

Scandlines improved performance in a challenging market in 2021

Scandlines navigated market volatility and the impact of COVID-19 in 2021 and maintained margins thanks to a dedicated team effort and strict cost control. Scandlines solidified its position as a green front-runner with a long-term investment in a new emission-free freight ferry and ambitions of making the Puttgarden-Rødby route emission free by 2030 and realising its zero emission vision by 2040.

Traffic continued to fluctuate substantially in 2021 following political decisions to impose and lift travel restrictions in Scandlines' markets in response to developments in COVID-19. Based on a gradual rebound in traffic volume compared to 2020, Scandlines grew revenue by 20 percent to EUR 328 million and maintained the EBITDA margin at 41 percent following tight cost control measures and efficiency enhancements.

The two ferry routes generated revenue of EUR 260 million (2020: EUR 216 million) in 2021 as COVID-19 certificates were introduced, improving travel options, and government-imposed travel restrictions impacted fewer months of the year. Full-year traffic figures increased by double digits across all categories compared to 2020, but volumes remained significantly lower compared to 2019 except for the freight business, which continued to deliver consistent growth throughout the year, ensuring the strongest performance ever. The BorderShops saw higher activity in 2021 compared to 2020 and grew revenue by 19 percent to EUR 68 million on the back of fewer restrictions even though activity remained significantly lower than before the outbreak of COVID-19.

The increase in revenue contributed positively to profitability, which was maintained due to strict cost control measures and swift adjustment of staffing in response to fluctuations in activity levels. Profit from ordinary activities (recurring EBITDA) grew by 59 percent to EUR 133 million (2020: EUR 84 million) corresponding to a recurring EBITDA margin at a pre-COVID-19 level of 41 percent despite earnings remaining significantly lower than before the outbreak of the pandemic.

"2021 was another year of uncertainty and extreme volatility, and we were pleased to see rebounding traffic and activity levels when restrictions were lifted during the summer where we actually saw five weeks outperforming the comparison weeks in 2019 in terms of cars transported. Demand in our freight division has remained strong throughout COVID-19, and we expect to continue growing this part of our business. Following years of strong performance and increasing demand, we ordered an emission-free freight ferry for commissioning in 2024 on the Puttgarden-Rødby route to increase capacity by up to 23 percent and take another important step towards realising our zero emission vision," says CEO Carsten Nørland.

Scandlines' green ambitions were also reflected in additional investments made to upgrade the existing fleet and reduce the environmental footprint. Following great initial results with the rotor sail fitted onto M/V Copenhagen in 2020, Scandlines prepared the installation of a similar rotor sail on its sister vessel M/V Berlin. In addition, M/V Prins Richard was fitted with new pull thrusters and repainted with silicone antifouling paint to improve energy efficiency.

"We will continue to invest in green initiatives and strengthen our competitiveness by developing our business to cater to the needs of all customers. We have therefore set out to realise our zero emission vision by 2040, and we aim to reach scope 1 and 2 zero direct emission-operations on the Puttgarden-Rødby route by 2030 as an important first step on this journey. The combination of our unparalleled reliability, continued investment in our unique green profile and bespoke traffic machine and retail offerings forms a solid competitive foundation for our business ahead of the planned opening of the Fehmarn Belt fixed link," says CEO Carsten Nørland.

COVID-19 and related restrictions are seen to impact traffic volumes in early 2022 but expected to be eased during the spring and summer period. Car, passenger and shopping traffic is expected to rebound strongly in the wake of COVID-19 with bus travel gradually returning to previous levels. The strong freight traffic performance is expected to continue throughout the year. Due to the continued high degree of uncertainty and very low visibility, management is currently not in a position to provide precise financial guidance for 2022.

In MEUR	2021	2020
Revenue	328	273
Result from ordinary activities, excl. special items (recurring EBITDA)	133	84
Result from ordinary activities (EBITDA)	128	74
Amortisation and depreciation	-42	-41
Result from ordinary activities (EBIT)	85	33
Net financial items	-23	-24
Result before tax	62	9
Result for the year	61	18
Total assets	2549	2537
Investments (capital expenditure)	22	21
Interest bearing liabilities	934	968
Average number of employees (FTE)	1237	1357

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

About Scandlines

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

Scandlines operates two ferry routes with high capacity and frequency. Six of our ferries are hybrid ferries, and one is furthermore fitted with a 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](#).