

Nordic Transport Group A/S

Hammerholmen 47-49, DK-2650 Hvidovre

CVR No. 36 47 15 73

Annual report for the period:

1 January, 2023

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31 December, 2023

The Annual Report was presented and adopted at the Annual General Meeting of the Company on:
21 June 2024

Chairman of the General Meeting

Thomas Junker Jensen

Table of Contents

Company information	3
Management's Statement	4
Independent Auditor's Report	5
Management's Review	7
Financial highlights	8
Income statement	9
Balance sheet	10
Equity statement	11
Notes to the financial statements	12

Company Information

Company

Nordic Transport Group A/S
Hammerholmen 47-49
DK-2650 Hvidovre

Cvr-nr. 36 47 15 73

Municipality of reg. office Hvidovre

Board of Directors

Jesper Ellegaard Petersen
Mathias Jensen-Vinstrup
Christian Paul Dyander Jakobsen

Executive Board

Christian Paul Dyander Jakobsen

Audit

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup
Cvr-nr. 33 77 12 31

Management's Statement

The Executive Board and Board of Directors have today considered and approved the Annual Report of Nordic Transport Group A/S for the financial year 1 January – 31 December 2023.

The Annual Report is 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 2023 of the Company and of the results of the Company operations for 2023.

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 financial year 2023 and of the financial position of the Company at 31 December 2023.

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

Hvidovre, 21 June 2024

Executive Board

Christian Paul Dyander Jakobsen

Board of Directors

Jesper Ellegaard Petersen
Chairman

Mathias Jensen-Vinstrup

Christian Paul Dyander Jakobsen

Independent Auditor's Report

To the Shareholders of Nordic Transport Group 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 Nordic Transport Group 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 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, 21 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No. 33 77 12 31

Jacob Brinch
State Authorised Public Accountant
mne35447

Frederik Geer Harvest
State Authorised Public Accountant
mne45859

Management's Review

Key activities

The Company's key activities comprise investments in national and international freight forwarding and transport, storage and distribution companies as well as any related business.

Development in the year

The income statement of the company for 2023 shows a profit of DKK 105.245 thousand and at 31 December 2023 the balance sheet of the Company shows equity of DKK 364.926 thousand.

Profit for the year includes a loss from disposal of majority shares of DKK -26.139 thousand.

The Company's results are in line with expectations.

Expectations for the coming year

In 2024, the Company will have limited activity and expected results will mainly consist of results from subsidiaries. The company expects a net result in 2024 of between DKK 100.000 - 150.000 thousand, driven by income from investments in Group companies.

External Environment

The Company's subsidiaries 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.

Intellectual capital resources

The cornerstone of the Company's subsidiaries' development is faithful, competent and loyal employees with top qualifications. NTG'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.

Financial highlights

DKK '000	2023	2022	2021	2020	2019
Key Figures					
Income statement					
Gross profit	-41	-5.153	-975	9.248	10.838
Operating profit/loss	-41	-5.153	-975	9.216	-14.780
Net financials	97.748	203.784	130.637	-42.296	1.196.928
Net profit/loss for the year	105.245	205.819	130.759	-32.990	1.182.839
Balance sheet					
Balance sheet total	893.693	985.294	362.289	260.682	1.432.796
Equity	364.924	310.982	188.012	110.323	1.327.167
Ratios					
Solvency ratio	40,8%	31,6%	51,9%	42,3%	92,6%
Return on equity	31,1%	82,5%	87,7%	-4,6%	163,2%

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 (2015).

Explanation of financial ratios

Solvency ratio	$\frac{\text{Equity at 31 December} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{average equity}}$

Income Statement

DKK '000	Note	2023	2022
Other external expenses		-41	-5.153
Gross profit		-41	-5.153
Operating profit		-41	-5.153
Income from investments in Group companies		131.640	230.770
Financial income	3	2.109	3.995
Financial costs	3	-36.001	-30.981
Profit before tax		97.707	198.631
Tax on profit for the year	4	7.538	7.188
Profit for the year		105.245	205.819

Balance Sheet

Assets

DKK '000	Note	2023	2022
Investments in Group companies	5	883.901	973.820
Receivables from Group companies		3.533	6.780
Total non-current assets		887.434	980.600
Receivables from Group companies		3.249	3.239
Other receivables		270	0
Corporation tax		2.740	1.455
Total current assets		6.259	4.694
Total assets		893.693	985.294

Equity and Liabilities

DKK '000	Note	2023	2022
Share capital	6	766	766
Proposed dividend for the year	7	122.064	0
Retained earnings	7	242.094	310.216
Total equity		364.924	310.982
Provisions	8	37.819	29.297
Total non-current liabilities		37.819	29.297
Provisions, short-term		0	293
Payables to Group companies		487.599	639.143
Other payables		3.351	5.579
Total current liabilities		490.950	645.015
Total liabilities		528.769	674.312
Total equity and liabilities		893.693	985.294

Other notes:

Note 1 - Accounting policies

Note 2 - Staff costs

Note 9 - Contingent liabilities, other financial obligations and contingent assets

Note 10 - Related party transactions

Note 11 - Events after the balance sheet date

Statement of Changes in Equity

2023

DKK '000	Share capital	Reserve for net revaluation, equity method	Proposed dividends for the year	Retained earnings	Total equity
Equity at 1 January	766	0	0	310.216	310.982
Profit for the year	0	1.912	122.064	-18.731	105.245
Net exchange differences on subsidiaries	0	-1.912	0	0	-1.912
Acquisition of shares from non-controlling interests	0	0	0	-51.535	-51.535
Disposal of shares to non-controlling interests	0	0	0	2.144	2.144
Equity at 31 December	766	0	122.064	242.094	364.924

2022

DKK '000	Share capital	Reserve for net revaluation, equity method	Proposed dividends for the year	Retained earnings	Total equity
Equity at 1 January	766	0	0	187.246	188.012
Profit for the year	0	16.979	0	188.840	205.819
Net exchange differences on subsidiaries	0	-16.979	0	0	-16.979
Acquisition of shares from non-controlling interests	0	0	0	-68.132	-68.132
Disposal of shares to non-controlling interests	0	0	0	2.263	2.263
Other adjustments	0	0	0	0	0
Equity at 31 December	766	0	0	310.216	310.982

Notes

Note 1 - Accounting policies

The Annual Report of Nordic Transport Group A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C .

The Company's Financial Statements are presented in DKK thousand.

Accounting policies are unchanged from last year.

For presentational purposes, minor immaterial reclassifications to comparative figures have been performed.

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 parent company, NTG Nordic Transport Group A/S, can be found at investor.ntg.com/financials/financial-reports.

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.

Recognition and measurement

Revenues are recognised in the income statement as earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

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. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income statement**Other external expenses**

Other external expenses comprise expenses for distribution, sales, marketing, administration, premises, bad debts as well as leases, 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.

Income from investments in Group companies

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of profit for the year, including amortizations of goodwill arising at initial recognition and other value adjustments on subsidiaries.

The item also includes gains on sale of investments in subsidiaries and any earn-out adjustments realized in the year.

Financial income and costs

Financial income and costs comprise interests, realized and unrealized gain from exchange rates as well as other financial income and expenses.

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 its Danish subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet**Investment in Group companies and Group goodwill**

Investment in Group companies are recognised and measured under the equity method.

The item "Investment in Group companies" 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 investment in Group companies 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 Group companies.

Group companies 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

Group goodwill arising at initial recognition of Group companies is amortised on a straight-line basis over the estimated useful life of 20 years determined on the basis of Management's experience with the individual business areas. The useful life of goodwill relates mainly to the investment in Group Companies. It is Managements assessment that the acquired companies are a strategic investment and will contribute positively to the Company's earnings over a longer period due to good market positions and strong earnings potentials.

Receivables

Receivables are measured in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Equity - dividend

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

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

Note 2 - Staff costs

The average number of full time employees in 2023 was 0 (2022: 0).

Remuneration paid by the Company to the Executive Management in 2023 is DKK 0 thousand (2022: DKK 0 thousand).

Remuneration paid by the Company to the Board of Directors in 2023 is DKK 0 thousand (2022: DKK 0 thousand).

Note 3 - Financial income and costs

(DKK '000)	2023	2022
Interest received from Group companies	2.016	3.282
Other financial income	93	713
Total financial income	2.109	3.995
Interest paid to Group companies	33.708	10.077
Other financial costs	2.293	20.904
Total financial costs	36.001	30.981
Net financials	-33.892	-26.986

Note 4 - Tax

(DKK '000)	2023	2022
<i>Tax for the year can be broken down as follows:</i>		
Current tax for the year	-7.538	-7.184
Adjustment of tax from prior periods	0	-4
Total	-7.538	-7.188

Note 5 - Investments in subsidiaries

(DKK '000)	2023	2022
Cost at 1 January	961.587	388.089
Additions for the year	12.823	580.740
Disposals for the year	-95.900	-7.242
Cost at 31 December	878.510	961.587
Value adjustments at 1 January	-17.080	-119.516
Net profit/loss for the year	173.797	247.447
Dividend to parent company	-210.130	-99.299
Other equity movements, net	-1.913	-365
Amortization of goodwill	-16.018	-19.432
Currency translation adjustments	-2.780	-16.996
Change in intercompany profit	0	1.612
Reversals related to disposals for the year	41.696	-10.532
Value adjustments at 31 December	-32.428	-17.080
Equity investments with negative net asset value offset against receivables	0	8
Equity investments with negative net asset value transferred to provisions	37.819	29.305
Carrying value at 31 December	883.901	973.820
Positive differences from initial measurement of subsidiaries at net asset value at 31 December	320.358	388.650

Composition of the line item "Income from investments in Group companies" is specified below:

(DKK '000)	2023	2022
Income from investments in Group companies presented in the income statement	131.640	230.770
<i>Specified as follows:</i>		
Results from subsidiaries cf. table above	157.779	229.627
Loss from disposal of majority shares	-26.139	0
Other items	0	1.143
Reconciliation	0	0

The Company's subsidiary holdings are specified below:

Name of entity	Country of incorporation	Direct ownership % Company
Subsidiaries		
NTG Air & Ocean A/S	Denmark	93%
NTG Projects A/S	Denmark	71%
NTG Terminals I A/S	Denmark	77%
NTG Terminals II A/S	Denmark	84%
NTG Ocean International A/S	Denmark	85%
NTG Domestic A/S	Denmark	71%
NTG Nielsen & Sørensen A/S	Denmark	80%
NTG Frigo East ApS	Denmark	68%
NTG Växjö AB	Sweden	86%
NTG Services AB	Sweden	100%
NTG Air & Ocean AB	Sweden	77%
NTG Continent Escrow Holding AB	Sweden	80%
NTG Air & Ocean GmbH	Germany	100%
NTG FTS GmbH	Germany	74%
NTG Road GmbH	Germany	100%
NTG Multimodal GmbH	Germany	100%
NTG Road Oy	Finland	96%
NTG Air & Ocean Oy	Finland	72%
NTG Eood	Bulgaria	100%
NTG Holding AG	Switzerland	100%
NTG Air & Ocean s.r.o.	Czech Republic	74%
NTG Transport Oü	Estonia	76%
NTG Air & Ocean Oü	Estonia	85%
NTG Air & Ocean (Hong Kong) Limited	Hong Kong	100%
Neptune Logistics (Worldwide) Limited	Hong Kong	100%
NTG Gondrand Kft.	Hungary	100%
NTG Transport S.r.l.	Italy	100%
NTG Air & Ocean Japan Inc.	Japan	85%
NTG Latvia Sia	Latvia	76%
NTG Lithuania UAB	Lithuania	53%
NTG Logistics B.V.	Netherlands	86%
NTG Road B.V.	Netherlands	74%
NTG Road Norway AS	Norway	83%
NTG Air & Ocean AS	Norway	90%
NTG Road Sp. z o.o.	Poland	90%
NTG Air & Ocean Sp. z o.o.	Poland	64%
NTG Logistics Sp. z o.o.	Poland	100%
NTG Services s.r.o.	Slovakia	85%
NTG Air & Ocean A.Ş.	Turkey	100%
LLC "Nordic Transport Group Ukraine"	Ukraine	100%
NTG Air & Ocean USA, Inc.	United States	100%
NTG Holding USA, Inc.	United States	100%
NTG Air & Ocean Vietnam Limited	Vietnam	51%

Note 6 - Equity

(DKK '000)	2023	2022
A-shares	746	746
B-shares	20	20
Nominal value	766	766

All shares are fully paid up and have a nominal value of DKK 1 each.

A-shares have a pre-emptive right to dividends and liquidation proceeds totalling DKK 799 per A-share.

Note 7 - Proposed distribution of profit

(DKK '000)	2023	2022
Transferred to reserve for net revaluation cf. equity method	1.912	16.979
Transferred to retained earnings	7.408	188.840
Proposed dividends for the year	122.064	0
Total	131.384	205.819

Note 8 - Provisions

(DKK '000)	Investments with negative values
Carrying amount at 1 January	29.305
Additional provisions recognized	8.514
Carrying amount at 31 December	37.819

The provisions relate to equity investments with negative net asset value as of 31. december 2023.

Note 9 - Contingent liabilities, other financial obligations and contingent assets

As of 31 December 2023, the Company has no active leasing contracts or other contractual liabilities.

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 10 - Related parties disclosuresBasis**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. No such transactions were made in 2023.

Consolidated Financial Statements

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

Name

NTG Nordic Transport Group A/S

Place of registered office

Hvidovre, Denmark

Note 11 - Events after the balance sheet date

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