

Press release

29 June 2023

Scandlines generated higher revenue and results after car and shopping traffic rebounded in 2022

Scandlines continued to make headway in 2022 as the impact of COVID-19 eased and travel restrictions were lifted early in the year. Traffic volume grew significantly driven by a rebound in leisure and shopping traffic as well as continued strong traction in the freight business. Against this backdrop, Scandlines increased revenue and earnings and continued to improve its competitive offering with long-term investments in fleet and facilities.

2022 came off to a difficult start impacted by travel restrictions and efforts to mitigate the spreading of COVID-19, but passengers returned to Scandlines' ferries in large numbers as soon as restrictions were lifted in Germany, Sweden and Denmark. The volume growth from increased car traffic, record-high freight activity and shopping boosted revenue by 42 percent to EUR 464 million and the result before tax from EUR 62 million to EUR 125 million.

The two Germany-Denmark routes grew revenue, including onboard retail and catering, by 40 percent to EUR 363 million in 2022 following solid volume growth driven by the eased effects of COVID-19 restrictions, entailing a rebound and 65 percent growth in the group's car traffic volume with strong improvements on both the Puttgarden-Rødby and Rostock-Gedser routes. The freight business continued the good traction and grew traffic volume by 5 percent in 2022 from the record level in 2021. The total number of passengers recovered by 68 percent in 2022 with even improvements on the two routes. Activity levels also saw recovery in the group's BorderShops in 2022, and revenue grew by 49 percent to EUR 101 million driven by higher passenger volume and lifted restrictions, even though shopping activity remained significantly lower than before the outbreak of COVID-19. Factors such as increased fuel prices, general inflation pressure and a weak SEK play here a role here.

"The solid rebound in 2022 resulted in record high freight volumes and a leisure summer peak season, which exceeded the pre-COVID-19 level realised in 2019, demonstrating the strength, reliability and competitiveness of our customer offerings. The geopolitical turmoil drove significant volatility and severe increases in energy and bunker fuel prices as well as the disruption of supply chains across industries. Still, we maintained operations as a reliable provider of critical infrastructure connecting Continental Europe and Scandinavia day and night," says CEO Carsten Nørland.

Scandlines maintained focus on further progressing towards the zero direct emissions vision, continuing to invest in the existing fleet with the installation of a rotor sail on M/V Berlin – ensuring that both ferries on the Rostock-Gedser route are equipped with rotor sails* – and new, low-noise pull thrusters** on M/V Prinsesse Benedikte as the last of the four double-ended ferries on the Puttgarden-Rødby route. Scandlines furthermore celebrated the keel-laying of the new zero direct emission freight ferry, which is being built for commissioning in the second half of 2024 on the Puttgarden-Rødby route where terminals are being rebuilt to accommodate the new larger ferry and fit the necessary charging facilities. The project will launch the new generation of ferries on the Puttgarden-Rødby route, which should be emission-free (scope 1 and 2) by 2030 as a milestone in the efforts to reach zero emissions for Scandlines' entire business by 2040.

"I am proud of my colleagues and their tenacity and ability to stay the course throughout COVID-19 and deliver strong results in the face of significant market volatility. We will continue on the current trajectory to recapture traffic and grow our business while investing in a greener and more competitive fleet and future ahead of the planned opening of the Fehmarn Belt fixed link. These efforts will be supplemented by targeted initiatives to drive growth through further improvement of the travel experience for our passengers and freight customers. We will remain focused on providing our customers with an excellent service which they value and therefore continue to

choose us as their preferred transport route between Scandinavia and Europe," says CEO Carsten Nørland.

Modest growth is expected in leisure and shopping traffic volumes, which are seen to be somewhat impacted by a general economic slowdown. Bus travel is expected to gradually return to previous levels, and the steadily growing freight traffic volume is expected to continue the positive trajectory - however at a modest level. Management expects revenue and profits to increase moderately in 2023 subject to the level of economic slowdown.

In MEUR	2022	2021
Revenue	463	328
Result from ordinary activities (EBITDA)	185	128
Amortisation and depreciation	-35	-42
Result from ordinary activities (EBIT)	150	85
Net financial items	-25	-23
Result before tax	125	62
Result after tax	124	61
Total assets	2570	2549
Investments (capital expenditure)	25	22
Interest bearing liabilities	931	934
Invested capital	2429	2407
Return on invested capital (ROIC)	6.1%	3.5%
Average number of employees (FTE)	1391	1237

The full annual report and the sustainability report for Scandlines Infrastructure ApS can be downloaded [here](#).

* The rotor sail utilises the wind to propel the ship forward, reducing the use of diesel engines and lowering CO₂ emissions.

** The new thrusters – the propulsion system of the ferry produce less underwater noise and further reduce CO₂ emissions.

About Scandlines

Scandlines is a modern and innovative ferry operator with a green vision for the future. We have a proud culture based on strong German-Danish cooperation and maritime history dating back to 1872.

Scandlines operates two ferry routes with high capacity and frequency. Six of our ferries are hybrid ferries, and two are furthermore fitted with an innovative rotor sail – and that contributes to making our ferries greener.

Our core business is to provide an efficient and reliable transport service for both passengers and freight customers. The focus for all our activities – on board the ferries as well as in our BorderShops – is to give our customers a great experience.

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High-resolution **press photos** can be downloaded [here](#).