

Annual Report 2023

Anders Nielsen & Co A/S

Fabriksparken 1, 2600 Glostrup
CVR no. 21 15 10 84

Approved on the Company's Annual
General Meeting:

On _____ 20____

Chairman

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Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Anders Nielsen & Co A/S for the financial year 1 January – 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of their operations and consolidated cash flows for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 16 April 2024

Executive Board:

Anne Kathrine Steenbjerge
CEO

Niels Brixen Wahlström
CCO

Mogens Røigaard-Petersen
COO

Dennis Rytter Petersen
CFO

Board of Directors:

Henrik Dam Larsen
Chairman

Henrik Steenbjerge

Steen Jørgen Hybschmann

Thomas Bagge Dujardin

Independent auditor's report

To the shareholders of Anders Nielsen & Co A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Anders Nielsen & Co A/S for the financial year 1 January – 31 December 2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2023 and of the results of their operations and the consolidated cash flows for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 it 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.

Independent auditor's report

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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

Statement on the management's review

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management's review and, in doing so, consider whether the management's review is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management's review provides the information required by relevant law and regulations.

Based on the work we have performed we conclude that the management's review is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management's review.

Copenhagen, 16 April 2024

Deloitte, Statsautoriseret Revisionspartnerselskab
State Authorised Public Accountants
Company reg. no. 33 96 35 56

Søren Marquart Alsen
State Authorised Public Accountant
Identification No (MNE) mne40040

Lena Lykkegård
State Authorised Public Accountant
Identification No (MNE) mne47836

Management's review

Company data

Anders Nielsen & Co A/S
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CVR no: 21 15 10 84
Domicile: Glostrup
Financial year: 1 January – 31 December

Board of directors

Henrik Dam Larsen (Chairman)
Henrik Steenbjerge
Steen Jørgen Hybschmann
Thomas Bagge Dujardin

Executive board

Anne Kathrine Steenbjerge, CEO
Niels Brixen Wahlström, CCO
Mogens Røigaard-Petersen, COO
Dennis Rytter Petersen, CFO

Auditors

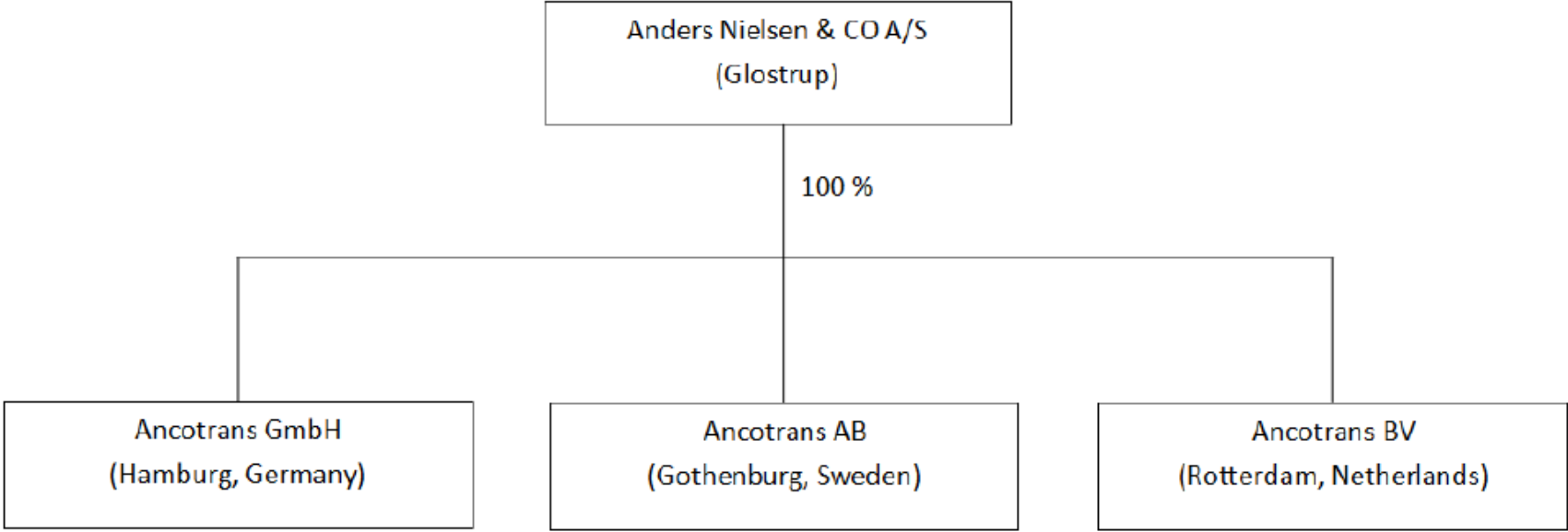
Deloitte, Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

General Meeting

The Annual General Meeting will be held 16 April 2024 at 13.00 at the company's address.

Management's review

Group chart



Management's review

Financial highlights for the group

mDKK	2023	2022	2021	2020	2019
Profit & Loss					
Revenue	1.037,5	1.312,1	1.006,0	839,0	820,8
Gross profit	260,3	299,4	206,8	176,2	164,5
Profit before financial items	3,9	73,6	39,7	37,6	29,1
Financial items	-0,9	0,1	1,6	1,5	1,1
Profit before tax	3,0	73,8	41,4	39,1	30,2
Profit for the year	2,1	56,8	32,2	30,4	23,5
Balance sheet					
Fixed assets	219,9	205,1	162,0	113,1	102,2
Current assets	196,8	250,4	185,4	160,0	123,9
Total assets	416,7	455,5	347,3	273,2	226,0
Share capital	1,0	1,0	1,0	1,0	1,0
Equity	116,0	141,7	100,5	83,4	65,9
Provisions	12,6	13,5	12,3	8,9	8,2
Non-current liabilities	92,1	69,2	58,3	55,3	37,9
Current liabilities	196,0	231,1	176,2	125,7	114,1
Cash-flow					
Cash flow from operating activities	5,8	134,4	31,0	47,4	18,5
Cash flow from investing activities	-43,1	-61,5	-62,1	-23,8	-28,6
- Investment in tangible fixed assets	-44,8	-38,6	-35,4	-24,5	-31,1
Cash flow from financing activities	0,7	-11,8	-7,2	6,9	14,3
Average number of employees					
Average number of employees	442	380	289	240	250
Financial ratios					
Profit margin	0,4%	5,6%	3,9%	4,5%	3,5%
Return on invested capital	2,5%	52,8%	36,5%	49,1%	49,1%
Equity ratio	27,8%	31,1%	28,9%	30,5%	29,1%
Return on equity	1,7%	46,9%	35,1%	40,7%	41,1%

Management's review

Financial ratios are calculated as follows:

Profit margin	$\frac{\text{Profit before financial items} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Profit before financial items} \times 100}{\text{Average invested capital}}$
Invested capital	Operating intangible, tangible fixed assets, and net working capital
Equity ratio	$\frac{\text{Equity excl. minority interests at end} \times 100}{\text{Total assets}}$
Result for analysis purposes	Ordinary profit after tax less minority interests
Return on equity	$\frac{\text{Result for analysis purposes} \times 100}{\text{Average equity excl. minority interest}}$

Management's review

Management's review

Who we are

We are a passionate company driven by our focused vision and mission to offer sustainable container transport solutions and services to our customers (carriers, forwarders, and direct importers/exporters). Our vision is to build a truly European Ancotrans network based on our values and ambition to become 100 % CO₂ neutral. Our mission is to deliver value to our customers by offering reliable container transport solutions and second-to-none knowhow.

Values to guide us towards more success

While being one of Denmark's oldest family-owned companies with a proud 142-year long history, we recently updated our core values in collaboration with our employees. We believe that our behaviour and values have contributed to our ability to thrive and survive as a company for centuries. Our values express who we are, and they also communicate how we want to act and how we want to be seen both internally and externally by our customers and partners.

Main activities

Our operation continues to embrace the container transportation industry to and from port terminals primarily in Denmark, Sweden, Germany, and Benelux. We offer a superior network with a mix of truck and rail solutions and services. As such, a proprietary rail solution operated in Sweden between Gothenburg and Nässjö and intermodal transports in Germany and Benelux, are part of the transport solutions offered to our customers.

We are widely regarded as the market leader in container road transportation in Denmark and parts of Germany. As a defined and important strategic focus area, we want to further grow our activities and considerably increase market shares in Sweden, Germany, and the Netherlands, in order to become a true European regional market leader in all present markets. Moreover, our Strategy 2026 defines strong ambitions to expand our offered solutions and services into new geographies through either greenfield or acquisitions.

On a daily basis, we operate around 900 trucks, and we have approximately 1.900 chassis and trailers in our fleet. The ratio of own trucks is continuously evaluated to meet market dynamics, while still compensating for the effects of the EU Mobility Package and the general capacity in the market. In 2023, we operated approximately 250 own trucks, which is echoing the level in 2022.

Investing in the future

As part of our Strategy 2026, we aim to build a broader international presence and to be a greener company. To achieve this, we are focusing on our people, growth with our customers, and our impact on the planet. By improving these key areas, we hope to become an even better and greener transport option for all our customers and a better workplace for our employees.

An important enabler was the reorganization in 2023, which provided a diverse and faster reaction to requirements from markets and customers, while enabling us to drive productivity improvements and utilisation of our fleet and other capabilities.

Our investment in 8 electric trucks operating in Denmark, Sweden and Germany is another significant enabler. Every day, we are improving and learning how to utilize and optimize the efficiency of the electric trucks as our drivers become increasingly more comfortable driving and operating them. In addition to investments already made, we are actively following developments supporting the transition towards greener transport solutions, so we can tap into next generation offerings.

Management's review

Management's review

In 2023, we began investing in developing and implementing our new transport management system. This cutting-edge transport management system will enable us to plan more efficiently using tomorrow's artificial intelligence technologies. It will increase productivity and positively contribute to our ambition of becoming 100 % CO₂ neutral. In addition, the investment will add new offerings to existing customer interactions, bringing more value to our relationships. We went live with the new system in the Netherlands in 2023, and we are scheduling go-lives in Sweden, Germany, and Denmark during 2024. These are very exciting implementations, and we have high expectations for them.

Developments in activities and finances

All group activities in 2023 were highly affected by the sudden change in market conditions compared to 2022. Besides lower oil surcharges, the transport volumes dropped significantly (approximately 15 %) in all our markets and customer segments. In publicly available news, there are many stories and insights on the various reasons for this development, ranging from consumers shifting their spending from goods to services and recession to increasing political tensions. However, it is obvious that changes in market conditions are affecting all businesses and operators in the general transport industry, but specifically within our niche, container transportation. The development also entailed an increased focus on pricing from transport buyers, which further added to cynical market conditions.

The significant decline in transport volumes has increased imbalances and changed the mix of transports in our planning and routing, which together with increasing costs due to inflation had negative effects on our conversion from revenue to profit. Despite harvesting significant economies of scale and cost savings within the existing business and through successful integrations of the acquisitions in 2022, we were not able to absorb the loss of productivity and cost increases.

In addition, higher interest rates impacted our interest payments from lease agreements in the level of 5,0 mDKK, and we have expensed one-off costs associated to reorganizations.

Parent Company

Revenue for 2023 amounts to 583 mDKK (769 mDKK last year), corresponding to a decline of 24 %. Profit before tax amounts to 3 mDKK (68 mDKK last year) and net profit to 2 mDKK (57 mDKK last year). There are no other relevant issues and topics to comment on regarding the parent company in management's review for the Group.

Group

Revenue for 2023 amounts to 1.037 mDKK (1.312 mDKK last year), corresponding to a decline of 21 %. Profit before tax amounts to 3 mDKK (74 mDKK last year) and net profit to 2 mDKK (57 mDKK last year). All our markets have delivered profits below expectations, but especially our activities in Germany and the Netherlands have been challenging.

Overall, the Group's profit for 2023 is very unsatisfactory.

Cash position, investments and financing

At 31 December 2023, the Group cash position accumulates to 51 mDKK (88 mDKK last year). Operating activities have generated cash flow of 6 mDKK, and cash flow from investing activities was -43 mDKK. Cash flow from financing activities was 1 mDKK.

The current cash flow position of the Group is considered strong and can support our strategy goals and operations in 2024.

Management's review

Management's review

Expectations for the coming year

In line with industry expectations, we do not see any significant improvements in market volumes during 2024, but we do estimate that the significant decline in transport volumes has levelled out.

Despite these pessimistic market trends, our ambition of growth in all our activities in Denmark, Sweden, Germany and the Netherlands stays the same. We will also continue our acquisitions strategy in order to build a truly European Ancotrans Network, delivering value to our customers by offering reliable container transport solutions and second-to-none know-how. In 2024, revenue is expected in the range of 1.050 - 1.150mDKK.

Despite economic slowdown, challenging imbalances, and increasing cost levels, the financial performance is expected to improve. Profit before tax for 2024 is expected in the range of 10 - 20 mDKK.

Regardless of the current difficult situation in our industry, we will continue to focus on and invest in internationalizing and digitalizing the Group as part of our Strategy 2026.

Risk factors

The Group is subject to both commercial and financial risks, which may affect the company's operations and financial position. The continuation of political instability and conflicts (e.g., the war in Ukraine and Red Sea risks), the uncertainties in global inflation and potential recession in the global economies are all very damaging and disruptive risks to the entire transport market and industry.

We closely monitor developments in the European transportation market. Although the issues with a lack of drivers and shortage of subcontractors are less prevalent in current market conditions, they remain a recurring challenge due to national regulations creating major administrative burdens to the international transportation sector. The EU Mobility Package is likely to further increase the capacity challenges in the markets as the regulations impose stricter requirements on all international transportation companies.

Finally, we acknowledge imbalances between imports/exports, port congestions, vessel delays and the road network as lasting challenges to the industry as a whole and to the global supply chains.

All these risks do not vastly deviate from what is usual for all companies in the transportation and logistics industry.

We always follow applicable legislation and rules, including human rights legislation. As we do not consider any significant risk of violation of human rights legislation to exist in relation to our business activities in the countries where we operate, we have no formal policies. We have a whistleblower scheme called "Your Voice" for all employees with the aim to:

- Increase the opportunities for employees to comment on highly sensitive matters without fear of negative consequences
- Protect individuals who submit information to the whistleblower scheme

We do not have a formal policy for corruption, as we assess no significant corruption risks in relation to our business activities in the countries in which we operate.

Management's review

Management's review

Data ethics

As business and technological opportunities grow, so does the amount of data handled and stored. Data access and exchange is fundamental for us to run an efficient operation, and to provide the best possible solutions and services to our customers, employees, and other partners.

It is deeply rooted in our company values that we run a tidy business, meaning that we act in a professional and reliable manner towards our customers and partners.

Therefore, we are dedicated to following the legislation on data privacy. We also handle vast amounts of operational data that are essential to our daily operations. Data includes information about our customers and their customers, and we make it our responsibility to keep all data safe.

We have evaluated the need for a detailed data ethics policy. Since we do not utilize AI or machine learning to enrich the value of our data, we have concluded that we do not need a formal data ethics policy beyond following legislation, internal IT policies and living our values. However, as and when the use of storage of data is becoming increasingly critical, we will start formulating a formal policy on data ethics.

IT security

To ensure the best possible protection against cyber-attacks, we invest heavily in securing our digital business systems. We follow the Center for Internet Security (CIS) top 18 critical security controls recommended to ensure coverage of all aspects of IT security. The overall risk situation is monitored constantly, and a formal risk assessment is made yearly or when needed. We have ongoing mandatory courses for all employees to strengthen "The Human Firewall". We have implemented a disaster recovery setup, which is tested by all local disaster recovery teams every 3 months. Operating with brand new, clean PCs, we can launch our disaster recovery plans if we are ever impacted by a cyber-attack.

Nevertheless, we have also taken out comprehensive cyber-attack insurance.

IT policies

We have an IT policy that is continuously updated as needed and rolled out to all employees via online training modules on our learning platform. New employees are introduced to our IT setup as a part of employee onboarding programs as well as ongoing mandatory trainings for our employees to ensure capabilities of "The Human Firewall".

IT policies govern the use of IT resources such as the available hardware, systems, internet, etc. The purpose of our IT policy is to protect the Group, our customers, and other stakeholders against breakdown as well as misuse of data. The IT policy covers and governs the following:

- Password protection and associated behaviours
- Usage of the Internet
- Personal use of corporate IT equipment
- Awareness of IT risks etc.
- Usage of AI (publicly available AI services)

Management's review

Management's review

Planet, environment, and social responsibility

Striving for a reduced impact on our planet is not only our ambition for the future. It is a part of our present vision and Strategy 2026, in which we have committed ourselves to reduce our carbon footprint in 2026 by 5 % compared to the level in 2023.

We are working to minimize impact on the climate one container transport at a time. As a transportation provider, we are by nature a consumer of fossil fuels and therefore emit many tons of CO₂ on an annual basis. But it is part of our vision to make our transport solutions and services more sustainable and become 100 % CO₂ neutral in 2040.

To succeed in making a real difference and accomplishing our vision for 2040, we are working hard to reduce emission from our operations with a variety of sustainable initiatives across our fleet:

- Improved planning: We reload and reuse containers, whenever possible, and reduce the number of empty kilometres.
- Going green by going electric: 8 Volvo electric trucks are added to the fleet in 2023 with plans to incorporate more in the coming years.
- Intermodal efficiency: Our solution, ANCOmodal, reflects competitive pricing, reliable capacity and reduces carbon emissions.
- Planting for a better future: We offer our customers a green surcharge for carbon offsetting by planting trees in Uganda.

In addition, we continuously focus on ECO-driver training programmes, we are using LNG trucks, electrical sideloaders, and we have projects on energy-adding axels and smart tire pressure management systems in pipeline.

To improve both fleet management dashboards and daily feedback to drivers, a brand-new fleet management system was integrated into our business in 2023. This system enables us to make incremental improvements on fleet utilisation, which ultimately have a positive effect on our climate impact.

In 2023, we transported containers approximately 81.000.000 km in total (including intermodal solutions), resulting in estimated 67.610 tons of CO₂ emissions, equal to 0,84 kg of CO₂ per km.

In collaboration with our customers, we have saved 66 tons of CO₂ emissions using HVO fuels and compensated 15.372 tons of CO₂ emissions by planting new additional trees in our ANCO Forest in Uganda in 2023. This reduces the total emission to 52.172 tons of CO₂ equal to 0,64 kg of CO₂ per km.

Calculations have been updated to the branch-agreed standard measurement well-to-wheel (WTW) emission factor, including production and distribution of fuels. Previously, we based our calculations on the tank-to-wheel (TTW) emission factor.

In 2023, our calculations contain operating related emissions relating to scope 1 (own fleet) and scope 3 (subcontractors). Emissions from scope 2 and other purchases in scope 3 are not included. Data concerning distances and consumption is taken from our own IT systems. Emission factors are from official or commonly used sources such as Defra GHG factors 2023, European Environment Agency, ECOTransIT, etc.

Management's review

Management's review

We are currently investing in developing formats for reporting complying with the requirements of the CSRD and ESRS legislation, which we are required to apply by 2025. During this process, we include our customers and other stakeholders' experience and requirements.

Planting forests for a better future

We are continuing our collaboration with the organization Trofaco, planting trees in our ANCO Forest in Uganda. Each tree absorbs a minimum of 3 tons of CO₂ emission over a 20-year period. We thus climate compensated a total of approximately 113.000 tons of CO₂ emissions since 2019, which contributes positively to our environmental strategy and targets in 2026 and 2040.

Furthermore, we have planted 3 acres of forest in Denmark, but this is not yet included in the climate compensation figures for 2023.

Based on the collaboration on planting trees, we offer our customers a green choice: Climate-compensated transportation. Many of our customers value this offering, and by paying a "green surcharge" their transports become 100 % climate-compensated measured on an average km/transport.

Going green by going electric

We are changing focus from climate compensating to reduction, as planting trees cannot stand alone. We want to do more, and therefore we are investing more and more in reductions of climate impacting initiatives in addition to climate compensation initiatives.

In 2023, we received 8 new electric trucks from Volvo, in supplement to our 11 LNG trucks already running in Germany.

We remain strong in our focus on the environment and our impacts on climate in the daily operations by minimizing empty transports and reloading containers, which makes sense both environmentally and economically.

We work with commercial structures by motivating our customers to distribute deliveries around at all hours throughout the week, which will also minimize the CO₂ emission by reducing traffic and waiting times.

As part of our Strategy 2026, we are committed to grow our offerings of greener solutions further.

We want to contribute to a good life on the road

We value our drivers and the important work they carry out for us and the rest of society every day.

It is important to us to provide adequate facilities that make a good life on the road possible. This is an ongoing effort in our fleet operation. In recent years, we have continuously upgraded the facilities available to both our own drivers and subcontractors. This includes bath areas, kitchens, Wi-Fi, laundry services, etc.

Suppliers and subcontractors

We expect and require our suppliers and subcontractors to comply with all national laws and regulations, including those related to minimum wage and social security, and other transport-specific legislation on areas such as cabotage, driving and rest time, etc.

Management's review

Management's review

Goals and policies of the underrepresented gender

We believe that diversity among employees, including gender, contributes positively to the working environment and strengthens our performance and competitiveness. Especially knowing that we operate in an industry predominantly dominated by males.

In the matrix below, we have accounted for our ratios between females and males in various positions and roles:

	2023		2022	
	Female	Male	Female	Male
Anders Nielsen & Co A/S				
Board of Directors	0	4 (chairman)	1 (chair)	4
Executive Board	1	3	1	2
Other managers*	4 (20 %)	17 (80 %)	3 (17 %)	15 (83 %)
Other office staff	27 (35 %)	52 (65 %)	29 (35 %)	56 (65 %)
Drivers	8 (7 %)	112 (93 %)	8 (7 %)	124 (93 %)
Group				
Other managers*	5 (13 %)	35 (87 %)	5 (14 %)	32 (86 %)
Other office staff	44 (34 %)	87 (66 %)	49 (37 %)	87 (63 %)
Drivers	19 (7 %)	265 (93 %)	17 (8 %)	221 (92 %)

*Other managers include any other manager role in either Anders Nielsen & Co A/S or in the Group.

We continuously embark on initiatives to strengthen diversity and inclusion at the workplace across our international operations, including promoting females to take up leadership positions and implementing talent attraction initiatives to increase the number of female applicants.

Increasing number of female drivers

As a member of Dansk Industri (Denmark's largest employer organization), we are committed to achieving a target of 10 % female drivers by 2025, whereas Dansk Industri has set a target of 10 % female drivers by 2030.

To achieve our goals of 10 % female drivers by 2025, we continuously work on initiatives to attract more female drivers, including providing female workwear and facilities, flexible working hours and a balanced usage of male and female drivers in pictures and videos in our campaigns and job ads.

Past years' acquisitions have posed challenges to our diversity goals as the acquired organizations only had male drivers. Therefore, this requires even more focus going forward.

Diversity in management

We believe that diversity at all levels of our organizations strengthens our performance and competitiveness. We always strive for a management team that embraces as much diversity as possible. We aim to increase the representation of female leaders and achieve a ratio of female managers equal to the general ratio of female employees across our Group by 2026 across all managerial levels.

We have a management training program in the organization for managers, team leaders and designated talents that represents and promotes diversity and inclusion across the Group and fosters career opportunities for female talent, too.

Management's review

Management's review

We will continue to develop a diverse talent pipeline that enables us to ensure equal opportunities for all our employees, including securing more gender equality in management positions, among employees in our offices and among our drivers.

Regarding employment and recruitment, we continuously promote and encourage diverse talent to apply. We always prioritize hiring the best qualified candidate for the position, taking diverse perspective into consideration.

In 2023, the Board of Directors changed from 1 female chair and 4 ordinary board members to currently 4 male board members. Additionally, due to organizational changes, the executive management has expanded by 1 male member, and now consists of a female CEO and 3 male CXOs.

The ownership has set a goal to achieve equal representation on the Board of Directors before 2026. When recruiting new members to the Board, we pay attention to this goal. It is also our goal to have equal representation of females and males in the executive management. Furthermore, in the long term, we aim to attract individuals from diverse nationalities to the top management, representing the global footprint of our Group.

Educational responsibility

Throughout the Group, we are committed to taking on social responsibility for training and educating young people. Aligned with our core value of "We have heart", we embrace social responsibility in various areas across our organization. For instance, we have a longstanding commitment to educating trainees, and in recent years, we have expanded our offerings to include the opportunity to become an international trainee within the Group.

By the end of 2023, the Group employed 7 trainees, and 5 trainees have completed their traineeship during the year. Currently, we employ a total of 17 trainees.

"Green" people initiatives

We continuously improve and implement several "green" people initiatives for our employees, such as massage, exercise routines and cross-group competitions to activate and engage them in physical well-being. Additionally, our drivers have initiated a local running club that combines exercise and social activities, and we support them by offering tickets to runs and providing food, etc. Other employees take responsibility by initiating BBQ nights, padel tournaments, and engaging in activities outside of work. We are proud of and respectfully nurture the culture that has been shaped over many years.

Furthermore, we are committed to engaging in yearly "Green Dialogues", where employees and managers discuss employee performance, development, and well-being.

We understand our role as a responsible corporate organization and continually strive to integrate social and environmental considerations into our business practices. In 2023, we enhanced our corporate social responsibility efforts, particularly in the area of mental well-being. We focused on training our managers in handling difficult conversations, introduced monthly reports on the Bradford Factor, and implemented an absence policy to promote transparency in how we manage absence, sickness, and stress.

In addition to the mental well-being initiative and the several organizational restructures, we have started the implementation of a working committee (samarbejdsudvalg) to enhance collaboration between employees and management.

Management's review

Management's review

Our goal for 2026 is to enhance employee satisfaction through our engagement survey, Peakon. One of our four defined strategic initiatives is to rank in the top 10 % for eNPS within our industry. We aim to promote excellent leadership, prioritize mental and physical well-being and foster personal development opportunities for our employees within the company and make sure our employees are satisfied. Every six months, all employees across the Group are invited to participate in townhall meetings, where management shares and discusses survey results. Local managers also initiate workshops to address specific actions at the local level.

Ancotrans Learning Universe (ALU)

In 2023, we expanded our online learning universe to support the personal and professional growth of our employees, both office staff and drivers. We now offer a range of learning opportunities, such as online onboarding, IT compliance, conflict handling, well-being and training, as well as follow-up for internal workshops and courses.

The platform will contain all internal educational materials, and in addition to personal introductions, all new employees across our markets will be onboarded and internally educated through ANCO Academy. Our online ALU platform will continue to be developed in 2024 and onwards, unfolding a wide range of subject matter learning, leadership development, and upskilling opportunities in general.

Furthermore, in 2024, we plan to roll out a subcontractor program to support and assist our subcontractors in complying with mandatory regulations, including cabotage, driving and resting time, and increasing their knowledge of our company DNA, similar to the education we provide to our own drivers.

Employee handbooks and policies

Many of these goals and targets are outlined in our internally published employee handbooks, which defines our policies regarding mission, vision, values, employee benefits, and our ambitions. The handbooks are accessible to all employees on our digital HR platform.

Subsequent events

Both the parent company and the Group have evaluated subsequent events and determined that no events have occurred that would require adjustments to our disclosures in the consolidated financial statements after 31 December 2023.

Consolidated financial statements and parent company financial statements

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Income Statement

tDKK	Note	Group		Parent	
		2023	2022	2023	2022
Revenue	2	1.037.520	1.312.081	583.595	769.021
Other operating income		5.192	6.370	29.006	24.122
External expenses	3	-782.429	-1.019.056	-440.216	-589.967
Gross profit		260.283	299.395	172.385	203.176
Staff cost	4	-225.143	-198.439	-128.805	-132.936
Amortisation and depreciation	5	-30.266	-27.100	-24.315	-25.554
Other operating expenses		-988	-220	-774	-219
Profit before financial items		3.886	73.636	18.491	44.467
Shares of profit after tax in subsidiaries		0	0	-15.285	23.450
Financial income	6	3.643	2.005	3.496	2.159
Financial expenses	7	-4.541	-1.865	-3.568	-1.736
Profit before tax		2.988	73.776	3.134	68.340
Tax on ordinary result	8	-859	-16.941	-1.005	-11.505
Profit for the year	22	2.129	56.835	2.129	56.835

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Balance sheet

tDKK	Note	Group		Parent	
		2023	2022	2023	2022
ASSETS					
Fixed assets					
Intangible fixed assets					
	9				
Goodwill		28.726	33.292	26.327	30.626
Lease rights		1.972	0	1.972	0
Software		2.930	4.272	2.930	4.272
Software projects in progress		4.076	2.756	4.076	2.756
Total intangible fixed assets		37.704	40.320	35.305	37.654
Tangible fixed assets					
	10				
Land and buildings		15.093	15.221	0	0
Leasehold improvements		1.020	423	614	0
Equipment		156.405	139.146	109.704	113.205
Prepayment of equipment		569	2.240	569	2.240
Total tangible fixed assets		173.087	157.030	110.887	115.445
Financial fixed assets					
Equity investments in subsidiaries	11	0	0	44.428	55.841
Other investments and security deposits	12	9.133	7.782	8.478	7.352
Total financial fixed assets		9.133	7.782	52.906	63.193
Total fixed assets		219.924	205.132	199.098	216.292
Current assets					
Receivables					
Trade receivables		114.119	146.982	62.701	56.981
Receivables from subsidiaries		0	0	14.078	34.230
Receivables from joint taxation		79	622	1.414	3.858
Other receivables		25.997	10.957	12.112	3.266
Prepayments	13	5.544	4.143	4.739	3.803
Total receivables		145.739	162.704	95.044	102.138
Bonds		0	2	0	2
Cash		51.058	87.697	15.043	53.004
Total current assets		196.797	250.403	110.087	155.144
TOTAL ASSETS		416.721	455.535	309.185	371.436

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Balance sheet

tDKK	Note	Group		Parent	
		2023	2022	2023	2022
EQUITY AND LIABILITIES					
Equity					
Share capital	14	1.000	1.000	1.000	1.000
Reserve for development costs		5.450	5.411	5.450	5.411
Retained earnings		109.525	107.292	109.525	107.292
Proposed dividend		0	28.000	0	28.000
Total equity		<u>115.975</u>	<u>141.703</u>	<u>115.975</u>	<u>141.703</u>
Provisions					
Provision for deferred tax	15	12.632	11.897	12.632	11.897
Provision for climate compensation	16	0	1.649	0	1.649
Total provisions		<u>12.632</u>	<u>13.546</u>	<u>12.632</u>	<u>13.546</u>
Liabilities					
Non-current liabilities					
Lease liabilities	17	84.204	61.342	49.822	51.221
Other payables	17	7.939	7.828	7.939	7.828
Total non-current liabilities		<u>92.143</u>	<u>69.170</u>	<u>57.761</u>	<u>59.049</u>
Current liabilities					
Lease liabilities	17	25.292	18.904	17.093	13.870
Trade payables		146.279	181.192	89.921	123.503
Other payables		24.400	31.020	15.803	19.765
Total current liabilities		<u>195.971</u>	<u>231.116</u>	<u>122.817</u>	<u>157.138</u>
Total liabilities		<u>288.114</u>	<u>300.286</u>	<u>180.578</u>	<u>216.187</u>
TOTAL EQUITY AND LIABILITIES		<u>416.721</u>	<u>455.535</u>	<u>309.185</u>	<u>371.436</u>
Contractual obligations, contingencies etc.	18				
Mortgages and collateral	19				
Related parties	20				
Transactions with related parties	21				

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Statement of changes in equity

		Group				
tDKK	Note	Share capital	Reserve for development costs	Retained earnings	Proposed dividend	Total
Equity at 1 January 2022		1.000	6.632	77.902	15.000	100.534
Distributed dividend		0	0	0	-15.000	-15.000
Profit for the year brought forward		0	-1.221	30.056	28.000	56.835
Exchange rate adjustment foreign subsidiaries		0	0	-666	0	-666
Equity at 1 January 2023		1.000	5.411	107.292	28.000	141.703
Distributed dividend		0	0	0	-28.000	-28.000
Profit for the year brought forward		0	39	2.090	0	2.129
Exchange rate adjustment foreign subsidiaries		0	0	143	0	143
Equity at 31 December 2023		1.000	5.450	109.525	0	115.975
		Parent				
tDKK		Share capital	Reserve for development costs	Retained earnings	Proposed dividend	Total
Equity at 1 January 2022		1.000	6.632	77.902	15.000	100.534
Distributed dividend		0	0	0	-15.000	-15.000
Profit for the year brought forward	23	0	-1.221	30.056	28.000	56.835
Exchange rate adjustment foreign subsidiaries		0	0	-666	0	-666
Equity at 1 January 2023		1.000	5.411	107.292	28.000	141.703
Distributed dividend		0	0	0	-28.000	-28.000
Profit for the year brought forward	23	0	39	2.090	0	2.129
Exchange rate adjustment foreign subsidiaries		0	0	143	0	143
Equity at 31 December 2023		1.000	5.450	109.525	0	115.975

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Cash flow statement

tDKK	Note	Group	
		2023	2022
Profit for the year		2.129	56.835
Changes in working capital	23	-25.298	48.560
Other adjustments	24	30.607	44.926
Cash generated from operations		7.438	150.321
Financial income received		2.112	1.281
Financial expenses paid		-4.170	-2.337
Cash flow from operating activities before tax		5.380	149.265
Corporation tax paid/received		412	-14.839
Cash flow from operating activities		5.792	134.426
Purchase of intangible fixed assets		-6.574	-5.021
Purchase of tangible fixed assets		-44.844	-38.591
Purchase of financial fixed assets		-468	-600
Acquisition of subsidiaries	25	0	-19.421
Disposal of tangible fixed assets		8.453	1.978
Disposal of financial fixed assets		297	177
Cash flow from investing activities		-43.136	-61.478
Finance activity:			
Repayment of loan and lease liabilities		-22.240	-14.915
New lease liabilities		50.943	18.106
Shareholders:			
Dividend paid out		-28.000	-15.000
Cash flow from financing activities		703	-11.809
Cash flow for the year		-36.641	61.139
Cash, beginning of year	26	87.699	26.560
Cash, end of year	26	51.058	87.699

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

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1. Accounting policies

The annual report of Anders Nielsen & Co A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities. The parent company has not prepared a cash flow statement with reference to The Danish Financial Statements act §86, section 4.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Control

The consolidated financial statements comprise the Parent Company Anders Nielsen & Co A/S and subsidiaries controlled by Anders Nielsen & Co A/S.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing whether the Parent Company controls an entity, de facto control is also taken into consideration. The existence of potential voting rights that may currently be exercised or converted into additional voting rights is considered when assessing whether an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements.

Business combinations

Newly acquired entities are recognised in the consolidated financial statements from the acquisition date. Entities sold or otherwise disposed of are recognised in the consolidated financial statements up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The acquisition date is the date when the Group actually obtains control of the acquired entity.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identified assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquired entity, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill in intangible assets. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

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Negative differences (negative goodwill) are recognised in the income statement at the acquisition date.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the Group's presentation currency are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase consideration is contingent on future events or compliance with agreed terms, such part of the purchase consideration is recognised at fair value at the acquisition date. Subsequent adjustments of contingent purchase considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments are recognised as errors.

Gains or losses from the disposal of subsidiaries resulting in a loss of control are calculated as the difference between, on the one hand, the net selling price and, on the other hand, the proportionate share of the carrying amount of net assets. If the Parent Company still holds equity investments in the divested entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in associates or securities and equity investments.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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 denominated in foreign currencies 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign entities at the exchange rates at the balance sheet date and on translation of the income statements

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from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with foreign subsidiaries that are considered part of the total investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Revenue which consists of transport services is recognized when the most significant rewards and risks have been transferred to the buyer, the revenue can be measured reliably and payment is expected to be received.

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

Other operating income

Other operating income comprises items secondary to the entities' activities, including gains on disposal of intangible assets and property, plant and equipment.

External expenses

External expenses comprise of cost of goods sold including cost to external hauliers and administrative expenses which comprise costs incurred in the year to manage and administer the Group.

Staff cost

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are recognized less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Other operating expenses

Other operating expenses comprise items secondary to the entities' activities, including losses on disposal of intangible assets and property, plant and equipment.

Profit/loss from equity investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the Parent Company after full elimination of intra-group profits/losses.

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Financial income and expenses

Financial income and expenses comprise interest income and expenses, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

The Parent Company and its subsidiaries is subject to the Danish rules on compulsory joint taxation with a Danish holding company.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Anders Nielsen & Co A/S has agreed with the Danish holding company that the tax value of utilized losses from Anders Nielsen & Co's foreign subsidiaries are not paid by Anders Nielsen & Co A/S before it turns out that re-taxation is actually triggered in accordance with the Corporation Tax Act §31A.

The tax value of losses from foreign companies that are utilized by the Danish holding company is paid to Anders Nielsen & Co A/S as tax income that is withheld in the years current joint taxation contributions.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Balance sheet

Intangible assets

Goodwill

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years.

Goodwill is reassessed annually, and there have been no indications of change of the valuation, as the earnings picture is proceeded as expected.

Lease rights

Lease rights are amortised on a straight-line basis over the period during which the lease is non-cancellable by the lessor.

Development projects and software

Development costs comprise expenses, salaries and amortisation charges directly attributable to investments in IT.

Development projects that are clearly defined and identifiable and where the technical feasibility, sufficient resources and a potential future market or development potential are evidenced, and where the Parent Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover

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production costs, selling costs and administrative expenses as well as development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3 years and does not exceed 5 years.

Gains and losses on the disposal of development projects are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, Leasehold improvements and equipment

Property, leasehold improvements, and equipment are measured at cost less accrued depreciation and writedown for impairment. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, wages, and salaries as well as borrowing costs relating to specific and general borrowing directly attributable to the construction of the individual asset.

Individual components of equipment that have different useful lives are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets, which are as follows:

Buildings	25-50 Years
Leasehold improvements	5 years
Other plant and equipment	3-10 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of items of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

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On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of future lease payments. In calculating the present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for as the Company's other fixed assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Equity investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method in the parent company financial statements.

On initial recognition, equity investments in subsidiaries and associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding the consolidated financial statements above.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses. Dividend received is deducted from the carrying amount.

Net revaluation of equity investments in subsidiaries is recognised at cost in the net revaluation reserve according to the equity method. The reserve can be eliminated in case of losses, realization of equity investments or changes in accounting estimates. The reserve cannot be recognised at a negative amount.

Impairment of fixed assets

The carrying amount of intangible assets, equipment and equity investments in subsidiaries is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognized impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

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Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the credit risk management policy of the Parent Company and the Group. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate of the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Equity

Proposed dividends are recognized as a liability at the time of declaration on the ordinary general meeting. Dividends expected to be paid for the year are presented as a separate item under equity.

Reserve for development costs includes recognized development costs after 1. January 2016. The reserve is reduced as the recognized development costs are depreciated or is terminated from the business operations. This happens by direct transfer to retained earnings.

Corporation tax and deferred tax

Anders Nielsen & Co A/S is jointly taxed with a Danish holding company and foreign subsidiaries.

Current tax receivables and liabilities is recognized in the balance sheet as "Joint tax contribution receivable" or "Joint tax contribution liability".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilization; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses. Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallize as current tax.

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Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at net realizable value or fair value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value.

In connection with corporate acquisitions, provisions for restructuring of the acquired entity are included in the calculation of the cost of acquisition and, accordingly, in goodwill or in goodwill on consolidation, provided that they have been adopted and published no later than at the date of the acquisition.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realizable value.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from acquisitions of entities are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flow from operating activities

Cash flow from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flow from investing activities

Cash flow from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and investments.

Cash flow from financing activities

Cash flow from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less that are subject to only minor risks of changes in value.

Segment information

Information is disclosed by geographical markets. Segment information is based on the Group's accounting policies, risks and management controls.

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tDKK	Group		Parent	
	2023	2022	2023	2022
2. Revenue				
Denmark	583.595	769.021	583.595	769.021
Germany	289.729	344.927	-	-
Sweden	92.912	114.342	-	-
Netherlands	91.332	124.405	-	-
Intercompany revenue eliminated	(20.048)	(40.614)	-	-
	<u>1.037.520</u>	<u>1.312.081</u>	<u>583.595</u>	<u>769.021</u>

3. Fees paid to auditor appointed at the annual general meeting

Fees to the auditor are not stated with reference to ÅRL § 96, subsection. 3. The fee is specified in the consolidated financial statements of Anne Kathrine Steenbjerge Holding ApS.

tDKK	Group		Parent	
	2023	2022	2023	2022
4. Staff cost				
Salaries and wages	193.795	175.224	116.222	120.995
Pension costs	13.385	10.963	9.941	9.411
Other social security costs	17.963	12.252	2.642	2.530
	<u>225.143</u>	<u>198.439</u>	<u>128.805</u>	<u>132.936</u>
Average number of employees	<u>442</u>	<u>380</u>	<u>226</u>	<u>237</u>
Remuneration to Board of Directors	7.968	7.888	7.968	7.888
Remuneration to Executive Board	867	904	867	904
	<u>8.835</u>	<u>8.792</u>	<u>8.835</u>	<u>8.792</u>
5. Amortisation and depreciation				
Software	3.842	6.238	3.842	6.238
Goodwill	4.573	4.367	4.299	4.298
Lease rights	282	0	282	0
Buildings	161	40	0	0
Furnishing of rented premises	144	47	40	0
Equipment	21.264	16.408	15.852	15.018
	<u>30.266</u>	<u>27.100</u>	<u>24.315</u>	<u>25.554</u>

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tDKK	Group		Parent	
	2023	2022	2023	2022
6. Financial income				
Interest from subsidiaries	0	0	325	165
Income from financial fixed assets	3.033	1.981	3.022	1.975
Other financial income	610	24	147	19
Foreign exchange gains	0	0	2	0
	<u>3.643</u>	<u>2.005</u>	<u>3.496</u>	<u>2.159</u>
7. Financial expenses				
Other financial expenses	4.432	1.450	3.568	1.298
Foreign exchange losses	109	415	0	438
	<u>4.541</u>	<u>1.865</u>	<u>3.568</u>	<u>1.736</u>
8. Tax on ordinary result				
Corporation tax for the year	116	15.996	116	10.560
Deferred tax adjustment for the year	735	945	735	945
Tax for the year	851	16.941	851	11.505
Tax for previous years	8	0	154	0
	<u>859</u>	<u>16.941</u>	<u>1.005</u>	<u>11.505</u>
Specified as follows:				
Calculated tax 22% of profit before tax	657	16.231		
Effect of higher tax rate in the Netherlands	0	125		
Effect of non-taxable income	0	-4		
Effect of non-deductible expenses	264	683		
Effect of 116% depreciation tax allowance	-70	-94		
	<u>851</u>	<u>16.941</u>		
Effective tax rate	<u>28,5%</u>	<u>23,0%</u>		

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9. Intangible fixed assets

	Group				
	Goodwill	Lease rights	Software	Software projects in progress	Total
tDKK					
Cost at 1 January 2023	74.658	0	35.761	2.756	113.175
Transferred	0	0	1.996	-1.996	0
Additions	0	2.254	504	3.316	6.074
Exchange rate adjustment foreign subsidiaries	16	0	0	0	16
Cost at 31 December 2023	74.674	2.254	38.261	4.076	119.265
Amortisation at 1 January 2023	41.366	0	31.489	0	72.855
Amortisation for the year	4.573	282	3.842	0	8.697
Exchange rate adjustment foreign subsidiaries	9	0	0	0	9
Amortisation at 31 December 2023	45.948	282	35.331	0	81.561
Carrying amount at 31 December 2023	28.726	1.972	2.930	4.076	37.704
Amortised over	10 years	6 years	3-5 years		
	Parent				
tDKK					
Cost at 1 January 2023	69.837	0	35.761	2.756	108.354
Transferred	0	0	1.996	-1.996	0
Additions	0	2.254	504	3.316	6.074
Cost at 31 December 2023	69.837	2.254	38.261	4.076	114.428
Amortisation at 1 January 2023	39.211	0	31.489	0	70.700
Amortisation for the year	4.299	282	3.842	0	8.423
Amortisation at 31 December 2023	43.510	282	35.331	0	79.123
Carrying amount at 31 December 2023	26.327	1.972	2.930	4.076	35.305
Amortised over	10 years	6 years	3-5 years		

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10. Tangible fixed assets

	Group				Total
	Land and buildings	Leasehold improvements	Equipment	Prepayment of equipment	
tDKK					
Cost at 1 January 2023	15.261	1.937	247.523	2.240	266.961
Transferred	0	0	1.671	-1.671	0
Additions	0	741	44.103	0	44.844
Disposals	0	-217	-22.636	0	-22.853
Exchange rate adjustment foreign subsidiaries	33	2	86	0	121
Cost at 31 December 2023	15.294	2.463	270.747	569	289.073
Depreciation at 1 January 2023	40	1.514	108.377	0	109.931
Depreciation for the year	161	144	21.264	0	21.569
Disposals	0	-217	-15.336	0	-15.553
Exchange rate adjustment foreign subsidiaries	0	2	37	0	39
Depreciation at 31 December 2023	201	1.443	114.342	0	115.986
Carrying amount at 31 December 2023	15.093	1.020	156.405	569	173.087
Held under finance lease	0	0	87.292	0	87.292
Depreciated over	25-50 years	3-5 years	3-10 years		

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10. Tangible fixed assets (continued)

tDKK	Parent			
	Leasehold improve- ments	Equipment	Prepay- ment of equipment	Total
Cost at 1 January 2023	934	219.417	2.240	222.591
Transferred	0	1.671	-1.671	0
Additions	654	15.521	0	16.175
Disposals	0	-18.992	0	-18.992
Cost at 31 December 2023	1.588	217.617	569	219.774
Depreciation at 1 January 2023	934	106.212	0	107.146
Depreciation for the year	40	15.852	0	15.892
Disposals	0	-14.151	0	-14.151
Depreciation at 31 December 2023	974	107.913	0	108.887
Carrying amount at 31 December 2023	614	109.704	569	110.887
Held under finance leases	0	78.920	0	78.920
Depreciated over	<u>3-5 years</u>	<u>3-10 years</u>		

tDKK	Parent	
	2023	2022
11. Equity investments in subsidiaries		
Cost at 1 January	61.225	35.197
Additions	0	26.028
Cost at 31 December	61.225	61.225
Value adjustments at 1 January	-5.384	-21.647
Exchange rate adjustments	143	-666
Earnings for the year	-15.285	23.450
Set-off in receivables	3.729	-6.521
Value adjustments at 31 December	-16.797	-5.384
Carrying amount at 31 December	44.428	55.841

<u>Name</u>	<u>Registered office</u>	<u>Voting rights and ownership</u>
Ancotrans GmbH	Hamburg, Germany	100%
Ancotrans AB	Gothenburg, Sweden	100%
Ancotrans BV	Rotterdam, the Netherlands	100%
All subsidiaries are separate entities		

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tDKK	<u>Group</u>	<u>Parent</u>
	2023	2023
12. Other investments and security deposits		
Cost at 1 January 2023	1.871	1.454
Additions	468	249
Disposals	-297	-297
Exchange rate adjustment foreign subsidiaries	1	0
Cost at 31 December 2023	<u>2.043</u>	<u>1.406</u>
Value adjustments 1 January 2023	5.911	5.898
Value adjustments for the year	1.179	1.174
Value adjustments 31 December 2023	<u>7.090</u>	<u>7.072</u>
Carrying amount at 31 December 2023	<u>9.133</u>	<u>8.478</u>

13. Prepayments

Prepayments consist of prepaid expenses relating to 2023. Mainly consisting of vehicle taxes, insurance premiums and software subscriptions.

14. Share capital

The share capital consists of 10.000 shares of DKK 100 each. No shares have been granted special rights. The share capital has been unchanged for the past 5 years.

tDKK	<u>Group</u>		<u>Parent</u>	
	2023	2022	2023	2022
15. Provision for deferred tax				
Deferred tax at 1 January	11.897	10.952	11.897	10.952
Deferred tax adjustment for the year	735	945	735	945
Deferred tax at 31 December	<u>12.632</u>	<u>11.897</u>	<u>12.632</u>	<u>11.897</u>
Deferred tax relates to:				
Intangible fixed assets	3.683	3.176	3.683	3.176
Tangible fixed assets	7.219	6.427	7.219	6.427
Financial fixed assets	1.612	1.354	1.612	1.354
Current assets	1.190	970	1.190	970
Re-taxation obligation foreign subsidiaries	-1.072	-30	-1.072	-30
	<u>12.632</u>	<u>11.897</u>	<u>12.632</u>	<u>11.897</u>

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tDKK	Group		Parent	
	2023	2022	2023	2022
16. Provision for climate compensation				
Provision at 1 January	1.649	1.326	1.649	1.326
Provision for the year	0	1.000	0	1.000
Used during the year	-1.649	-677	-1.649	-677
Provision at 31 December	0	1.649	0	1.649

Until 2022, we allocated an amount corresponding to 5% (maximum 1 mDKK) of our annual profit before tax to pursue new initiatives contributing to the fulfillment of our environmental strategy and 2040 target.

tDKK	Group		Parent	
	2023	2022	2023	2022
17. Long-term liabilities				
Lease liabilities				
Maturity after 5 years	6.733	192	1.833	192
Maturity between 2-5 years	77.471	61.150	47.989	51.029
Long-term obligation	84.204	61.342	49.822	51.221
Maturity within 1 year	25.292	18.904	17.093	13.870
Other payables				
Maturity after 5 years	6.841	6.789	6.841	6.789
Maturity between 2-5 years	1.098	1.039	1.098	1.039
Long-term obligation	7.939	7.828	7.939	7.828
Maturity within 1 year	99	252	99	252

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18. Contractual obligations, contingencies etc.

tDKK	Operational lease of equipment	Rent of property	Service agreements equipment	Total
The Group:				
Falling due within 1 year	32.537	4.864	5.262	42.663
Falling due between 2-5 years	57.696	4.246	15.874	77.816
Falling due after 5 years	1.523	69	1.155	2.747
Total residual benefit	91.756	9.179	22.291	123.226
The parent company:				
Falling due within 1 year	31.696	2.681	5.262	39.639
Falling due between 2-5 years	56.666	1.398	15.874	73.938
Falling due after 5 years	1.523	0	1.155	2.678
Total residual benefit	89.885	4.079	22.291	116.255

The remaining term of the Group's and the parent company's operational leases is up to 111 months.

The Group has made guarantee to the landlord of properties amounting to 294 tDKK.

The company is jointly taxed with other companies in the Anne Kathrine Steenbjerger Holding ApS Group. As a subsidiary, the company is liable pro rata and jointly with the other companies in the joint taxation circle for Danish corporation taxes etc. within the joint taxation circle.

tDKK	Group		Parent	
	2023	2022	2023	2022
19. Mortgages and collateral				
Collateral for credit institutions has been provided with operating equipment with a carrying value of	4.726	6.080	4.726	6.080
The carrying value of leased assets collateral for lease obligations amounts to	87.292	96.322	78.920	75.870

The parent company has issued unlimited surety for the subsidiaries' obligations towards a bank.

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20. Related parties

The company's related parties with a controlling influence include the main shareholder:

Anne Kathrine Steenbjerge Holding ApS
 Marievej 21
 2900 Hellerup

Anne Kathrine Steenbjerge Holding ApS is the parent company of Anders Nielsen & Co A/S.
 The consolidated financial statements can be requested from the Danish Business Authority.

21. Transactions with related parties

Group

All transactions with subsidiaries are eliminated in the consolidated accounts for the Group. There has been no transactions with the shareholders apart from dividend and joint taxation payment.

Parent

tDKK	2023	2022
Sale of transport services to subsidiaries	11.984	33.431
Purchase of transport services from subsidiaries	881	1.312
Sale of other services to subsidiaries	25.312	21.211
Purchase of other services from subsidiaries	1.257	223
Interest income from subsidiaries	325	165
Receivables from subsidiaries	14.078	34.230

tDKK

2023	2022
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22. Proposed distribution of the results

Proposed dividend	0	28.000
Transferred to equity reserves	2.129	28.835
	2.129	56.835

23. Changes in working capital

Changes in receivables	14.019	8.683
Changes in trade and other payables	-37.668	39.554
Changes in provision for climate compensation	-1.649	323
	-25.298	48.560

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tDKK	2023	2022
24. Other adjustments		
Adjustment for non-liquid operating items etc.		
Amortisation and depreciation	30.266	27.100
Tax	859	16.941
Financial income	-3.643	-2.005
Financial expenses	4.541	1.865
Other non-liquid movements	-1.416	1.025
	30.607	44.926
25. Acquisition of subsidiaries		
October 3, 2022 The Group acquired 100% of the shares in Transport Rien Boom & Zoon BV.		
Transport Rien Boom & Zoon BV is merged with Ancotrans BV from January 1, 2024.		
Net assets and goodwill recognized at fair value at date of acquisition:		
	Group	
tDKK	2023	2022
Equipment	0	24.809
Trade receivables	0	9.462
Other receivables	0	2.957
Cash	0	876
Lease liabilities	0	-13.376
Trade payables	0	-4.929
Other payables	0	-2.237
Aquired net assets	0	17.562
Goodwill arising from the acquisition	0	2.735
Purchase price	0	20.297
Purchase pricess less aquired cash	0	19.421
26. Cash		
Cash 1 January	87.699	26.560
Adjusted cash 1 January	87.699	26.560
Cash at 31 December consists of:		
Bonds	0	2
Cash	51.058	87.697
Cash 31 December	51.058	87.699