

# DSV Air & Sea Holding A/S

Hovedgaden 630, 2640 Hedehusene

CVR No. 26 36 63 56

## Annual Report

for the year ended 31 December 2021

21<sup>th</sup> financial year

Approved at the Company's Annual General Meeting on 29 April 2022.

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 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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, 29 April 2022

Executive Board:



Carsten Trolle

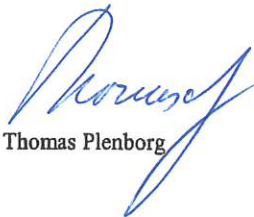
Board of Directors:



Jens Bjørn Andersen  
Chairman



Jens H. Lund



Thomas Plenborg



Rene Falck Olesen

# ***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 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 2021, 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

## **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, 29 April 2022

**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

<b>Name</b>	DSV Air & Sea Holding A/S
<b>Address</b>	Hovedgaden 630
<b>Post Code</b>	2640 Hedehusene
	Tel: +45 43 20 30 40
	Fax: +45 43 20 30 41
<b>CVR No.</b>	26 36 63 56
<b>Municipality of domicile</b>	Høje-Taastrup
<b>Board of Directors:</b>	Jens Bjørn Andersen, (Chairman) Jens H. Lund Thomas Plenborg Rene Falch Olesen
<b>Executive Board:</b>	Carsten Trolle
<b>Auditors:</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

## MANAGEMENT'S REVIEW

### Financial highlights

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Key figures (in thousands):</b>					
Operating loss/profit	-93,143	-166,020	13,296	-12,058	-35,120
Net financials	-227,670	-234,516	-217,213	-234,327	-416,828
Profit for the year	1,527,763	2,448,995	1,142,816	873,056	408,074
Shareholders' equity at year-end	4,147,667	4,439,077	3,133,122	2,776,229	1,922,590
Total assets	30,768,049	26,243,663	22,931,362	15,794,044	15,810,208
Investments for the year	5,351,559	4,127,885	5,897,309	944,478	2,769,185

### Ratios:

Return on equity	35.58%	64.68%	36.48%	37.16%	17.98%
Solvency ratio	13.48%	16.91%	13.66%	17.58%	12.16%

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 2021, supply chains continued to be disrupted by the pandemic, subsequently impacting both demand and available capacity. Beyond this impacts it has been a good growth for Air&Sea division of gross profit with 42,3%, this is due to the below acquisition and change in market rates.

Given the very challenging market – combined with acquiring and integrating Global Integrated Logistics (GIL) – this year we focused on providing the best possible service to existing customers. Thanks to our skilled teams, scale benefits and strong carrier relationships, we found transport solutions for our customers despite all the disruption. Because of the unusual conditions, our gross profit per shipment went up. At the same time, the disruptions increased the time we spent managing each shipment.

Acquiring GIL added volume to our network globally and made Air & Sea even stronger, especially in the Middle East and APAC. GIL also gave us new competences (for example in the chemicals sector) and made us a top-three player in both the air and sea markets. Merging our two businesses is going well, and thanks to highly motivated and talented teams on both sides, the integration is ahead of our original plan.

We keep optimising processes, making sure we use systems like myDSV and other customer integration tools the right way across all teams and markets. Our robust digital infra structure and processes put us in a strong position for more Air & Sea growth.

The net result for the year is t.DKK 1,527,763, which is under the result for 2020. The reason for the lower result is the return on investments in subsidiaries.

The result is considered satisfactory by the Management.

### Investments

In 2021 the Company had material investments in Group Enterprises amounting to t.DKK 5,351,560 due to restructuring within DSV Group.

### 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

Our target is above-market growth, and our ability to reach this target will improve as 2022 progresses.

Our focus in 2022 will be to finding the right solutions and helping our customers and keeping supply chains flowing in a challenging market. We will continue our efforts to fully and successfully integrate GIL into our existing business. Once this work is complete, we will capitalise on our strong new market position.

Our roadmaps will help us develop our IT tools and further workflow standardisation. But we need to make sure everything we do here is in line with what our customers want; we must offer strong digital services but combined with personal service where it is needed.

It's anticipated that the net profit for 2022 will be at same or a little lower level than the result for 2021.

### 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. The Group issues a separate report on corporate social responsibility, the DSV Sustainability Report, which is the Group's progress report (COP) under UN's Global Compact.

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, but it is the intention of the Company that within 2022 at least one of four board members should be female.

As the Company employs less than 50 employees, the Company is not required to have a policy for improving the gender diversity on other management levels.

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

DSV Group report 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 our Statutory Report on Data Ethics, available at: <https://www.dsv.com/en/data-ethics>

### **Events after the reporting date**

The conflict involving Ukraine and Russia has escalated significantly after the end of the reporting period. The conflict is expected to have a negative impact on the company's investments in Russia and Ukraine.

Apart from this and the events recognised or disclosed in the consolidated financial statements, no events have occurred after the reporting period 31. December 2021. of importance to the consolidated financial statements.

## Financial statements 1 January - 31 December

### INCOME STATEMENT

	Note	2021 DKK '000	2020 DKK '000
Other external expenses		<u>-32,900</u>	<u>-34,407</u>
<b>Gross profit</b>		<b>-32,900</b>	<b>-34,407</b>
Staff costs	2	-15,671	-14,021
Other operating income/cost		<u>-44,572</u>	<u>-117,592</u>
<b>Operating loss/profit</b>		<b>-93,143</b>	<b>-166,020</b>
Income from investments in Group enterprises incl. impairment	3	1,850,346	2,837,115
Financial income	4	31,005	43,631
Financial expenses	5	<u>-258,675</u>	<u>-278,147</u>
<b>Profit before tax</b>		<b>1,529,533</b>	<b>2,436,579</b>
Tax on profit for the year	6	<u>-1,770</u>	<u>12,416</u>
<b>NET PROFIT FOR THE YEAR</b>		<b><u>1,527,763</u></b>	<b><u>2,448,995</u></b>

**Financial statements 1 January - 31 December**

**BALANCE SHEET**

<b>ASSETS</b>	<b>Note</b>	<b>2021 DKK '000</b>	<b>2020 DKK '000</b>
<b>NON-CURRENT ASSETS</b>			
<b>Financial assets</b>			
Investments in Group enterprises	7	30,139,639	25,240,460
Investments in associated companies	7	16	16
Non-current receivables from Group companies		380,172	622,003
Other securities and other receivables		0	11,453
<b>Total financial assets</b>		<b><u>30,519,827</u></b>	<b><u>25,873,932</u></b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b><u>30,519,827</u></b>	<b><u>25,873,932</u></b>
<b>CURRENT ASSETS</b>			
Trade receivables		0	693
Receivables from Group companies		50,812	272,731
Tax receivable		50,099	52,907
Deferred tax asset	8	21,484	1,890
Other receivables		57,980	41,510
<b>Total receivables</b>		<b><u>180,375</u></b>	<b><u>369,731</u></b>
Cash and cash equivalents		67,847	0
<b>TOTAL CURRENT ASSETS</b>		<b><u>248,222</u></b>	<b><u>369,731</u></b>
<b>TOTAL ASSETS</b>		<b><u><u>30,768,049</u></u></b>	<b><u><u>26,243,663</u></u></b>

Financial statements 1 January - 31 December

**BALANCE SHEET**

	Note	2021 DKK '000	2020 DKK '000
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	9	50,000	50,000
Proposed dividend	14	2,000,000	2,000,000
Retained earnings		<u>2,097,667</u>	<u>2,389,077</u>
<b>TOTAL EQUITY</b>		<b><u>4,147,667</u></b>	<b><u>4,439,077</u></b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Payables to Group companies	10	<u>16,958,355</u>	<u>12,806,428</u>
<b>Total non-current liabilities</b>		<b><u>16,958,355</u></b>	<b><u>12,806,428</u></b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Suppliers of goods and services		439	129
Payables to Group companies		9,614,566	8,962,673
Other debt		<u>47,022</u>	<u>35,356</u>
<b>Total current liabilities</b>		<b><u>9,662,027</u></b>	<b><u>8,998,158</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>26,620,382</u></b>	<b><u>21,804,586</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>30,768,049</u></b>	<b><u>26,243,663</u></b>
Contingent liabilities	11		
Related parties	12		
Consolidated financial statements	13		
Proposed distribution of profit	14		

**Financial statements 1 January - 31 December**

**STATEMENT OF CHANGES IN EQUITY**

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Dividend</b>	<b>Total</b>
<b>Shareholders' Equity at 1/1 2020</b>	<b>50,000</b>	<b>1,940,306</b>	<b>1,142,816</b>	<b>3,133,122</b>
Share Contributions and other adjustments	-	-224	-	-224
Dividend distributed	-	-	-1,142,816	-1,142,816
Transfer regarding proposed distribution	-	448,995	2,000,000	2,448,995
<b>Shareholders' Equity at 31/12 2020</b>	<b>50,000</b>	<b>2,389,077</b>	<b>2,000,000</b>	<b>4,439,077</b>
<b>Shareholders' Equity at 1/1 2021</b>	<b>50,000</b>	<b>2,389,077</b>	<b>2,000,000</b>	<b>4,439,077</b>
Share Contributions and other adjustments	-	180,827	-	180,827
Dividend distributed	-	-	-2,000,000	-2,000,000
Transfer regarding proposed distribution	-	-472,237	2,000,000	1,527,763
<b>Shareholders' Equity at 31/12 2021</b>	<b>50,000</b>	<b>2,097,667</b>	<b>2,000,000</b>	<b>4,147,667</b>

## **Financial statements 1 January - 31 December**

### **Note 1. Accounting policies**

The 2021 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.

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**

##### **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 cost**

Other operating income and cost is primarily related to invoicing of service fee to subsidiaries and for cost it's related to restructuring cost.

##### **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.

##### **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.

## **Financial statements 1 January - 31 December**

### **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 Group's subsidiaries. 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.

#### **Other securities and investments**

Listed securities and equity investments recognised as fixed asset investments are measured at fair value on the balance sheet date.

Non-listed securities recognised under current assets are measured at current price based on calculated value in use at the balance sheet date.

#### **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.

#### **Trade receivables**

Trade receivables are measured at amortised cost. Provision is made for expected losses on an individual basis.

#### **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.



## Financial statements 1 January - 31 December

### NOTES

	2021 DKK'000	2020 DKK'000
<b>Note 2. Staff costs</b>		
Specification of staff costs:		
Salaries, wages, share options and warrants	14,589	13,189
Pension costs	1,009	770
Other expenses for social security	18	20
Other staff costs and income	<u>55</u>	<u>42</u>
	<b><u>15,671</u></b>	<b><u>14,021</u></b>
Average number of employees	<u>14</u>	<u>11</u>

Information regarding remuneration to the company's management is excluded with reference to the Danish Financial Statements Act. Section 98 b, subsection 3.

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.

	2021 DKK'000	2020 DKK'000
<b>Note 3. Income from investments in Group enterprises incl. impairment</b>		
Dividend received from subsidiaries	2,298,893	3,519,649
Impairment of investments in subsidiaries	-448,547	-682,534
	<b><u>1,850,346</u></b>	<b><u>2,837,115</u></b>
<b>Note 4. Financial income</b>		
Financial income from Group enterprises	4,936	13,100
Foreign currency translation adjustments	<u>26,069</u>	<u>30,531</u>
	<b><u>31,005</u></b>	<b><u>43,631</u></b>
<b>Note 5. Financial expenses</b>		
Financial expenses for Group enterprises	195,863	215,973
Foreign currency translation adjustments	<u>62,812</u>	<u>62,174</u>
	<b><u>258,675</u></b>	<b><u>278,147</u></b>

## Financial statements 1 January - 31 December

### NOTES

	2021 DKK'000	2020 DKK'000
<b>Note 6. Tax for the year</b>		
Current tax for the year	49,424	52,690
Adjustment of the deferred tax charge for the year	19,593	509
Withholding tax	-70,957	-40,624
Prior year adjustments	170	-159
	<u>-1,770</u>	<u>12,416</u>
<b>Note 7. Financial assets</b>		
Investments in Group enterprises and Associated companies:		
	Associated companies	Group enterprises
<b>Cost</b>		
<b>Balance at 1/1 2021</b>	16	32,660,599
Capital increase	-	1,369,327
Additions	-	3,982,232
Disposals	-	-3,833
<b>Cost at 31/12 2021</b>	<u>16</u>	<u>38,008,325</u>
<b>Write-offs and fair value adjustments</b>		
Write-offs and fair value adjustments at 1/1 2021	-	-7,420,139
Write-off and fair value adjustments for the year	-	0
Reduction due to dividend received which exceed accumulated earnings after the date of acquisition	-	-448,547
<b>Write-offs and fair value adjustments at 31/12 2021</b>	<u>-</u>	<u>-7,868,686</u>
<b>Carrying amount at 31/12 2021</b>	<u>16</u>	<u>30,139,639</u>

**Financial statements 1 January - 31 December**

**NOTES**

**Note 7. Financial assets - continued**

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
DSV Air & Sea AB	Sweden	100%	SEK	5,500
DSV Air & Sea Oy	Finland	100%	EUR	111
DSV Air & Sea Limited	UK	100%	GBP	3,000
DSV Air & Sea Limited	Ireland	100%	EUR	30
DSV S.p.A.	Italy	100%	EUR	40,000
DSV Air & Sea NV	Belgium	100%	EUR	4,000
XB Luxembourg Holdings 1 SA	Luxemburg	100%	EUR	2,480
DSV Air & Sea A.S.	Turkey	100%	TRY	51,500
DSV Air & Sea Sp. z o.o.	Poland	66%	PLZ	1,598
DSV Air & Sea s.r.o.	Czech Republic	91%	CZK	550
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 Holding (Thailand) Co., Ltd.	Thailand	100%	THB	100
DSV Air & Sea Pte. Ltd.	Singapore	100%	SGD	150
DSV Air & Sea Sdn Bhd	Malaysia	100%	MYR	1,000
DSV Air & Sea Inc.	Philippines	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	283,793
DSV Air & Sea Pvt. Ltd.	India	98%	INR	8,976
ABX LOGISTICS Singapore PTE LTD	Singapore	100%	SGD	283
DSV Air & Sea Co., Ltd.	Japan	100%	JPY	54,000
DSV Air & Sea (LLC)	United Arab Em.	100%	AED	300
DSV Air & Sea Pty Ltd.	Australia	100%	AUD	9,210
DSV Air & Sea Limited	New Zealand	100%	NZD	1,000
DSV Air & Sea Holding Inc	USA	100%	USD	287,750
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 EOOD	Bulgaria	100%	BGN	20
DSV Freight International Limited	Nigeria	100%	NGN	323,247
DSV Air & Sea Ltd.	Rwanda	100%	RWF	1,213,770
DSV Air & Sea Limitada	Mozambique	98%	MZN	6
DSV Air & Sea Limited	Tanzania	100%	TZS	1,000
DSV Air & Sea Limited	Uganda	100%	UGX	9,002,730
DSV Air & Sea Limited	Ghana	100%	GHS	1,813
Swift Freight International (Zambia) Limited	Zambia	100%	ZMK	20,192
DSV Air and Sea Limited	Kenya	100%	KES	436,015
DSV Air & Sea S.A.	Costa Rica	100%	CRC	110,216
UTi Worldwide Inc.	British Virgin Islands	100%	USD	1,404,294
UTi (UK) Holdings Ltd.	UK	100%	GBP	3,278
UTi (Netherlands) Holding BV	Netherlands	100%	EUR	9,712
DSV Air & Sea Pakistan (SMC private) Limited	Pakistan	100%	PKR	22,000
DSV Air & Sea (PR) Inc.	Puerto Rico	100%	USD	1
DSV Air & Sea Uruguay - Servicios Logísticos SA	Uruguay	100%	UYU	32,831
DSV Air & Sea Co., Ltd.	Cambodia	100%	USD	150

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**NOTES**

**Note 7. Financial assets - continued**

<b>Company name</b>	<b>Registered office</b>	<b>Ownership</b>	<b>Currency</b>	<b>CUR'000 Share Capital</b>
Panalpina AS	Norway	100%	NOK	3000
DSV Air & Sea Co., Ltd. (South East China)	China	100%	CNY	1
DSV AFRICA HOLDING (Pty) Ltd.	South Africa	100%	ZAR	1
DSV Solutions Private Limited	India	91%	INR	234,873
DSV Air & Sea (PTY) Limited	Botswana	100%	BWP	3,493
DSV Air & Sea (Private) Limited	Zimbabwe	100%	USD	1,051
DSV Air & Sea PA Inc.	Panama	100%	USD	10
Panalpina SEM, S.A.	Panama	100%	USD	1
DSV Air & Sea Nordic AB	Sweden	100%	SEK	1,000
Panalpina Trasporti Mondiali S.p.A.	Italy	100%	EUR	2,000
DSV Air & Sea Germany GmbH	Germany	100%	EUR	10,226
DSV Air & Sea S.A.	Luxembourg	100%	EUR	30
DSV Air & Sea JSC	Russia	100%	RUB	2,100
DSV Air & Sea Jordan	Jordan	100%	JOD	105
UTi Logistics Argentina S.A.	Argentina	95%	ARS	1,697
Panalpina Uruguay Transportes Mundiales S.A.	Uruguay	100%	UYU	1,996
DSV Road, S.A. de C.V.	Mexico	100%	MXN	16,540
DSV Real Estate S.p.A.	Italy	89%	EUR	5,000
DSV Solutions S.R.L.	Italy	100%	EUR	12,000
DSV Air & Sea AG	Switzerland	100%	CHF	600
DSV Prime Cargo A/S	Denmark	100%	DKK	1,800
DSV Air & Sea Hungary Kft.	Hungary	100%	HUF	3,000
DSV Air & Sea Slovakia s.r.o.	Slovakia	100%	EUR	23
DSV W.L.L.	Bahrain	90%	BHD	20
DSV Air & Sea Brasil Ltda.	Brazil	100%	BRL	213,751
DSV-AIR&SEA S.A.	Ecuador	100%	USD	1,201
DSV Air & Sea, S.A. de C.V.	El Salvador	100%	USD	11
DSV Air & Sea Ltd.	Israel	100%	ILS	238,399
DSV Air & Sea Co. W.L.L.	Kuwait	49%	KWD	20
DSV Air & Sea (Myanmar) Limited	Myanmar	100%	USD	200
DSV Air & Sea Ltd.	Myanmar	100%	USD	25
DSV Air and Sea Limited	Macao	100%	MOP	1,000
DSV Air & Sea Singapore Pte. Ltd.	Singapore	100%	SGD	2,500
DSV Air and Sea DWC-LLC	United Arab. Emirates	100%	AED	300
DSV Air and Sea Middle East DWC-LLC	United Arab. Emirates	100%	AED	300
DSV Air & Sea Limited	Zambia	100%	ZMW	345
African Investments BV	Netherlands	100%	EUR	16
Agility AB	Sweden	100%	SEK	85,819
Prime Cargo (H.K.) Ltd.	Hong Kong	100%	HKD	54
Oy Agility Logistics AB	Finland	100%	EUR	3,417
DSV Air & Sea SRL	Romania	100%	RON	8,548
Agility Logistics AG	Switzerland	100%	CHF	29,192
DSV Air & Sea (Cambodia) Co., Ltd.	Cambodia	100%	USD	300
Agility Ltd.	Japan	100%	JPY	90,000
Panalpina Jebel Ali Ltd.	United Arab. Emirates	100%	AED	100
DSV Gulf Customs Broker LLC	United Arab. Emirates	49%	AED	1,000
DSV Air and Sea LLC	Oman	70%	OMR	150
Agility Limited	New Zealand	100%	NZD	4,802
Agility Logistics, Ltd.	Canada	100%	CAD	63,657
Agility do Brasil Logística Internacional S.A.	Brazil	100%	BRL	146,408
Agility Company LLC	Saudi Arabia	100%	SAR	88,760
Global Options Worldwide Express Investments (Pty) Ltd	Eswatini	100%	SZL	1

**Associated companies**

DSV Pership (Private) Limited	Sri Lanka	40%	LKR	1,000
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### NOTES

<b>Note 8. Deferred tax asset</b>	<b>2021</b>	<b>2020</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Deferred tax asset at 1/1	1,890	1,381
Deferred tax for the year	<u>19,593</u>	<u>509</u>
<b>Deferred tax asset at 31/12</b>	<b><u>21,483</u></b>	<b><u>1,890</u></b>

Deferred tax asset relates to:

Tangible assets etc	89	0
Other liabilities	<u>21,395</u>	<u>1,890</u>
<b>Deferred tax asset</b>	<b><u>21,484</u></b>	<b><u>1,890</u></b>

### 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.

	<b>2021</b>	<b>2020</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Guarantees for rent commitments, indemnification and subordination agreements re. subsidiaries.	<u>306,745</u>	<u>738,596</u>

## Financial statements 1 January - 31 December

### NOTES

#### 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.

	2021	2020
	DKK'000	DKK'000
Transactions with related parties:		
Sale of service fee	126,717	87,893
Sale of administration fee	179	188
Purchase of service fee	18,058	14,012
Purchase of administration fee	92,388	107,249
Financial income	4,936	13,100
Financial expenses	195,863	215,973

The Company has bought shares from Group companies with a value of t.DKK 3,982,232 in 2021 (2020 t.DKK 4,127,885), and made capital increases of t.DKK 1,369,327 in 2021 (2020 t.DKK 12,682), and have sold shares to Group companies with a value of t.DKK 1,320 in 2021 (2020 t.DKK 207,311).

	2021	2020
	DKK'000	DKK'000
The Company has following receivables and payables as of 31 December:		
Non-current receivables from Group companies	380,172	622,003
Current receivables from Group companies	50,812	272,731
Non-current liabilities to Group companies	16,958,355	12,806,428
Current liabilities to Group companies	9,614,566	8,962,673

#### 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](http://www.investor.dsv.com)

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**Note 14. Proposed distribution of profit**

	<b>2021</b>	<b>2020</b>
	<b>DKK '000</b>	<b>DKK '000</b>
Dividend	2,000,000	2,000,000
Retained earnings	<u>-472,237</u>	<u>448,995</u>
<b>Total distribution</b>	<b><u>1,527,763</u></b>	<b><u>2,448,995</u></b>

**Note 15. Subsequent events**

The unrest in Russia and Ukraine, after the end of the financial reporting period, has been assessed from a risk point of view for all investments in subsidiaries of this entity and any future impact is considered immaterial.