

DSV Air & Sea Holding A/S

Hovedgaden 630, 2640 Hedehusene

CVR No. 26 36 63 56

Annual Report

for the year ended 31 December 2023

23rd financial year

Approved at the Company's Annual General Meeting on 30 April 2024.

Chairman:

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Statement by Management on the Annual Report

Today, the Board of Directors and the Executive Board have discussed and approved the Annual Report of DSV Air & Sea Holding A/S for the financial year 1 January - 31 December 2023.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the result of the Company's operations and financial position.

We recommend that the Annual Report be approved at the Annual General Meeting.

Hedehusene, 30 April 2024

Executive Board:

Carsten Trolle

Frank Sobotka

Board of Directors:

Jens H. Lund
Chairman

Michael Ebbe

Brian S. Ejsing

Morten L. Dragsbæk

Independent Auditor's Report

To the Shareholders of DSV Air & Sea Holding A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DSV Air & Sea Holding A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the 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 financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the 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 financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 in Denmark 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 financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the 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 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 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 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 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Hellerup, 30 April 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Kim Tromholt
State Authorised Public Accountant
mne33251

Poul P. Petersen
State Authorised Public Accountant
mne34503

INFORMATION ABOUT THE COMPANY

Name	DSV Air & Sea Holding A/S
Address	Hovedgaden 630
Post Code	2640 Hedehusene
	Tel: +45 43 20 30 40
	Fax: +45 43 20 30 41
CVR No.	26 36 63 56
Municipality of domicile	Høje-Taastrup
Board of Directors:	Jens H. Lund, (Chairman) Michael Ebbe Brian S. Ejsing Morten L. Dragsbæk
Executive Board:	Carsten Trolle Frank Sobotka
Auditors:	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

MANAGEMENT'S REVIEW

Financial highlights

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Key figures (in thousands):					
Operating loss/profit	330,198	-174,552	-93,143	-166,020	13,296
Net financials	-880,966	-1,069,760	-227,670	-234,516	-217,213
Profit for the year	5,912,047	2,816,374	1,527,763	2,448,995	1,142,816
Shareholders' equity at year-end	8,882,485	4,957,215	4,147,667	4,439,077	3,133,122
Total assets	32,235,704	32,986,070	30,768,049	26,243,663	22,931,362
Investments for the year	784,986	1,666,711	5,351,559	4,127,885	5,897,309

Ratios:

Return on equity	85.44%	61.87%	35.58%	64.68%	36.48%
Solvency ratio	27.55%	15.03%	13.48%	16.91%	13.66%

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios as stated below:

Return on equity	$\frac{\text{Profit/loss} \times 100}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity} \times 100}{\text{Total Assets}}$

MANAGEMENT REVIEW

Business activities and mission

The Company is a 100% owned subsidiary of DSV A/S. The Company's financial statements are a part of the consolidated financial statements for DSV A/S.

DSV Air & Sea Holding A/S invests in companies which offer freight forwarding and services with view to moving goods by air and sea to multinational and local customers.

Business review

In this section we refer to the DSV Group's Annual Report, where the business review has been highlighted for the Air & Sea division.

The report is available at: <https://investor.dsv.com/reports-presentations>

For 2023, the Air & Sea division saw a decrease of 22.4% in gross profit and a decrease of 33.1% in EBIT before special items. Besides lower volumes, the decline in gross profit originates from lower gross profit yields compared to the record-high levels in 2022. The decline in EBIT before special items can be attributed to the reduction in gross profit, which to some extent has been offset by a lower cost base.

This year, the air freight volume declined 16.2% and sea freight volume declined 5.5%.

In 2023, we continued to develop our digitalisation efforts, focusing on improving digital customer integrations and booking data quality. The improved data quality provides better and faster supply chain visibility and increases our productivity.

We continued to develop our LCL (less-than-container load) product in sea freight, focusing on increasing consolidation in our own terminals. This ensures a higher service level towards our customers and higher profitability per container.

Results

The net result in the Company for the year, shows a profit of t.DKK 5,912,047, which is above the result for 2022 and above expectations. The reason for the higher result than anticipated is due to the higher return on investments in Group Enterprises and Associated Companies.

The result is considered satisfactory by the Management.

Investments

In 2023 the Company had investments in Group Enterprises and Associated Companies amounting to t.DKK 784.986.

Capital resources

The Company has a solid capital resource due to the fact that the Company is a part of the cashpool in the DSV Group. The capital resource is supported by the Groups strategic goal to secure sufficient financial flexibility.

Outlook

In 2024, we expect the volatility and disruption to continue across global supply chains, we will do our best to navigate the markets, adjust capacity and protect our margins while helping our customers to keep their supply chains flow.

As a new service, we have introduced carbon emission data from each DSV transport directly on customer invoices. In our interaction with carriers, sustainability will also play a larger role, as more efficient solutions and equipment become available.

The outlook for 2024 assumes that the currency exchange rates, especially the US dollar against DKK, will remain at the current level. We expect that transport markets will return to growth in 2024, but geopolitical and macroeconomic environment remains uncertain, thus our target of gaining market share across geographies remains unchanged.

It is anticipated that the earnings for 2024 will be lower compared to 2023 and in a range between t.DKK 2,800,000 - 3,000,000 due to lower return on investments in Group Enterprises and Associated Companies compared to the extraordinarily high return from 2023.

Unusual risks

There are no unusual matters during the year, which influence the measurement in the Annual Report.

MANAGEMENT REVIEW (continued)

Reporting on corporate social responsibility cf. Section 99a of the Danish Financial Statements Act

DSV Air & Sea Holding A/S is a subsidiary of the DSV Group (CVR No.: 58233528). The Group issues a separate report on corporate social responsibility, the DSV Sustainability Report 2023, in accordance with section 99a of the Danish Financial Statements Act.

The report is available at: <https://www.dsv.com/en/sustainability-esg/our-reporting/sustainability-reports>

Reporting on management gender composition cf. section 99b of the Danish Financial Statements Act

The Financial Statements Act § 99b requires Danish companies of a certain size to set targets for and report on gender representation in the Company's Top Management.

At present, DSV Air & Sea Holding A/S does not comply with the requirement of equal gender representation in the Company's Top Management. This is due to the fact that the Company's Board is made up of members from the DSV Group's Management Team. Equal gender representation in DSV Air & Sea Holding A/S depends on who holds the strategic positions in the Group. In 2024 and onwards, the DSV Group will focus on increasing the percentage of female leaders at director level and above.

In 2023, the representation of the underrepresented gender (female) on the Board of Directors for the Company was 0%, and the target has therefore not yet been met.

2023	Board of Directors
Total number	4
Share of female	0%
Target	25%
Target year	2030

As the Company employs less than 50 employees, the Company is not required to have a policy for improving the gender diversity on management levels. Furthermore, target information regarding the Company's Executive Management is excluded due to less than 3 members per 31.12.2023.

The Board of Directors of DSV A/S has established a Diversity and Inclusion Policy which describes our standpoint and approach to diversity and inclusion which also applies for DSV Air & Sea Holding A/S.

The policy is available at: <https://www.dsv.com/en/sustainability-esg/governance/policies/diversity-policy>

The DSV Group recognize that diversity and inclusion vary from country to country and must be tailored to meet local requirements and align with our global Diversity Policy. Therefore, our entities are responsible for ensuring location-specific initiatives which can include everything from using recruitment agencies that are specialised in minority groups, over veteran programmes, training in eliminating harassment, and leadership programmes for specific population groups, to initiatives at female employees.

During 2023, the DSV Group continued the mandatory diversity and inclusion training for all new managers and HR employees. By increasing awareness about potential biases and stereotyping that may limit our ability to see individual differences and capabilities, the training aims to remove barriers to equal opportunities.

In 2023, the DSV Group also established a Diversity Council to further increase awareness of diversity and inclusion. The Diversity Council was established across the Group's large and mid-size entities to exchange experiences and best practices within diversity and inclusion across our global HR staff. This input will provide guidance and serve as inspiration when implementing new initiatives.

Reporting on Data Ethics policies cf. section 99d of the Danish Financial Statements Act

The DSV Group report (CVR No.: 58233528) separately on our policies and approach to Data Ethics in accordance with section 99d of the Danish Financial Statements Act.

The report is found in DSV A/S' Statutory Report on Data Ethics, available at: <https://www.dsv.com/en/data-ethics>

Events after the reporting date

No events have occurred after the reporting period 31. December 2023, of importance to the financial statements.

Financial statements 1 January - 31 December

INCOME STATEMENT

	Note	2023 DKK '000	2022 DKK '000
Other external expenses		<u>-256,900</u>	<u>-242,079</u>
Gross profit		-256,900	-242,079
Staff costs	2	-20,559	-17,746
Other operating income		629,034	324,675
Other operating costs		<u>-21,377</u>	<u>-239,402</u>
Operating profit/loss		330,198	-174,552
Income from investments in Group enterprises incl. impairment	3	6,525,451	4,042,970
Financial income	4	70,431	40,212
Financial expenses	5	<u>-951,397</u>	<u>-1,109,973</u>
Profit before tax		5,974,683	2,798,657
Tax on profit for the year	6	<u>-62,636</u>	<u>17,716</u>
NET PROFIT FOR THE YEAR		<u>5,912,047</u>	<u>2,816,374</u>

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BALANCE SHEET

ASSETS	Note	2023 DKK '000	2022 DKK '000
NON-CURRENT ASSETS			
Financial assets			
Investments in Group enterprises	7	31,291,306	30,658,897
Investments in Associated companies	7	29,434	847
Other investments	7	692	-
Total financial assets		<u>31,321,432</u>	<u>30,659,744</u>
TOTAL NON-CURRENT ASSETS		<u>31,321,432</u>	<u>30,659,744</u>
CURRENT ASSETS			
Receivables from Group enterprises		739,943	496,861
Tax receivable		124,057	255,778
Deferred tax asset	8	7,854	3,605
Other receivables		33,764	16,324
Total receivables		<u>905,618</u>	<u>772,568</u>
Cash and cash equivalents		8,654	1,553,758
TOTAL CURRENT ASSETS		<u>914,272</u>	<u>2,326,326</u>
TOTAL ASSETS		<u><u>32,235,704</u></u>	<u><u>32,986,070</u></u>

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BALANCE SHEET

	Note	2023 DKK '000	2022 DKK '000
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	50,000	50,000
Proposed dividend	14	5,000,000	2,000,000
Retained earnings		<u>3,832,485</u>	<u>2,907,215</u>
TOTAL EQUITY		<u>8,882,485</u>	<u>4,957,215</u>
LIABILITIES			
Non-current liabilities			
Payables to Group enterprises	10	<u>23,268,451</u>	<u>27,815,307</u>
Total non-current liabilities		<u>23,268,451</u>	<u>27,815,307</u>
LIABILITIES			
Current liabilities			
Suppliers of goods and services		6,744	2,301
Payables to Group enterprises		36,347	120,737
Other debt		<u>41,677</u>	<u>90,510</u>
Total current liabilities		<u>84,768</u>	<u>213,548</u>
TOTAL LIABILITIES		<u>23,353,219</u>	<u>28,028,855</u>
TOTAL EQUITY AND LIABILITIES		<u>32,235,704</u>	<u>32,986,070</u>
Contingent liabilities	11		
Related parties	12		
Consolidated financial statements	13		
Proposed distribution of profit	14		

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STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Dividend	Total
Shareholders' Equity at 1/1 2022	50,000	2,097,667	2,000,000	4,147,667
Other adjustments	-	-6,825	-	-6,825
Dividend distributed	-	-	-2,000,000	-2,000,000
Transfer regarding proposed distribution	-	816,374	2,000,000	2,816,374
Shareholders' Equity at 31/12 2022	50,000	2,907,215	2,000,000	4,957,215
Shareholders' Equity at 1/1 2023	50,000	2,907,215	2,000,000	4,957,215
Other adjustments	-	13,222	-	13,222
Dividend distributed	-	-	-2,000,000	-2,000,000
Transfer regarding proposed distribution	-	912,047	5,000,000	5,912,047
Shareholders' Equity at 31/12 2023	50,000	3,832,485	5,000,000	8,882,485

Financial statements 1 January - 31 December

Note 1. Accounting policies

The 2023 Annual Report of DSV Air & Sea Holding A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies are consistent with those of last year. Minor reclassifications have been made to the comparative numbers.

The amounts in the Annual Report are stated in Danish kroner (DKK) and rounded to the nearest thousands.

Consolidated financial statement

In accordance with section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of DSV Air & Sea Holding A/S and its subsidiaries are included in the consolidated financial statements of DSV A/S.

Cash flow statement

In accordance with section 86.4 of the Danish Financial Statements Act, no cash flow statement have been prepared. The cash flow statements of DSV Air & Sea Holding A/S and its subsidiaries are included in the consolidated financial statements of DSV A/S.

Fees to auditors appointed at the Annual General Meeting

In accordance with section 96.3 of the Danish Financial Statements Act, no information about fees to appointed auditors at the Annual General Meeting are disclosed, due to the information is disclosed on group level in the consolidated financial statements of DSV A/S.

Foreign currency translation

On initial recognition, foreign currency transactions are translated at the exchange rate ruling at the transaction date. Exchange differences between the exchange rates at the transaction date and the date of payment are recognised in the income statement under financial income and expenses.

Receivables, payables and other monetary items denominated in a foreign currency are translated at the exchange rate ruling at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date on which the receivable or payable was recorded or the exchange rate used in the latest annual report, is recognised in the income statement as financial income and expenses.

Income statement

Revenue

Revenue comprises services invoiced. All kinds of discounts, including cash discounts, are recognised under revenue. Revenue is measured exclusive of VAT and other taxes collected on behalf of third parties.

Cost of operations

Costs of operations comprise costs incurred in order to achieve the year's net revenue. These costs comprise direct costs, including staff costs to own staff used to delivery of the order and other primary costs.

Staff costs

Staff costs include wages and salaries, pensions, social security costs and other staff costs.

Other external expenses

Other external expenses comprise expenses incurred during the year related to management and administration of the company, including expenses for administrative personnel, management, office premises and expenses and office supplies.

Other operating income and costs

Other operating income includes revenue from all other operating activities which are not related to the principal activities of the company, such as gains/losses from disposals and invoicing of service fees to subsidiaries. Other operating costs are mainly related to restructuring costs.

Income from investments in Group enterprises and Associated companies

Dividends from investments in Group enterprises and Associated companies are recognised in the Company's income statement in the financial year, in which the dividends are declared. If the dividends distributed exceed accumulated earnings after the date of acquisition, dividends are, however, not recognised as income in the income statement, but as an adjustment of the cost of the investment.

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Financial income and expenses

Financial income and expenses include interest income and expense, capital gains and losses in respect of securities, payables and transactions denominated in foreign currencies and amortisation of financial assets and liabilities as well as surcharges and refunds under the tax prepayment scheme etc.

Tax on profit/loss for the year

DSV Air & Sea Holding A/S is subject to the Danish regulations relating to compulsory joint taxation of the DSV Group. The subsidiaries are included in the joint taxation from the time of entering the consolidation in the consolidated annual accounts and up to the time when they are deconsolidated.

The current Danish corporation tax is allocated by settlement of the jointly taxed companies compared with the taxable income of these companies. In this connection, the companies with tax losses receive joint taxation contribution from the companies which are able to apply these losses to reduce own taxable gains (full allocation).

Tax for the year, which comprises of the current corporation tax for the year, joint taxation contribution and changes in deferred tax are taken to the profit and loss account with the part which is attributable to the profit/loss for the year and directly taken to equity with the part which is attributable to entries directly in equity.

Balance sheet

Investments in Group enterprises and associated companies

Investments in Group enterprises and associated companies are measured at cost. If the cost exceeds the recoverable amount, the investment is written down to this lower value.

The cost is adjusted if dividends distributed exceed accumulated earnings after the date of acquisition.

Impairment of non-current assets

The carrying amounts of other non-current assets are calculated once a year to determine whether there is an indication of impairment. If so, their recoverable amounts are calculated. The recoverable amount is the higher of the fair value of the asset less the expected disposal costs and the value in use. The value in use is calculated as the present value of expected future cash flow from the asset or the cash-generating unit of which the asset forms part.

Impairment losses are recognised if the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or cash-generating unit. Impairment losses are recognised in the income statement under amortisation, depreciation and impairment losses. Impairments of investments are included in share of income from investments.

Impairment of other assets is reversed if the assumptions and estimates on which the impairment is based have changed. Impairments are reversed if the new carrying amount of the asset exceeds the book value.

Other receivables

Other receivables are measured at amortised cost, which usually corresponds to the nominal value. The value is reduced by write-downs for bad debts.

Equity

Proposed dividends are recognised as a liability when adopted at the Annual General Meeting (date of declaration). Expected dividends for the year are shown as a separate item under equity.

Financial statements 1 January - 31 December

Incentive programmes

The Company's incentive schemes include equity-settled share-based share option and warrants programmes which are settled in DSV A/S shares.

The value of the services, which the staff delivers in return for granting of options and warrants are measured at the fair value of the options and warrants.

The equity-settled share-based payment arrangements are measured at fair value at the time of granting and are recognised in the profit and loss account under staff costs during the period where the final right to the options or warrants is achieved. The counter item is directly recognised in equity.

In connection with the first recognition of share-based arrangements, the number of options and warrants which the staff are expected to gain right to is estimated subsequently, changes are adjusted for related to the number of the right of acquisition of options and warrants so that the total recognition is based on the actual number of rights of acquisition of options and warrants.

The fair value of the granted options and warrants is estimated by the use of the Black-Scholes valuation method. By the estimation terms and conditions related to the granted options and warrants are taken into account.

Corporation tax and deferred tax

Current tax liabilities and outstanding current tax are included in the balance sheet as tax calculated on the taxable income for the year adjusted for tax from previous years' taxable income and pre-paid taxes.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amounts and the tax value of assets and liabilities. No recognition is made of deferred tax on temporary differences relating to other items disallowed for tax purposes if, except at the acquisition of enterprises, such temporary differences arose on the date of acquisition without affecting the results or the taxable income. In cases where it is possible to calculate the tax value according to different tax rules, deferred tax is measured on the basis of the planned use of the asset or the settlement of the liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised at the expected value of their utilisation, either by elimination in tax on future earnings or by offsetting deferred tax liabilities within the same legal tax entity or jurisdiction.

Deferred tax assets and tax liabilities are set off if the enterprise has a legally enforceable right to set off current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets on a net basis or to realise the assets and liabilities simultaneously.

Deferred tax assets are tested for impairment annually and are only recognised if they are likely to be utilised.

Current liabilities

Other liabilities including amounts owed to suppliers, affiliates and associates and other debts are valued at net realisable value.

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NOTES

	2023 DKK '000	2022 DKK '000
Note 2. Staff costs		
Specification of staff costs:		
Salaries, wages, share options and warrants	19,175	16,479
Pension costs	1,322	1,186
Other expenses for social security	21	19
Other staff costs and income	40	62
	<u>20,559</u>	<u>17,746</u>
Average number of employees	<u>17</u>	<u>16</u>

Information regarding remuneration to the company's management is excluded with reference to the Danish Financial Statements Act, Section 98 b, subsection 3. There are only 1 member in the Company's management per 31.12.2023.

The Board of Directors does not receive remuneration for their roles as members of the board.

DSV A/S has established a share option and warrant programme for the Group's employees. The Executive Board in DSV Air & Sea Holding A/S has been granted share options from the programme. The Board of Directors have received options from the programme for their roles in DSV A/S. DSV Air & Sea Holding A/S's part of costs regarding the share options and warrants program are included as staff costs on a continuing basis.

	2023 DKK '000	2022 DKK '000
Note 3. Income from investments in Group enterprises incl. impairment		
Dividend received from subsidiaries	6,641,386	4,923,337
Impairment of investments in subsidiaries	-115,935	-880,367
	<u>6,525,451</u>	<u>4,042,970</u>

Note 4. Financial income

Financial income from Group enterprises	36,900	16,225
Foreign currency translation adjustments	24,923	15,757
Other interest income	8,608	8,230
	<u>70,431</u>	<u>40,212</u>

Note 5. Financial expenses

Financial expenses for Group enterprises	908,063	431,243
Foreign currency translation adjustments	43,157	678,531
Other interest expenses and similar charges	178	199
	<u>951,397</u>	<u>1,109,973</u>

Financial statements 1 January - 31 December

NOTES

	2023 DKK '000	2022 DKK '000
Note 6. Tax for the year		
Current tax for the year	123,588	255,958
Adjustment of the deferred tax charge for the year	4,249	-17,879
Withholding tax	-190,729	-203,092
Prior year adjustments	256	-17,271
	<u>-62,636</u>	<u>17,716</u>

Note 7. Financial assets

Investments in Group Enterprises, Associated Companies and Other investments:

Cost	Other Investments	Associated Companies	Group Enterprises
Balance at 1/1 2023	-	1,044	39,390,612
Capital increase	-	-	7,447
Additions from acquisitions	692	17,683	759,164
Transfer for the year	-	10,904	-10,904
Disposals	-	-	-7,362
Cost at 31/12 2023	<u>692</u>	<u>29,631</u>	<u>40,138,956</u>
Write-offs and fair value adjustments			
Write-offs and fair value adjustments at 1/1 2023	-	-197	-8,731,715
Write-off and fair value adjustments for the year	-	-	-67,892
Reduction due to dividend received which exceed accumulated earnings after the date of acquisition	-	-	-48,043
Write-offs and fair value adjustments at 31/12 2023	<u>-</u>	<u>-197</u>	<u>-8,847,650</u>
Carrying amount at 31/12 2023	<u>692</u>	<u>29,434</u>	<u>31,291,306</u>

Financial statements 1 January - 31 December

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Note 7. Financial assets - continued

Group Enterprises

Company name	Registered office	Ownership	Currency	CUR'000 Share Capital
DSV Air & Sea A/S	DENMARK	100%	DKK	31,010
DSV Ocean Transport A/S	DENMARK	100%	DKK	500
DSV Air & Sea AS	NORWAY	100%	NOK	1,096
Panalpina AS	NORWAY	100%	NOK	3000
DSV Air & Sea AB	SWEDEN	100%	SEK	5,500
DSV Air & Sea Nordic AB	SWEDEN	100%	SEK	1,000
Agility AB	SWEDEN	100%	SEK	85,819
DSV Air & Sea Oy	FINLAND	100%	EUR	103
DSV Air & Sea Limited	UK	100%	GBP	3,000
DSV Air & Sea Limited	IRELAND	100%	EUR	30
DSV Real Estate S.p.A.	ITALY	90%	EUR	5,000
DSV S.p.A.	ITALY	100%	EUR	40,000
Panalpina Trasporti Mondiali S.p.A.	ITALY	100%	EUR	2,000
DSV Air & Sea SRL	ROMANIA	100%	RON	8,548
DSV Air & Sea Germany GmbH	GERMANY	100%	EUR	10,226
African Investments BV	NETHERLANDS	100%	EUR	16
UTi (Netherlands) Holding BV	NETHERLANDS	100%	EUR	9,712
DSV Air & Sea NV	BELGIUM	100%	EUR	5,176
DSV Air & Sea AG	SWITZERLAND	100%	CHF	600
DSV Air & Sea Hungary Kft.	HUNGARY	100%	HUF	3,000
DSV Air & Sea A.S.	TURKEY	100%	TRY	54,190
DSV Air & Sea EOOD	BULGARIA	100%	BGN	20
DSV Air & Sea Sp. z o.o.	POLAND	66%	PLN	1,598
DSV Air & Sea Slovakia s.r.o.	SLOVAKIA	100%	EUR	23
DSV Air & Sea s.r.o.	CZECH REPUBLIC	63%	CZK	800
DSV Air & Sea Co., Ltd.	CHINA	100%	CNY	27,980
DSV Air & Sea Ltd.	HONG KONG	100%	HKD	3,553,000
PT. DSV Transport Indonesia	INDONESIA	93%	USD	3,286
DSV Air & Sea Co., Ltd.	COMBODIA	100%	USD	150
DSV Holding (Thailand) Co., Ltd.	THAILAND	100%	THB	100
DSV Air & Sea Sdn Bhd	MALAYSIA	100%	MYR	1,000
DSV Air & Sea Inc.	PHILIPINES	100%	PHP	54,316
DSV Air & Sea Ltd.	BANGLADESH	100%	BDT	10,000
DSV Air & Sea Ltd.	KOREA	100%	KRW	7,443,274
DSV Air & Sea Co., Ltd.	TAIWAN	100%	TWD	451,739
DSV Air & Sea Pvt. Ltd.	INDIA	98%	INR	8,976
DSV Air & Sea Co., Ltd.	JAPAN	100%	JPY	54,000
DSV Air & Sea (LLC)	UAE	100%	AED	300
DSV Solutions Private Limited	INDIA	92%	INR	265,841
DSV Air & Sea Pakistan (SMC private) Limited	PAKISTAN	100%	PKR	22,000
UTi Pership (Pvt) Limited	SRI LANKA	51%	LKR	17,500
DSV Air & Sea Singapore Pte. Ltd.	SINGAPORE	100%	SGD	2,500
DSV Air & Sea Ltd.	ISRAEL	100%	ILS	238,399
DSV Air & Sea Jordan	JORDAN	100%	JOD	105
Agility Company LLC	SAUDI ARABIA	100%	SAR	88,760
DSV Air & Sea Pty Ltd.	AUSTRALIA	100%	AUD	9,210
DSV W.L.L.	BAHRAIN	90%	BHD	20
DSV Air and Sea LLC	OMAN	70%	OMR	150

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Note 7. Financial assets - continued

Group Enterprises

Company name	Registered office	Ownership	Currency	CUR'000
				Share Capital
DSV Freight International Limited	NIGERIA	100%	NGN	323,247
Global Options Worldwide Express Investments Ltd	ESWATINI	100%	SZL	1
DSV AFRICA HOLDING (Pty) Ltd.	SOUTH AFRICA	100%	ZAR	1
DSV Air & Sea Limited	NEW ZEALAND	100%	NZD	5,802
DSV Air & Sea Limitada	MOZAMBIQUE	98%	MZN	6
DSV Air & Sea (PTY) Limited	BOTSWANA	100%	BWP	3,493
DSV Air & Sea Limited	UGANDA	100%	UGX	9,002,730
DSV Air & Sea Limited	ZAMBIA	100%	ZMW	345
DSV Air & Sea (Private) Limited	ZIMBABWE	100%	USD	1,051
DSV Air and Sea Limited	KENYA	100%	KES	436,015
DSV Air & Sea Holding Inc	USA	100%	USD	1,303,372
DSV Air & Sea (PR) Inc.	PUERTO RICO	100%	USD	1
DSV Air & Sea Inc.	CANADA	100%	CAD	71,776
DSV Air & Sea S.A.	COSTA RICA	100%	CRC	110,216
DSV Air & Sea S.A.S.	COLOMBIA	100%	COP	8,380,838
DSV Air & Sea (Latin America) Holding S.A.	CHILE	100%	CLP	1,277,970
DSV Air & Sea Uruguay - Servicios Logísticos SA	URUGUAY	100%	UYU	32,831
Panalpina Uruguay Transportes Mundiales S.A.	URUGUAY	100%	UYU	1,996
DSV Air & Sea PA Inc.	PANAMA	100%	USD	10
Panalpina SEM, S.A.	PANAMA	100%	USD	1
DSV Air & Sea, S.A. de C.V.	EL SALVADOR	100%	USD	11
DSV-AIR&SEA S.A.	ECUADOR	100%	USD	1,201
DSV Air & Sea Brasil Ltda.	BRAZIL	100%	BRL	360,660
UTi Logistics Argentina S.A.	ARGENTINA	95%	ARS	1,697
Panalpina Jebel Ali Ltd.	UAE	100%	AED	100
DSV Air and Sea Middle East DWC-LLC	UAE	100%	AED	300
DSV Air and Sea DWC-LLC	UAE	100%	AED	300
DSV Air & Sea (Cambodia) Co., Ltd.	CAMBODIA	100%	USD	300
DSV Air & Sea (Myanmar) Limited	MYANMAR	100%	USD	200
DSV Air and Sea Limited	MACAO	100%	MOP	1,000
DSV Road, S.A. de C.V.	MEXICO	100%	MXN	16,540
UTi Worldwide Inc.	BRITISH VIRGIN ISLAND	100%	USD	1,404,294
DSV Air & Sea, S.A. de C.V.	MEXICO	100%	MXN	62,863
DSV Air Services	LUXEMBOURG	100%	EUR	14,647
Panalpina Czech S.R.O.	CZECH REPUBLIC	100%	CZK	1,000
GIL Czech Republic s.r.o.	CZECH REPUBLIC	100%	CZK	15,000
DSV Air & Sea d.o.o.	SLOVENIA	100%	EUR	1,000
DSV Air & Sea Company Limited	VIET NAM	100%	VND	6,360,145
DSV Air and Sea for Logistics Services Company	SAUDI ARABIA	100%	SAR	500

Associated Companies

Company name	Registered office	Ownership	Currency	CUR'000
				Share Capital
DSV Pership (Private) Limited	SRI LANKA	40%	LKR	1,000
DSV Air & Sea Co. W.L.L.	KUWAIT	49%	KWD	20
DSV Gulf Customs Broker LLC	UAE	49%	AED	1,000
DSV Air & Sea Ltd.	THAILAND	49%	THB	10,000
DSV Air and Sea Shipping WLL	QATAR	49%	QAR	200

Other investments

Company name	Registered office	Ownership	Currency	CUR'000
				Share Capital
DSV Real Estate Bratislava s.r.o.	SLOVAKIA	15%	EUR	5
Panalpina Transportes Mundiais Navegação e Trânsitos SARL	ANGOLA	3%	USD	30
DSV UTI Air & Sea Agenciamento de Transportes Ltda.	BRAZIL	0%	BRL	18,039
DSV Air & Sea S.A.	ARGENTINA	0%	ARS	551,504

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	2023 DKK '000	2022 DKK '000
Note 8. Deferred tax asset		
Deferred tax asset at 1/1	3,604	21,483
Deferred tax for the year	<u>4,249</u>	<u>-17,879</u>
Deferred tax asset at 31/12	<u>7,853</u>	<u>3,604</u>

Deferred tax asset relates to:

Tangible assets etc	74	69
Other liabilities	<u>7,779</u>	<u>3,535</u>
Deferred tax asset	<u>7,853</u>	<u>3,604</u>

Note 9. Share capital

Contributed capital consist of 1 share to nominal value t.DKK 50,000 and no changes for the last 5 years.

Note 10. Non current liabilities

The payables to Group Companies are all due within 3 years.

Note 11. Contingent liabilities

The Company is jointly registered for VAT with the Group's other Danish Companies. The Company is thus jointly and severally liable for VAT as regards the jointly registration.

The Company is assessed jointly for tax purposes together with the other domestic DSV Group entities. The Company is a wholly-owned subsidiary of DSV A/S and is under an unlimited and joint liability regime for Danish tax payments and withholding taxes on dividends, interest and royalties from the jointly taxed entities. The total amount is disclosed in the annual financial statements of DSV A/S, which is the administration company of the joint taxation arrangement. Any subsequent adjustments of the taxable consolidated profit or withholding taxes may result in an increase in the Company's tax liability.

The DSV A/S has issued letter of support for DSV Air & Sea Holding A/S to provide financial support to the extent necessary, allowing the company enterprises to continue their activities and meet their obligations towards third parties.

	2023 DKK '000	2022 DKK '000
Guarantees for rent commitments, indemnification and subordination agreements re. subsidiaries.	<u>563,360</u>	<u>419,792</u>

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Note 12. Related parties and ownership

DSV Air & Sea Holding A/S related parties comprise the following:

Parties exercising control

DSV A/S, Hovedgaden 630, DK-2640 Hedehusene

Other

The Company's related parties are the companies in the DSV Group and the companies' daily management.

Transactions with related parties has been conducted on arms length principles.

There are not entered agreements or other transactions with companies where the Board of Directors or the Executive Board have had any financial interest except from transactions related to the conditions of employment.

	2023	2022
	DKK '000	DKK '000
Transactions with related parties:		
Sale of service fee	261,256	239,301
Sale of administration fee	996	4,685
Purchase of service fee	106,562	89,202
Purchase of administration fee	143,425	139,653
Financial income	36,900	16,225
Financial expenses	908,063	431,243

The Company has bought shares from Group companies with a value of t.DKK 777,539 in 2023 (2022 t.DKK 1,666,711), and made capital increases of t.DKK 7,447 in 2023 (2022 t.DKK 0), and have sold shares to Group companies with a value of t.DKK 362,085 in 2023 (2022 t.DKK 283,397).

	2023	2022
	DKK '000	DKK '000
The Company has following receivables and payables as of 31 December:		
Current receivables from Group companies	739,943	496,861
Non-current liabilities to Group companies	23,268,451	27,815,307
Current liabilities to Group companies	36,347	120,737

Ownership

Shareholders holding 5% or more of the share capital or the voting rights:

DSV A/S, Hovedgaden 630, DK-2640 Hedehusene owns 100% of the shares in DSV Air & Sea Holding A/S.

Note 13. Consolidated financial statements

The financial statements of DSV Air & Sea Holding A/S and its subsidiaries are included in the consolidated financial statements of DSV A/S, Hedehusene, Denmark. The consolidated financial statements of DSV A/S can be requested at the following address:

DSV A/S
Hovedgaden 630
DK-2640 Hedehusene
Denmark

or:

www.investor.dsv.com

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Note 14. Proposed distribution of profit

	2023	2022
	DKK '000	DKK '000
Dividend	5,000,000	2,000,000
Retained earnings	<u>912,047</u>	<u>816,374</u>
Total distribution	<u>5,912,047</u>	<u>2,816,374</u>