

NTG Nordic A/S

Truckvej 5, 4600 Koege

CVR No 33 57 21 90

Annual report for

January 1, 2021

-

December 31, 2021

The Annual Report was presented and adopted at the Annual General Meeting of the Company on:
29 April 2022

Chairman

Johan Lønberg

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of NTG Nordic A/S for the financial year 1 January – 31 December 2021.

The Financial Statements are 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 at 31 December 2021 of the Company and of the results of the Company operations for the financial year 1 January – 31 December 2021.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company.

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

Koegel, 29 April 2022

Executive Board

Kenneth Agner Sørensen

Board of Directors

Jesper Ellegaard Petersen
Chairman

Kenneth Agner Sørensen

Michael Larsen

Erik Jensen

Christian Paul Dyander Jakobsen

Independent Auditor's Report

To the Shareholders of NTG Nordic 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 NTG Nordic 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' 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, 29 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No. 33 77 12 31

Flemming Eghoff
State Authorised Public Accountant
mne30221

Morten Jørgensen
State Authorised Public Accountant
mne32806

Managements Review

Key activities

The Company's key activities comprise national and international freight forwarding and transport, storage and distribution at home and abroad of all types of freight as well as any related business.

Development in the year

The income statement of the company for 2021 shows a profit of DKK 76,853 thousand and at 31 December 2021 the balance sheet of the Company shows equity of DKK 88,591 thousand.

The Company's results are in line with expectations.

The Company has achieved the established expectations of sales in 2021 set in 2020.

The past year and follow-up on development expectations

In 2022, the Company expects continued sales growth more or less in line with 2021. The growth is expected primarily to take place through organic growth. The Company is built on a solid foundation which has secured a solid footing in Scandinavia where we have a strengthened organisation that is ready to continue exploiting available market opportunities.

Special risks

The most significant operating exposure faced by NTG Nordic A/S is the requirement that we are strongly positioned in the markets in which we operate to ensure competitive prices, flexible solutions for the individual customer as well as a high degree of efficiency.

External Environment

NTG Nordic A/S makes continuous efforts to reduce our adverse environmental impact. This is done by reducing no-load operations and currently optimising load rates on all transport units.

In-house, we have implemented electronic IT solutions to limit our paper consumption both in the company and with our customers. We moreover only use green electricity and, through this, look after our environmental impact.

Intellectual capital resources

The cornerstone of NTG Nordic A/S' development is faithful, competent and loyal employees with top qualifications. NTG Nordic A/S' recipe for growth is to retain and attract new employees to develop the organisation.

The development of the organisation is based on training and optimisation as well as further development of our IT-platforms to improve the work processes.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Subsequent events

No events have occurred after the reporting period of importance to the financial statements.

Company Information

Company

NTG Nordic A/S
Truckvej 5
4600 Koege

Cvr-nr. 33 57 21 90
Municipality of reg. office Koege

Executive Board

Kenneth Agner Sørensen

Board of Directors

Jesper Ellegaard Petersen
Kenneth Agner Sørensen
Michael Larsen
Christian Paul Dyander Jakobsen
Erik Jensen

Auditor

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial highlights

DKK '000	2021	2020	2019	2018	2017
Key Figures					
Profit/loss					
Gross profit	134.825	126.680	116.303	117.997	101.312
Operating profit/loss	98.203	89.988	80.356	72.913	64.756
Net financials	931	717	548	4.926	1.497
Net profit/loss for the year	76.853	76.313	67.954	61.771	51.110
Balance sheet					
Balance sheet total	204.891	197.072	138.904	147.177	118.617
Equity	88.591	82.723	50.032	62.271	50.175
Investments in assets	0	0	0	0	0
Ratios					
Return on assets	14,1%	45,7%	57,8%	49,5%	54,6%
Solvency ratio	43,2%	42,0%	36,0%	42,3%	42,3%
Return on equity	86,8%	115,0%	121,0%	109,9%	110,3%

The key figures and financial ratios have been prepared on a consolidated basis. The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on Equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

Income Statement

DKK'000	Note	2021	2020
Gross profit		134.825	126.680
Staff costs	2	-36.428	-36.498
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		-194	-194
Profit/loss before financial income and expenses		98.203	89.988
Income from investments in subsidiaries		281	5.328
Financial income	3	930	1.031
Financial costs	3	-481	-314
Profit/loss before tax		98.932	96.033
Tax on profit for the year	4	-22.079	-19.720
Net profit/loss for the year		76.853	76.313

Balance Sheet

Assets

DKK'000	Note	2021	2020
Fixed assets			
Goodwill	5	162	356
		162	356
Fixed asset investments			
Investments in subsidiaries	6	0	11.238
		0	11.238
Total fixed assets		162	11.594
Current assets			
Receivables			
Trade receivables		95.805	83.949
Receivables from Group companies		104.930	98.440
Other receivables		1.923	874
Deferred tax assets	7	436	201
Prepayments	8	1.562	1.941
		204.656	185.405
Cash and cash equivalents		73	73
Total current assets		204.729	185.478
Total assets		204.891	197.072

Balance Sheet

Equity and Liabilities

DKK'000	Note	2021	2020
Share capital	9	500	500
Reserve for net revaluation under the equity method		0	11.238
Retained earnings		0	70.985
Proposed dividend for the year		88.091	0
Total equity		88.591	82.723
Short-term debt			
Trade payables		107.293	99.979
Payables to Group companies		2.291	1.736
Corporation tax, payable		1.951	496
Other payables		4.766	12.138
		116.300	114.349
Total liabilities		116.300	114.349
Total equity and liabilities		204.891	197.072

1. Accounting policies
10. Proposed distribution of profit
11. Contingent liabilities and other financial obligations
12. Related parties

Statement of Changes in Equity

2021

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total equity
Equity at 1 January	500	11.238	0	70.985	82.723
Ordinary dividend paid	0	0	0	-70.985	-70.985
Net profit/loss for the year	0	-11.238	0	88.091	76.853
Equity at 31 December	500	0	0	88.091	88.591

Statement of Changes in Equity, continued

2020

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total equity
Equity at 1 January	500	5.451	0	44.081	50.032
Ordinary dividend paid	0	0	0	-44.081	-44.081
Exchange adjustments relating to	0	459	0	0	459
Net profit/loss for the year	0	5.328	0	70.985	76.313
Equity at 31 December	500	11.238	0	70.985	82.723

Accounting policies

The Annual Report of NTG Nordic A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Company's Financial Statements for 2021 are presented in DKK, rounded to the nearest thousand.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of NTG Nordic Transport Group A/S, the Company has not prepared consolidated financial statements.

The consolidated financial statements of the ultimate parent company, NTG Nordic Transport Group A/S, can be found at investor.ntg.dk.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of NTG Nordic Transport Group A/S, the Company has not prepared a cash flow statement.

Leases

All leases are considered operating leases.

Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term

Translation policies

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

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue comprises sale of services and is recognised in the income statement provided that delivery and transfer of risk have been made to the purchaser by year end, and provided that the revenue can be measured reliably, and it is probable that the economic benefits relating to the sale will flow to the Company.

Accrued revenue and accrued costs of services in progress at 31 December 2021 are presented on the line items trade receivables and trade payables, respectively. Accrued revenue is estimated and recognised when a sales transaction fulfils the criteria for revenue recognition, but no final invoice has yet been issued to the customer at the end of the reporting period. Accrued costs are estimated and recognised when supplier invoices relating to recognised revenue for the reporting period have yet to be received.

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

Direct expenses

Direct expenses comprise expenses incurred to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, direct expenses and other external expenses.

Staff costs

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

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets.

Income from investments in subsidiaries

Income from investments in subsidiaries in the income statement includes the proportionate share of the profit for the year

Financial income and costs

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with NTG Nordic Transport Group A/S. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet**Intangible assets**

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity - dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the onaccount taxation scheme are recognised in the income statement in financial income and expenses.

Liabilities

Other liabilities are measured at net realisable value.

Financial statements 1. January - 31. December

Notes

Note 2 - Staff costs

DKK'000	2021	2020
Wages and salaries	33.502	33.896
Pensions	1.303	1.296
Other social security costs and other staff costs	1.624	1.306
Total	36.428	36.498
Average number of full time employees	74	66

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Note 3 - Financial income and costs

DKK'000	2021	2020
Interest received from Group companies	789	587
Other financial income	123	444
Exchange adjustments	18	0
Total financial income	930	1.031
Interest paid to Group companies	31	233
Other financial costs	450	81
Total financial costs	481	314

Note 4 - Tax on profit for the year

DKK'000	2021	2020
Current tax for the year	22.067	20.080
Deferred tax for the year	-235	-152
Adjustment of tax concerning previous years	247	-208
Tax on profit for the year	22.079	19.720

Note 5 - intangible assets

DKK'000	Goodwill
Cost at 1 January	971
Cost at 31 December	971
Impairment losses and amortization at 1 January	615
Amortization for the year	194
Impairment losses and amortization at 31 December	809
Carrying amount at 31 December	162

Financial statements 1. January - 31. December

Note 6 - Investments in subsidiaries

DKK'000	Investments in subsidiaries
Cost at 1 January	0
Cost at 31 December	0
Value adjustments at 1 January	11.238
Net profit for the year	281
Disposals for the year	-11.519
Value adjustments at 31 December	0
Carrying amount at 31 December	0

Note 7 - deferred tax asset

DKK'000	2021	2020
Deferred tax asset at 1 January	201	44
Amounts recognised in the income statement of the year	235	152
Adjustment of tax concerning previous years	0	5
Deferred tax asset at 31 December	436	201

Note 8 - Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest as well.

Note 9 - Share capital

The share capital consist of 500 shares of a nominal value of DKK 1,000. No shares carry any special rights. There have been no changes in the share capital during the last 5 years.

Note 10 - Proposed distribution of profit

DKK'000	2021	2020
Proposed dividend for the year	88.091	70.985
Reserve for net revaluation under the equity method	-11.238	5.328
Total distribution	76.853	76.313

Financial statements 1. January - 31. December

Note 11 - Contingent liabilities, other financial obligations

Charges and security

The Company's bank has provided a payment guarantee concerning the lease at Truckvej 5, Køge and the lease at Brunbjergvej 1, Risskov. The guarantees amounts to DKK 1,489 thousand.

Future lease payments on operating leases

DKK'000	2021	2020
Within 1 year	20.049	18.440
Between 1 and 5 years	31.291	35.553
After 5 years	1.081	0
Total	52.421	53.993

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Note 12 - Related party transactions

Basis

Controlling interest

NTG Nordic Transport Group A/S

Parent Company

Transactions

The company has chosen to only disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent company

<u>Name</u>	<u>Place of registered office</u>
NTG Nordic Transport Group A/S	Hvidovre, Denmark