Danmark	100%	6.335	1.346
P/F Hotel Hafnia	Føroyar	100%	64.620	8.513
Sp/f OCD	Føroyar	100%	7.814	1.647
Smyril Line Properties ApS	Danmark	100%	452	35

## 9. KAPITALPARTAR Í LEYST ATKNYTTUM FELØGUM

### INVESTMENTS IN ASSOCIATES

(tkr.)	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
	2023	2022	2023	2022
Keypsvirði 1. januar 2023 Cost at 1 January 2023	0	386	0	386
Tilgongd í árinum Additions for the year	3.000	0	3.000	0
Frágongd í árinum Disposals for the year	0	-386	0	-386
<b>Keypsvirði við árslok 31. desember 2023 Cost at 31 December 2023</b>	<b>3.000</b>	<b>-</b>	<b>3.000</b>	<b>-</b>
Virðisjavningar 1. januar 2023 Revaluations at 1 January 2023	0	2.024	0	2.024
Frágongd í árinum Disposals for the year	0	-2.024	0	-2.024
Ársúrslit Net profit/loss for the year	-27	0	-27	0
<b>Virðisjavningar við árslok 31. desember 2023 Revaluations at 31 December 2023</b>	<b>-27</b>	<b>0</b>	<b>-27</b>	<b>0</b>
<b>Roknskaparligt virði 31 desember 2023 Carrying amount at 31 December 2023</b>	<b>2.973</b>	<b>0</b>	<b>2.973</b>	<b>0</b>

## MÓÐUR FELAG PARENT COMPANY

Kapitalpartar í leyst atknýttum feløgum kunnu sundurgreinast soleiðis:

Investments in associates are specified as follows:

Navn Name	Heimstaður Place of registered office	Atkvøðu- og ognarpartur Votes and ownership	Eginogn Equity	Ársúrslit Net profit/loss for the year
Sp/f Krafta	Føroyar	20%	14.867	-133

## 10. EGINOGN

### EQUITY

(tkr.)	Felagskapitalur Shared capital	Fluttur vinningur Retained earnings	Til samans Total
<b>SAMTAK GROUP</b>			
Salda j. januar 2023 Equity at 1 January 2023	112.012	336.919	448.931
Goldið serligt vinningsbýti Extraordinary dividend paid	0	-10.000	-10.000
Keyp av egnum kapitalpørtum Purchase of treasury shares	0	-974	-974
Ársúrslit Net profit/loss for the year	0	122.340	122.340
Uppskot til vinningsbýti Proposed dividend for the year	0	-10.000	-10.000
<b>Eginognin við árslok 31. desember 2023 Equity at 31 December 2023</b>	<b>112.012</b>	<b>438.285</b>	<b>550.297</b>

(tkr.)	Felagskapitalur Shared capital	Tiltak- speningur til nettouppskriv- ing eftir innara- virðisháttinum Reserve for net revaluation under the equity method	Fluttur vinningur Retained earnings	Til samans Total
<b>MÓÐUR FELAG PARENT COMPANY</b>				
Salda j. januar 2023 Equity at 1 January 2023	112.012	87.100	249.819	448.931
Goldið serligt vinningsbýti Extraordinary dividend paid	0	0	-10.000	-10.000
Keyp av egnum kapitalpørtum Purchase of treasury shares	0	0	-974	-974
Ársúrslit Net profit/loss for the year	0	58.977	63.363	122.340
Uppskot til vinningsbýti Proposed dividend for the year	0	0	-10.000	-10.000
<b>Eginognin við árslok 31. desember 2023 Equity at 31 December 2023</b>	<b>112.012</b>	<b>146.077</b>	<b>292.208</b>	<b>550.297</b>

Felagskapitalurin er kr. 112.012.332, býttur sundur í partabrøv á áljóðandi kr. 0,01 og multipla av hesum. Eingin partabrøv hava serlig rættindi.

*The share capital amounts to DKK 112,012,332 divided into shares of a nominal value of DKK 0.01 each share. No shares carry any special rights.*

Ongar broytingar hava verið í felagskapitalinum seinastu 5 árin.

*There have been no changes in the share capital during the last 5 years.*

Í 2023 keypti felagið áljóðandi 496 tkr. í egnum partabrøvum svarandi til 0,4%. Samlaða gjaldið fyri partabrøvini var 974 tkr. Upphæddin er frádrigin fluttum vinningi undir eginognini. Hesi partabrøv eru ikki ógildað og eru tiskil innroknað sum egin partabrøv. Felagið kann sostatt selja hesi partabrøv seinni. Partabrøvini eru keypt sum liður í strategisku ætlan felagsins.

*In 2023, the Company acquired tDKK 496 treasury shares, corresponding to 0.4%. The total payment for the shares amounted to tDKK 974, which has been transferred from retained earnings under equity. These shares have not been cancelled and are therefore held as treasury shares. The Company may choose to sell these shares at a later time. The shares have been acquired as part of the Company's strategy.*

## 11. LANGFREISTAÐ SKULD

### LONG TERM DEBT

(tkr.)	Skuld 1. januar 2023 Debt at 1 January 2023	Skuld 31. desember 2023 Debt at 31 December 2023	Avdráttur komandi ár Payment within 1 year	Restskuld eftir 5 ár Debt after 5 years
<b>SAMTAK GROUP</b>				
Lánistovnar <i>Other credit institutions</i>	728.038	736.270	68.489	258.063
Lanteiguskuldur <i>Lease obligations</i>	93.785	82.680	15.229	4.432
	<b>821.823</b>	<b>818.950</b>	<b>83.718</b>	<b>262.495</b>

(tkr.)	Skuld 1. januar 2023 Debt at 1 January 2023	Skuld 31. desember 2023 Debt at 31 December 2023	Avdráttur komandi ár Payment within 1 year	Restskuld eftir 5 ár Debt after 5 years
<b>MÓÐUR FELAG PARENT COMPANY</b>				
Lánistovnar <i>Other credit institutions</i>	359.100	320.130	33.121	153.455
	<b>359.100</b>	<b>320.130</b>	<b>33.121</b>	<b>153.455</b>

## 12. VEÐSETINGAR OG TRYGDARVEITINGAR

### CHARGES AND SECURITIES

Í skipum í móðurfelagnum við einum roknskaparligum virði upp á 481.113 tkr. eru tinglýst ognarveðbrøv upp á 400.000 tkr., sum trygd fyri lánsskuld.

*In ships in the Parent Company with a carrying value of tDKK 481.113, mortgage deeds amounting to tDKK 400,000 are registered as security for bank loans.*

Í bygningum í móðurfelagnum við einum roknskaparligum virði upp á 11.048 tkr. eru tinglýst ognarveðbrøv upp á 25.000 tkr., sum trygd fyri lánsskuld.

*In buildings in the Parent Company with a carrying value of tDKK 11,048, mortgage deeds amounting to tDKK 25,000 are registered as security for bank loans.*

Móðurfelagið borgar fyri lánsskuld hjá dótturfeløgum upp á til samans 36.166 tkr.

*The Parent Company has provided guarantee for bank loans in subsidiaries, amounting to tDKK 36,166.*

Móðurfelagið hevur veitt aðrar ábyrgdir fyri til samans 2.020 tkr.

*The Parent Company has provided other guarantees of tDKK 2,020.*

Móðurfelagið borgar fyri langleiguskuldum hjá dótturfeløgum upp á til samans 75.973 tkr.

*The Parent Company has provided guarantee for leasing obligations in subsidiaries, amounting to tDKK 75,973.*

## SAMTAKS VEÐSETINGAR OG TRYGARVEITINGAR

### CHARGES AND SECURITIES TO THE PARENT COMPANY AND GROWN ENTITIES

Í skipum í konsernini við einum roknskaparligum virði upp á 815.427 tkr. eru tinglýst ognarveðbrøv upp á 667.500 tkr., sum trygd fyri lánsskuld.

*In ships in the Group with a carrying value of tDKK 815.427, mortgage deeds amounting to tDKK 667.500 are registered as security for bank loans.*

Í bygningum í konsernini við einum roknskaparligum virði upp á 284.740 tkr. eru tinglýst ognarveðbrøv upp á 362.600 tkr., sum trygd fyri lánsskuld.

*In buildings in the Group with a carrying value of tDKK 284,740, mortgage deeds amounting to tDKK 362,600 are registered as security for bank loans.*

Í rakstartólum og innbúgv í konsernini við einum roknskaparligum virði upp á 952 tkr. eru tinglýst ognarveðbrøv upp á 6.850 tkr., sum trygd fyri lánsskuld.

*In tools and equipment in the Group with a carrying value of tDKK 952, mortgage deeds amounting to tDKK 6,850 are registered as security for bank loans.*

Konsernin hevur veitt lánstovni virkisveð upp á 8.000 tkr. í áøgn av sølu, goymslum, goodwill, tøkum peningi og rakstartólum og innbúgv.

*The Group has provided lender floating charge of tDKK 8,000 in trade receivables, stocks, goodwill, cash and tools and equipment.*

Konsernin hevur veitt aðrar ábyrgdir fyri til samans 2.220 tkr.

*The Group has provided other guarantees of tDKK 2,220.*

Av tøkum peningi í konsernini eru 200 tkr. veðsettar sum trygd.

*Of the total cash in the Group, tDKK 200 have been pledged as security.*

### 13. SAMSYNING TIL AÐALFUNDARVALDAN GRANNSKOÐARA

FEE TO AUDITORS APPOINTED AT THE GENERAL MEETING

(tkr.)	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
	2023	2022	2023	2022
<b>Sp/f SPEKT lögildir grannskoðarar:</b>				
Grannskoðanarsýning <i>Audit fee</i>	505	488	320	315
Aðrar vátanaruppgávur við trygd <i>Other assurance engagements</i>	7	6	0	0
Skattaráðgeving <i>Tax advisory services</i>	11	25	11	0
Aðrar veitingar <i>Non-audit services</i>	91	309	40	256
	<b>614</b>	<b>828</b>	<b>371</b>	<b>571</b>

### 14. NÆRSTANDANDI PARTAR

RELATED PARTIES

#### Avgerandi ávirkan

*Controlling interest*

P/F 12.11.11  
Móðurfelag / Parent Company

SP/F Skansabrekka  
Móðurfelag / Parent Company

#### Handlar

*Transactions*

Allar transaktiónir við nærstandandi partar eru framdar til marknaðartreytir.  
*All transactions with related parties have been carried through on arm's length basis.*

### 15. LEIGA OG LANGLEIGUSKYLDUR

RENTAL AGREEMENTS AND LEASE COMMITMENTS

(tkr.)	SAMTAK GROUP		MÓÐUR FELAG PARENT COMPANY	
	2023	2022	2023	2022
Leiga og langleiguskyldur <i>Rental and lease commitments</i>				
Langleiguskyldur frá operationellari langleigu <i>Framtíðar langleigugjöld til samans:</i>				
Operating lease commitments <i>Total future lease payments:</i>				
Innan 1 ár <i>Within 1 year</i>	38.082	36.562	33.572	33.390
Millum 1 og 5 ár <i>Between 1 and 5 years</i>	72.942	37.388	69.025	34.842
Eftir 5 ár <i>After 5 years</i>	18.938	6.688	16.110	3.223
	<b>129.962</b>	<b>80.638</b>	<b>118.707</b>	<b>71.455</b>

### SAMTAKS LEIGA OG LANGLEIGUSKYLDUR

GROUP RENTAL AGREEMENTS AND LEASE COMMITMENTS

(tkr.)	MÓÐUR FELAG PARENT COMPANY	
	2022	2021
Langleiguskyldur frá operationellari langleigu <i>Framtíðar langleigugjöld til samans:</i>		
Operating lease commitments <i>Total future lease payments:</i>		
Innan 1 ár <i>Within 1 year</i>	120.910	55.825
Millum 1 og 5 ár <i>Between 1 and 5 years</i>	126.576	-
Eftir 5 ár <i>After 5 years</i>	-	-
	<b>247.486</b>	<b>55.825</b>

**16. PENINGASTREYMSUPPGERÐ - JAVNINGAR**

## CASH FLOW STATEMENT - ADJUSTMENTS

(tkr.)	SAMTAK GROUP	
	2023	2022
Figgjarligar inntøkur <i>Financial income</i>	-1.557	-859
Figgjarligir kostnaðir <i>Financial costs</i>	50.620	41.956
Av- og niðurskrivingar íroknað tap og vinning við sölu <i>Deprecations, amortisation and impairment losses, including losses and gains on sales</i>	80.200	74.729
Inntøkur frá kapitalpörtum í leyst atknýttum felögum <i>Income from investments in associates</i>	27	0
Skattur av ársúrslitinum <i>Tax on profit/loss for the year</i>	14.892	8.018
	<b>144.182</b>	<b>123.844</b>

**17. PENINGASTREYMSUPPGERÐ - BROYTING Í RAKSTRARKAPITALI**

## CASH FLOW STATEMENT - CHANGE IN WORKING CAPITAL

(tkr.)	SAMTAK GROUP	
	2023	2022
Broyting í vörugoymslu <i>Change in inventories</i>	-2.654	-1.205
Broyting í áögn <i>Change in receivables</i>	-17.141	-20
Broyting í útvegarum v.m. <i>Change in trade payables, etc.</i>	4.505	-21.708
	<b>-15.290</b>	<b>-22.933</b>



**P/F Smyril Line**

Yviri við Strond 1

Postbox 370

110 Tórshavn

Faroe Islands

Reg.no. 544

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