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Styrelsen för

Ceva Logistics (Sweden) AB

Org nr 556221-9542

Upprättar härmed

Årsredovisningen

för räkenskapsåret 1 januari 2022 - 31 december 2022

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Undertecknad styrelseledamot i CEVA Logistics (Sweden) AB intygar härmed dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat- och balansräkningen i årsredovisningen har fastställts på årsstämma den **07-07-2023.** Stämman beslöt tillika godkänna styrelsens förslag till vinstdisposition.

Stockholm 2023-07-11
Ort och datum

Underskrift

Darren Aldous
Namnförtydligande

CEVA Logistics (Sweden) AB

556221-9542

Styrelsen fi:ir CEVA Logistics (Sweden) AB avger härmed följande årsredovisning för räkenskapsåret 2022-01-01 - 2022-12-31. Åreredovisningen är upprättad i SEK. Belopp redovisas i kronor om inget annat anges.

Förvaltningsberättelse

CEVA Logistics (Sweden) AB, org.nr 556221-9542, med säte i Sigtuna kommun, utgör ett helägt (100%) dotterbolag till CEVA Freight Holdings Luxembourg Sarl org nr, B 97010 som i sin tur är en del av CMA CGM S.A., med säte i Frankrike.

CEVA Logistics (Sweden) AB upprättar inte koncernredovisning med hänvisning till §2, kapitel 7 i årsredovisningslagen . Koncernredovisningen är upprättad av den slutliga koncernmodern, Ceva Logistics S.A och finns tillgänglig på hemsidan www.cma-cgm.com.

Allmänt om verksamheten

Ceva Logistics (sweden) AB erbjuder ett brett spektrum av tjänster baserade på marknadsledande Freight Management och tredjepartslogistik kompetens och kapacitet. CEVA Logistics (Sweden) AB designar, implementerar och driver hela försörjningskedjans lösningar för multinationella, stora och medelstora företag pa nationell, regional och global nivå.

Bolagets verksamhet påverkas till viss del av de globala trenderna på marknaden.

Utveckling av företagets verksamhet, resultat och ställning

Ekonomisk översikt för de fem senaste räkenskapsåren. Belopp anges i TSEK.

	2022	**2021***	**2020**	**2019**	**2018**
Nettoomsättning*	356,029	84,870	99,157	87,716	107,058
Rörelseresultat	17,244	5,358	-305	-2,541	-880
Resultat efter finansiella poster	8,023	1,301	-2,184	-3,338	-1,035
Eget kapital	257,698	7,516	6,767	8,459	11,103
Balansomslutning*	321,267	94,571	24,987	23,422	37,073

For definitioner, se not 1.

* Bolaget har under räkenskapsaret gjort en korrigering av intäkter och kostnader som felaktigt klassificerats som frakttjänster och nettoomsättning i årsredovisningen för räkenskapsåret 2021. Felet beror pa en felaktig mappning i årsredovisningen och har ingen effekt pa bolagets resultat för räkenskapsdret 2021 utan utgör endast ett klassificeringsfel. Felet ar endast hänförligt till 2021 och paverkar ej övriga räkenskapsår.

* Nettoomsättningen och kostnad för frakttjänster har ökat väsentligt under räkenskapsåret 2022 på grund av ökad kundvolym inom sjö- och flygfrakt samt på grund av rådande marknadsforhållanden. Balansomslutningen för räkenskapsåret 2022 har påverkats av förvarv av erhållna aktieägartillskott.

Väsentliga händelser under räkenskapsåret

Per den 4 april 2022 förvarvade CEVA Logistics Sweden AB det helägda dotterbolaget Ingram Micro Mobility AB. Förvärvet utgör en betydande och viktig investering för framtiden inom Kontrakts-logistik. Förvärven stärker CEVA Logistics marknadsposition och är i linje med koncernens globala strategi med att växa inom eCommerce. CEVA Logistics Nordics kan i och med dessa förvärv erbjuda end-to-end supply chain solutions inom två omraden. Dels inom 'shipping" men nu även inom "logistics".

Förväntad framtida utveckling

CEVA Norden är sedan 2021 ett kluster som rapporterar direkt till det Europeiska huvudkontoret. Expansion inom Sjö- och Flygfrakt kommer fortsatt vara en hög prioritet under räkenskapsåret 2023. För att kunna nå en ambitiös tillväxtnivå inom såväl Import som Export så kommer CEVA att öka antal personer inom Sälj/Marknad. Då vi ser en ökande volym så förväntas även en klart förbättrad lönsamhet under 2023 och framåt. Fraktnivåerna för internationella transporter förväntas öka ytterligare under 2023 och därmed kommer omsättningen att öka ytterligare.

Väsentliga risker och osäkerhetsfaktorer

Marknaden inom såväl sjö- samt Flygfrakt är fortsatt instabil. Utrustningsbrist, kapacitetsbrist samt brist av chaufförer är några av de faktorer som kan påverka bolagets verksamhet.

Bortsett från en svårbedömd prisbild kan bolaget påverkas negativt av förändringar hos flygbolag och rederier vad gäller deras serviceutbud. Detta kan även leda till att volymtillväxt för sjö- och flygfrakt bromsas under en period.

Förslag till disposition av bolagets vinst eller förlust

Styrelsen föreslår att till förfogande stående vinstmedel disponeras enligt följande (kronor):

Balanserat resultat	251,119,932
Årets resultat	3,641,305
	254,761,237

i ny räkning överförs	254,761,237
	254,761,237

Vad beträffar resultat och ställning i övrigt, hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter

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Resultaträkning

2022-01-01 - 2022-12-31	Not	2022	2021
Nettoomsättning	3,4	356,029,308	84,869,902
Rörelsens kostnader	4		
Frakttjänster		-298,672,522	-56,138,004
Övriga externa kostnader	5,6	-16,348,221	-6,162,179
Personalkostnader	7	-23,658,330	-17,055,452
Avskrivningar	11,12,13	-106,158	-156,446
Summa rörelsens kostnader		**-338,785,231**	**-52,105,975**
Rörelseresultat		**17,244,077**	**5,357,822**
Resultat från finansiella poster			
Ränteintäkter och liknande resultatposter	8	371,017	1,246
Räntekostnader och liknande resultatposter	9	-9,591,881	-4,057,743
Summa resultat från finansiella poster		**-9,220,864**	**-4,056,497**
Resultat efter finansiella poster		**8,023,213**	**1,301,325**
Skatt på årets resultat	10	-4,381,908	-551,652
Årets resultat		3,641,305	749,663

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Balansräkning	Not	2022-12-31	2021-12-31
Tillgångar			
Anläggningstillgångar			
Materiella anläggningstillgångar			
Förbättringsutgifter på annans fastighet	11	2,059	2,528
Inventarier	12	844,190	340,249
Finansiell anläggningstillgångar			
Andelar i koncernföretag	13,14	246,540,593	0
Uppskjutna skattefordringar	15	0	3,389,755
Summa anläggningstillgångar		**247,386,842**	**3,732,532**
Omsättningstillgångar			
Kortfristiga fordringar			
Kundfordringar		25,221,476	52,457,076
Fordringar hos koncernföretag		8,759,668	14,678,728
Aktuella skattefordringar		683,592	1,675,745
Övriga fordringar		6,814	0
Förutbetalda kostnader och upplupna intäkter	16	24,641,720	19,882,113
		59,313,271	**88,693,662**
Kassa och bank		14,566,860	2,144,988
Summa omsättningstillgångar		**73,880,131**	**90,838,650**
Summa tillgångar		**321,266,973**	**94,571,182**

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Balansräkning	Not	2022-12-31	2021-12-31
Eget kapital och skulder			
Eget kapital			
Bundet eget kapital			
Aktiekapital		2,500,000	2,500,000
Reservfond		437,134	437,134
		2,937,134	**2,937,134**
Fritt eget kapital			
Balanserat resultat		251,119,932	3,829,676
Årets resultat		3,641,305	749,663
		254,761,237	**4,579,339**
Summa eget kapital		**257,698,371**	**7,516,473**
Kortfristiga skulder			
Leverantörsskulder		7,826,233	17,642,046
Skulder till koncernföretag		21,891,120	55,826,583
Övriga skulder		6,854,375	3,002,678
Upplupna kostnader och förutbetalda intäkter	17	26,996,874	10,583,403
Summa kortfristiga skulder		63,567,941	87,054,710
Summa eget kapital och skulder		321,266,973	94,571,182

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2022-12-31	**Bundet eget kapital**		**Fritt eget kapital**	
	Aktiekapital	Reservfond	Övrigt fritt eget kapital	Summa
Belopp vid årets ingång	**2,500,000**	**437,134**	**4,579,339**	**7,516,473**
Erhållna aktieägartillskott			251,119,932	251,119,932
Årets resultat			3,641,305	3,641,305
Belopp vid årets utgång	**2,500,000**	**437,134**	**254,761,237**	**257,698,371**

Aktiekapitalet består av 25,000 st aktier med kvotvärde à 100 kr. Aktieägarna har sedan tidigare år lämnat ett villkorat aktieägartillskott som uppgår till totalt SEK 9,252,470. Aktieägarna har under året lämnat ett ovillkorat aktieägartillskott som uppgår till totalt SEK 246,540,593.

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Kassaflödesanalys	Not	2022-12-31	2021-12-31
Den löpande verksamheten			
Resultat efter finansiella poster		8,023,213	1,301,325
Justering för poster som inte ingår i kassaflödet			
Avskrivningar av materiella tillgångar		106,158	156,446
Betald/erhållen skatt		-992,153	0
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**7,137,218**	**1,457,771**
Ökning/minskning av kundfordringar		27,235,600	-41,602,759
Ökning/minskning av rörelsens fordringar		2,144,791	-28,076,417
Ökning/minskning av leverantörsskulder		-9,815,813	14,172,980
Ökning/minskning av rörelsens skulder		-13,670,296	54,661,530
Kassaflöde från den löpande verksamheten		**13,031,501**	**613,105**
Investeringsverksamheten	11,12,13		
Investeringar i materiella anläggningstillgångar		-609,630	-171,571
Förvärv av andelar i koncernföretag		-246,540,593	-
Kassaflöde från investeringsverksamheten		**-247,150,223**	**-172,773**
Finansieringsverksamheten			
Aktieägartillskott		246,540,593	-
Kassaflöde från finansieringsverksamheten		**246,540,593**	-
Årets kassaflöde		12,421,872	441,534
Likvida medel vid årets början		2,114,988	1,703,454
Likvida medel vid årets slut		**14,566,860**	**2,144,988**

Noter

Not 1 Redovisnings- och värderingsprinciper

Årsredovisning har upprättats enligt årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Års- och koncernredovisning (K3). Redovisningsprinciperna är oförändrade jämfört med tidigare år.

Rättelse av fel

Omklassificering av nettomsättning samt frakttjänster
Bolaget har under året omklassificerat redovisningen av intäkter och kostnader för räkenskapsåret 2021 vilket medfört en förändring av nettomsättning samt frakttjänster jämfört med fastställd årsredovisning för räkenskapsåret 2021. Omklassificeringen har inte medfört någon effekt på bolagets resultat.

Nettoomsättning
Försäljning av importtjänster redovisas när kundens gods når fram till mottagare, för export när gods lämnats till flygbolag, rederi eller liknande. För logistik görs månadsvis avräkning mot kund.

Frakttjänster
Kostnad för försäljning på frakt jobb redovisas som princip för intäktsredovisning. Direkta kostnader för företaget är registrerade vid tiden för mottagandet och redovisas i månatliga avstämningar.

Inkomstskatter
Skatt på årets resultat i resultaträkningen består av aktuell skatt och uppskjuten skatt. Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomskatt som ännu inte har redovisats. Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd tidigare transaktioner eller händelser

Uppskjuten skatt
Uppskjuten skatteskuld redovisas för alla skattepliktiga temporära skillnader, dock särredovisas inte uppskjuten skatt hänförlig till obeskattage reserver eftersom obeskattade reserver redovisas som en egen post i balansräkningen.

Uppskjuten skattefordran redovisas för avdragsgilla temporära skillnader och för möjlingheten att framtiden använda skattemässiga underskottsavdrag.

Värderingen baseras på hur det redovisade värdet för motsvarande tillgång eller skuld förväntas återvinna respektive regleras. Beloppen baseras på de skattesatser och skatteregler som är beslutade per balansdagen och har inte nuvärdesberäknats.

Leasing
Samtliga leasingavtal där företaget är leasetagare redovisas som operationell leasing (hyresavtal), oavsett om avtalen är operationella eller finansiella. Leasingavgiften redovisas som en kostnad linjärt över leasingperioden.

Personal
CEVA Logistics (Sweden) AB har under året haft ett genomsnitt på 26 anställda. Kortfristiga

ersättningar i bolaget utgörs av lön, sociala avgifter, betald semester, betald sjukfrånvaro, sjukvård och bonus. Kortfristiga ersättningar redovisas som en kostnad och en skuld då det finns en legal eller informell förpliktelse att betala ut en ersättning.

I bolaget förekommer avgiftsbestämda pensionsplaner. I avgiftsbestämda planer betalar företaget fasta avgifter till ett annat företag och har inte någon legal eller informell förpliktelse att betala någon ytterligare även om det andra företaget inte kan uppfylla sitt åtagande. Bolagets resultat belastas för kostnader i takt med att de anställdas pensionsberättigande tjänster utförts.

Avskrivningar
Avskrivning sker linjärt över tillgångens beräknade nyttjandeperiod. Avskrivningen redovisas som kostnad i resultaträkningen.

Immateriella anläggningstillgångar
Immateriella anläggningstillgångar redovisas till anskaffningsvärde minskat med avskrivningar. Immateriella anläggningstillgångar skrivs av med 20 % på anskaffningsvärdet årligen.

Materiella anläggningstillgångar
Materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med avskrivningar. Materiella anläggningstillgångar skrivs av med 20 % på anskaffningsvärdet årligen.

Fordringar
Fordringar är redovisade till de belopp varmed de beräknas inflyta.

Kassaflödesanalys
Kassaflödesanalysen är upprättad enligt indirekt metod. Kassaflödesanalysen innefattar bara transaktioner som innebär in- och utbetalningar.

Likvida medel
Likvida medel består av omedelbart tillgängliga tillgodohavanden hos banken. Bolaget har även tillgång till koncernens cash pool vilket redovisas som fordringar hos koncernföretag.

Fordringar och skulder i utländsk valuta
Fordringar och skulder i utländsk valuta har omräknats till balansdagens kurs.

Definitioner
Med koncernföretag avses företag som ingår i den koncern vari CEVA Holdings LLC är moderbolag.

Not 2 Uppskattningar och bedömningar

Ceva Logistics (Sweden) AB gör uppskattningar och bedömingar om framtiden. De uppskattningar och antaganden som innebär en betydande risk för väsentliga justeringar i redovisade värden under nästkommande år behandlas i huvuddrag nedan.

Kundfordringar
Värdering av kundfordringar innehåller bedömningar och uppskattningar som kan avvika från faktiskt utfall i senare perioder. Posten värderas löpande och reserv för osäkra kundfordringar omvärderas i enlighet med koncernens policy varje månad för samtliga kundfordringar som är äldre än 365 dagar och vid behov för kundfordringar äldre än 120 dagar. Inga väsentliga nedskrivningar av kundfordringar har gjorts under räkenskapsåret.

Not 3 Intäkternas fördelning

	2022	2021
I nettoomsättningen ingår intäkter från:		
Flygverksamheten	54,510,963	18,868,603
Sjöverksamheten	256,304,686	55,350,918
Logistikverksamheten	45,213,659	10,650,381
Summa	**356,029,308**	**84,869,902**
Omsättningens geografiska fördelning: Sverige	330,983,292	70,350,153
Övriga Norden	3,437,355	1,300,025
Övriga Europa	4,717,666	7,079,434
Övriga Globalt		6,140,290
Total	**356,029,308**	**84,869,902**

Not 4 Årets inköp och försäljning mellan koncernbolag

Av årets totala inköp och försäljning avser 15% (13%) av årets inköp och 15% (22%) av årets försäljning andra koncernbolag.

Not 5 Ersättning till revisorerna

	2022	2021
KPMG		
Revisionsuppdrag KPMG	141,600	138,600
Skatterådgivning PWC	60,000	60,000
Summa	**201,600**	**198,600**

Not 6 Operationella leasingsavtal

	2022	2021
Framtida minimileaseavgifter som kommer att erläggas avseende icke uppsägbara leasingavtal		
Förfaller till betalning inom ett år	1,299,973	598,973
Förfaller till betalning senare än ett men inom fem år	2,212,797	762,576
Förfaller till betalning senare än fem år	0	0
Under perioden kostnadsförda leasingavgifter	**3,512,770**	**1,188,639**

Förutom hyra av lokaler, avser leasing inventarier och bilar för transportändamål.
Inventarierna leasas normalt på fyra år. Bilar leasas på fyra år med möjlighet till utköp.

Not 7 Personal

	2022	2021
Medelantal anställda		
Kvinnor	8	5
Män	12	7
Total	**20**	**16**
Löner, ersättningar, sociala avgifter och pensionskostnader		
Löner och ersättningar till styrelsen och verkställande direktören	2,911,219	2,450,705
Varav bonus	683,081	439.194
Löner och ersättningar till övriga anställda	13,593,573	8,713,184
	17,187,873	**11,163,890**
Sociala avgifter enligt lag och avtal	4,199,246	2,860,705
Pensionskostnader för styrelsen och verkställande direktören	1,063,490	877,913
Pensionskostnader för övriga anställda	1,890,805	2,151,713
Totalt	**23,658,330**	**17,055,452**
Styrelseledamöter och ledande befattningshavare		
Antal styrelseledamöter på balansdagen		
Män	2	2
Totalt	**2**	**2**
Inklusive ledande befattningshavare		
Kvinnor		
Män	0	0
	6	4
Totalt		
	6	**4**

Not 8 Ränteintäkter och liknande resultatposter

	2022	2021
Ränteintäkter från koncernförnföretag	371,017	1,246
Kursdifferenser	0	0
Summa	**371,017**	**1,246**

Not 9 Räntekostnader och liknande resultatposter

	2022	2021
Räntekostnader från koncernföretag	0	-208,703
Kursdifferenser	-9,591,881	-3,849,039
Summa	**-9,591,881**	**-4,057,742**

Not 10 Avstämning effektiv skatt

	2022	2021
Aktuell skatt	-992,153	0
Förändring uppskjuten skatt på grund av underskottsavdrag	-3,389,755	-551,652
Skatt på årets resultat	**-4,381,908**	**-551,652**
Redovisat resultat före skatt	8,023,213	1,301,325
Skatt beräknad enligt gällande skattesats 20.6%	-1,652,782	-268,073
Skatteeffekt av ej avdragsgilla kostnader	-2,811,319	-313,752
Skatteeffekt avseende avskrivningar på ombyggnad på annans fastighet	18,733	27,945
Skatteeffekt av ej skattepliktiga intäkter	210,802	2 472
Skatteeffekt avseende underskottsavdrag	-147 342	-243
Redovisad skattekostnad	**-4,381,908**	**-551,652**

Not 11 Förbättringsutgifter på annans fastighet

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	841,542	841,542
Inköp	-	-
Utgående ackumulerade anskaffningsvärden	**841,542**	**841,542**
Ingående avskrivningar	-839,014	-834,398
Årets avskrivningar	-469	-4,616
Utgående ackumulerade avskrivningar	**-839,483**	**-839,014**
Utgående redovisat värde	**2,059**	**2,528**

Not 12 Inventarier

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	6,622,730	6,451,159
Inköp	609,630	171,571
Utgående ackumulerade anskaffningsvärden	**7,232,360**	**6,622,730**
Ingående avskrivningar	-6,282,481	-6,130,651
Årets avskrivningar	-105,689	-151,830
Utgående ackumulerade avskrivningar	**-6,388,170**	**-6,282,481**
Utgående redovisat värde	**844,190**	**340,249**

Not 13 Andelar i koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	0	0
Årest anskaffningar	246,540,593	0
Utgående redovisat värde	**246,540,593**	**0**

Not 14 Specifikation av andelar i koncernföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört värde
CEVA Logistics Mobility AB	100%	100%	25,000	246,540,593

	Org.nr.	Säte	Eget kapital	Årets resultat
CEVA Logistics Mobility AB	556540-5296	Göteborg	146,199,133	4,504,228

Not 15 Uppskjunta skattefordringar

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	3,389,755	3,941,417
Uppskjuntna skattefordringar	-3,389,755	-551,652
Utgående redovisat värde	**0**	**3,389,755**

Not 16 Förutbetalda kostnader och upplupna intäkter

	2022-12-31	2021-12-31
Förutbetalda hyror	168,905	164,116
Förutbetald fraktkostnaden	838,714	3,180,876
Övriga förutbetalda kostnader	23,634,101	16,537,120
Summa	**24,641,720**	**19,882,113**

Not 17 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	2021-12-31
Fraktkostnader	19,955,597	7,312,855
Semesterlöneskuld	1,811,369	989,141
Bonusreserv	2,867,048	333,108
Förutbetald intäkt	0	1,836,524
Övriga upplupna kostnader	2,362,859	111,775
Summa	**26,996,874**	**10,583,403**

Not 18 Ställda säkerheter

	2022-12-31	2021-12-31
För egna avsättningar och skulder		
Avseende skuld till kreditinstitut		
Företagsinteckningar	2,800,000	2,800,000
Summa ställda säkerheter	**2,800,000**	**2,800,000**

Not 19 Ansvarsförbindelser

	2022-12-31	2021-12-31
Nordea Bank AB, motgaranti Tullverket	511,038	511,038
Summa ansvarsförbindelser	**511,038**	**511,038**

Not 20 Väsentliga händelser efter räkenskapsårets utgång

Inga väsentliga händelser efter räkenskapsårets utgång

Not 21 Koncernuppgifter

CEVA Logistics (Sweden) AB är helägt dotterföretag CEVA Freight Holdings Luxembourg Sarl org nr, B 97010 som i sin tur är en del av CEVA Group Plc. med säte i Storbritannien.

Koncernredovisningen upprättas av Ceva Group Plc och kan hittas på www.cevalogistics.com.

CEVA Logistics (Sweden) AB

556221-9542

Not 22 Förslag till vinstdisposition

Styrelsen och VD föreslår att till förfogande stående vinstmedel (kronor)

Balanserat resultat	251,119,932
Årets resultat	3,641,305
kronor	254,761,237

i ny räkning överförs	254,761,237
kronor	254,761,237

Stockholm 2023-06-30

Mattias Kellgren
Styrelseordförande

Darren Aldous
Styrelseledamot

Vår revisionsberättelse har lämnats den 7 juli 2023

KPMG AB

Karolina Holm
Auktoriserad revisor

Revisionsberättelse

Till bolagsstämman i Ceva Logistics (Sweden) AB, org. nr 556221-9542

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Ceva Logistics (Sweden) AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Ceva Logistics (Sweden) ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Ceva Logistics (Sweden) AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som den bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. Den upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Ceva Logistics (Sweden) AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Ceva Logistics (Sweden) AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Anmärkningar

Bolaget har vid flera tillfällen inte betalat skatter och avgifter i rätt tid.

Årsredovisningen har inte upprättats i sådan tid att det varit möjligt att, enligt 7 kap. 10 § aktiebolagslagen, hålla årsstämma inom sex månader efter räkenskapsårets utgång.

Stockholm den 7 juli 2023

KPMG AB

Karolina Holm
Auktoriserad revisor

KPMG S.A.

ERNST & YOUNG Audit

CEVA Logistics S.A.

Year ended December 31, 2022

Statutory auditors' report on the consolidated financial statements

KPMG S.A.
480, avenue du Prado
13008 Marseille
S.A. au capital de € 5 497 100
775 726 417 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

ERNST & YOUNG Audit
Immeuble Le Calypso
Quartier Euromed
Boulevard Jacques Saadé
48, quai du Lazaret
13002 Marseille
S.A.S. à capital variable
344 366 315 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

CEVA Logistics S.A.

Year ended December 31, 2022

Statutory auditors' report on the consolidated financial statements

To the Chief Executive Officer,

In our capacity as statutory auditors of CEVA Logistics S.A., and in accordance with your request, we hereby report to you on the audit of the accompanying consolidated financial statements of CEVA Logistics S.A., for the year ended December 31, 2022.

Management is responsible for the preparation and fair presentation of these consolidated financial statements. As they are not intended to be presented to the shareholders, they have not been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures, by audit sampling and other means of testing, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements present fairly, in all material respects, the assets, liabilities and financial position of the consolidated group as at December 31, 2022, and the results of its operations for the year then ended, in accordance with the accounting rules and principles described in the notes.

Without modifying our opinion, we draw your attention to the matter disclosed in Note 2.01 to the financial statements relating to the consolidation of GEFCO since July 25, 2022 although CEVA Logistics does not have the ownership yet and the shares still seating in CMA CGM SA, its parent company.

This report has been prepared solely for your attention, and may not be used, circulated or quoted for any other purpose. We assume or take no responsibility to third parties to whom this report is distributed or is made available.

This report is governed by French law. The courts of France shall have exclusive jurisdiction over any claim, dispute or difference resulting from the engagement letter or the present report or any related matters. Each party irrevocably waives its right to oppose any action being brought before French courts, to claim that the action is being brought before an illegitimate court or that the courts have no jurisdiction.

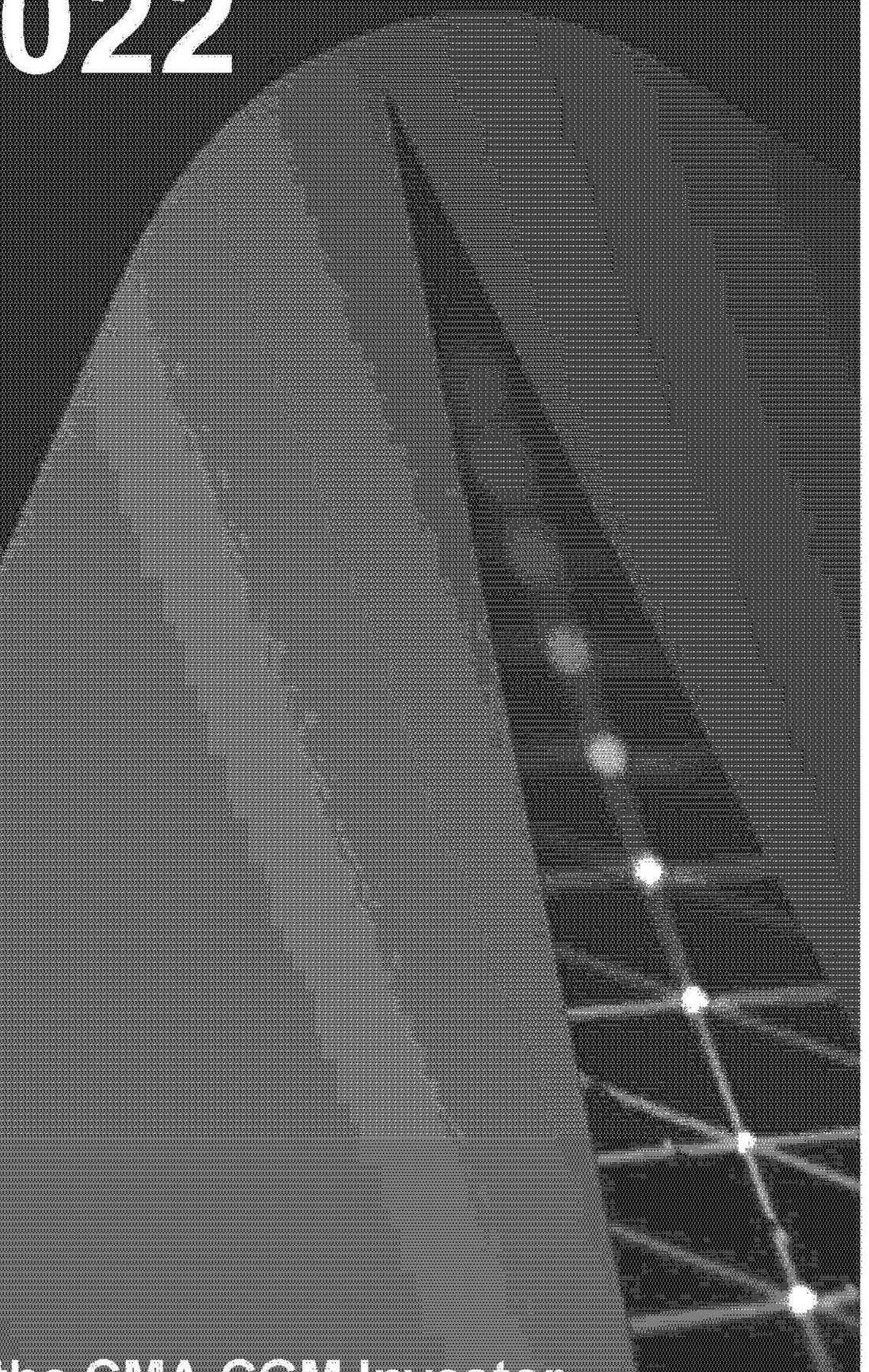
Marseille, March 3, 2023

The Statutory Auditors

KPMG S.A.	ERNST & YOUNG Audit	
Georges Maregiano	Camille de Guillebon	Pierre-Yves Chardin

CEVA LOGISTICS

Consolidated Financial Statements 2022



Consolidated Accounts

Full Audited version is available on the CMA CGM Investor Relations website

Consolidated Financial Statements 2022
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Cautionary statement: This document contains forward looking statements which are subject to risk factors associated with, amongst others, the economic and business circumstances occurring from time to time in the countries and markets in which the Group (as defined below) operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables, which could cause actual results to differ materially from those currently anticipated.
Note: There may be small differences due to rounding between this report and other year-end 2022 investor materials.

Consolidated Income Statement

$ millions	Note	YEARS ENDED 31 DECEMBER 2022			2021		
		Before specific items and SBC	Specific items and SBC	Total	Before specific items and SBC	Specific items and SBC	Total
Revenue	6	**16 096**	-	**16 096**	**10 899**	-	**10 899**
Work contracted out		(9 720)	-	(9 720)	(6 595)	-	(6 595)
Personnel expenses	7	(3 560)	(83)	(3 644)	(2 579)	-	(2 579)
Other operating expenses		(1 521)	(40)	(1 561)	(839)	(2)	(841)
Operating expenses excluding depreciation, amortization and impairment		**(14 801)**	**(123)**	**(14 925)**	**(10 013)**	**(2)**	**(10 015)**
EBITDA[1]		**1 295**	**(123)**	**1 171**	**886**	**(2)**	**885**
Depreciation property, plant and equipment	13	(135)	(0)	(135)	(65)	-	(65)
Depreciation right-of-use assets	14	(505)	-	(505)	(401)	-	(401)
Amortization and impairment	12-13	(96)	(689)	(785)	(29)	-	(29)
Operating income		**559**	**(813)**	**(253)**	**391**	**(2)**	**389**
Finance income	8	29	0	29	8	-	8
Finance expense	8	(244)	(0)	(244)	(145)	2	(143)
Foreign exchange gain/(loss)	8	(2)	0	(2)	(9)	-	(9)
Net finance income / (expense)		**(217)**	**(0)**	**(217)**	**(145)**	**2**	**(143)**
Share of profit from joint venture	17	5	-	5	9	-	9
Profit/(Loss) before income taxes		**348**	**(115)**	**(465)**	**255**	**-**	**255**
Income tax income/(expense)	9	(92)	(63)	(156)	(48)	-	(48)
Profit/(Loss) for the period		**255**	**(876)**	**(621)**	**207**	**-**	**207**
Discontinued operations							
Profit/(Loss) for the year from discontinued operations							
Profit/(Loss) for the year							
Attributable to:							
Non-controlling interests				4			2
Equity holders of the Company				**(625)**			**205**

[1] EBITDA as presented, excludes net finance income/(expense), income tax income/(expense), depreciation, amortization and share of profit from joint ventures.

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

$ millions		YEARS ENDED 31 DECEMBER					
		2022			2021		
	Note	Before specific items and SBC	Specific items and SBC	Total	Before specific items and SBC	Specific items and SBC	Total
Profit/(Loss) for the period		**255**	**(876)**	**(621)**	207	-	207
Items that will not be reclassified to Profit and Loss:							
Remeasurements of retirement benefit obligations		15	-	15	8	-	8
Tax effects of items in OCI		(3)	-	(3)	-	-	-
Items that may be reclassified subsequently to Profit and Loss:							
Net investment hedges		-	-	-	(1)	-	(1)
Cash flow hedges		-	-	-	-	-	-
Currency translation adjustment		(66)	-	(66)	(56)	-	(56)
Total comprehensive income/(loss) for the period, net of income tax		**201**	**(876)**	**(676)**	**159**	**-**	**159**
Attributable to:							
Non-controlling interests				-			2
Equity holders of the Company				(676)			157
Total comprehensive profit/(loss) for the period				**(676)**			**159**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Balance Sheet

$ millions	Note	AS AT 31 DECEMBER 2022	AS AT 31 DECEMBER 2021
ASSETS			
Non-current assets			
Intangible assets and Goodwill	12	4 578	1 467
Property, plant and equipment	13	937	280
Right-of-use assets	14	1 929	1 310
Investments in joint ventures	17	109	111
Deferred income tax assets	9	193	172
Prepayments		52	49
Other non-current assets		466	165
Total non-current assets		**8 264**	3 554
Current assets			
Inventory		62	6
Trade and other receivables	15	3 482	2 564
Prepayments		254	101
Contract assets	6	294	189
Accrued income		1	-
Income tax receivable		41	20
Assets held for sale		19	-
Other current assets		24	5
Cash and cash equivalents	16	547	433
Total current assets		**4 724**	3 318
TOTAL ASSETS		**12 988**	6 872
EQUITY			
Capital and reserves attributable to equity holders			
Share capital	18	538	538
Share premium		1 352	1 352
Acquisition reserve		(88)	(88)
Other reserves		2 122	2 253
Accumulated deficit		(3 356)	(3 256)
Attributable to equity holders of the Company		**568**	799
Non-controlling interests		23	14
Total Group equity		**591**	813
LIABILITIES			
Non-current liabilities			
Borrowings	19	2 186	1 446
Lease liability	14	1 503	1 027
Deferred income tax liabilities	9	391	15
Retirement benefit obligations	20	115	94
Provisions	21	182	70
Other non-current liabilities		30	31
Total non-current liabilities		**4 406**	2 682
Current liabilities			
Borrowings	19	238	36
Lease liability	14	500	357
Provisions	21	148	95
Trade and other payables	22	6 927	2 726
Contract liabilities	6	42	94
Income tax payable		116	69
Liabilities held for sale		20	-
Total current liabilities		**7 991**	3 377
TOTAL EQUITY AND LIABILITIES		**12 988**	6 872

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

$ millions	Note	YEAR ENDED 31 DECEMBER 2022	YEAR ENDED 31 DECEMBER 2021
Profit/(Loss) for the period		**(621)**	207
Adjustments for:			
-Depreciation, amortization and impairment	12-13	922	94
-Depreciation right-of-use assets	14	503	401
-Loss / (Gains) on disposals of property and equipment and subsidiaries		4	(1)
-Share of (Income) / Loss from associates and joint ventures	17	(5)	(9)
-Finance income and expense	8	215	133
-Income tax	9	156	48
-Other income and expense		21	(45)
Changes in provisions	21	(4)	6
Changes in working capital		(211)	(496)
Changes in non-current assets and liabilities		-	(31)
Net cash (used for) / from operating activities before interest and tax paid		980	308
Interest cost paid on lease liabilities	14	(82)	(58)
Interest cost paid		(103)	(61)
Other financing cost paid		-	(7)
Net income taxes paid		(140)	(73)
Net cash (used for) / from operating activities		**656**	110
Business combinations, net of cash acquired/divested	11	(3 422)	(4)
Acquisition of other investments		-	(1)
Purchase of property plant and equipement		(384)	(225)
Proceeds from sale of property, plant and equipment		16	3
Cash flow resulting from other financial assets		(238)	1
Dividends received from associates and joint ventures	17	7	7
Interest received		8	4
Net cash (used for) / from investing activities		**(4 013)**	(215)
Proceeds from capital increase	18	(0)	7
Repayments of borrowings	19	(78)	(279)
Repayments of lease liabilities		(449)	(386)
Proceeds from borrowings, net of issuance costs	19	4 018	735
Dividends paid to the owners of the parent company and non-controlling interest		(109)	(1)
Net cash (used for) / from financing activities		**3 381**	76
Change in cash, cash equivalents and overdrafts		24	(29)
Cash, cash equivalents and overdrafts at beginning of period *		420	459
Foreign exchange impact on cash, cash equivalents and overdrafts		93	(10)
Cash, cash equivalents and overdrafts at end of period *		**537**	420
Cash, cash equivalents at end of period (excluding overdrafts)	**16**	**547**	433

* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

* Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

The Group has introduced a new presentation of the Cash Flow Statement in the Financial Statements for the year ended 31 December 2022. The following changes have not been introduced into the comparable period:

- Other income and expense

are now including the local foreign exchange gains and losses (for US$ 9.5 million). In the previous Cash Flow, this impact was disclosed in the foreign exchange impact on cash, cash equivalent and overdrafts (bottom line).

- Cash flow resulting from other financial assets

are now including the long-term loans assets (US$234 million). In the previous Cash flow, movements in long term loans assets were included in Proceeds from borrowings, net of issuance costs.

- Dividends paid to the owners of the parent company and non-controlling interest

are now including the dividends payables (US$107 million). In the previous Cash flow, movements on dividends payables were disclosed in the Changes in working capital.

- Proceeds from sale of property, plant and equipment

are now including the Right of Use (US$8 million). In the previous Cash flow, the movements were disclosed in the Repayments of lease liabilities.

- Interest cost paid on lease liabilities

are now including the interests of lease liabilities (US$6 million) while in the previous Cash flow movements were not separately identified and were embedded in the movement of lease liabilities (principal portion).

- Interest cost paid

are now including bank fees (US$7 million) which were previously included in Proceeds from borrowings, net of issuance costs.

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

$ millions	Share capital	Share Premium	Acquisition reserve	Hedge reserve	Currency translation reserve	Other reserves	Accumulated deficit	Attributable to equity holders of the Company	Non-controlling interest	Total Group equity
Balance as at 1 January 2020	**538**	**1 352**	**(93)**	**1**	**(563)**	**2 863**	**(3 461)**	**637**	**4**	**641**
Profit for the period	-	-	-	-	-	-	205	205	2	207
Currency translation adjustment	-	-	-	-	(56)	-	(0)	(56)	-	(56)
Net investment hedges	-	-	-	(1)	-	-	-	(1)	-	(1)
Remeasurement of retirement benefit obligations	-	-	-	-	-	8	-	8	-	8
Tax effects of items in OCI	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	(1)	(56)	8	(0)	(48)	-	(48)
Total comprehensive income for the period	-	-	-	(1)	(56)	8	205	157	2	159
Capital increase[1]	-	-	-	-	-	-	-	-	7	7
Business combination under common control[2]	-	-	5	-	-	-	-	5	-	5
Movements in non-controlling interest	-	-	-	-	-	-	-	-	1	1
Balance at 31 December 2021	538	1 352	(88)	(0)	(619)	2 871	(3 256)	799	14	813
Balance as at 1 January 2021	**538**	**1 352**	**(88)**	**(0)**	**(619)**	**2 871**	**(3 256)**	**799**	**14**	**813**
Loss for the period	-	-	-	-	-	-	(625)	(625)	4	(621)
Currency translation adjustment	-	-	-	-	(101)	6	34	(61)	(4)	(66)
Remeasurement of retirement benefit obligations	-	-	-	-	-	15	-	15	-	15
Tax effects of items in OCI	-	-	-	-	-	(3)	-	(3)	-	(3)
Other comprehensive income for the period	-	-	-	-	**(101)**	**18**	**34**	**(50)**	**(4)**	**(54)**
Total comprehensive income for the period	-	-	-	-	**(101)**	**18**	**(591)**	**(676)**	-	**(676)**
Dividends	-	-	-	-	-	-	-	-	(2)	(2)
Business combination under common control[2]	-	-	-	-	(58)	11	502	455	1	456
Movements in non-controlling interest	-	-	-	-	-	-	(11)	(11)	11	-
Balance at 31 December 2022	**538**	**1 352**	**(88)**	**-**	**(778)**	**2 900**	**(3 356)**	**568**	**23**	**591**

[1] Refer to note 18 for details on the share capital.
[2] Refer to note 11 for details on the business combination.

The accompanying notes are an integral part of the consolidated financial statements.

Notes to the Consolidated Financial statements

1. General information

CEVA Logistics AG (the 'Company') was registered as a holding company on 21 February 2018 in Switzerland (Suurstoffi 37, 6343 Rotkreuz, Switzerland).
On 28 April 2021, it was decided to migrate the corporate seat of CEVA Logistics AG to France. Pursuant to the transfer of seat and the principle of continuity of the corporate entity, CEVA Logistics AG was renamed "CEVA Logistics SA". The new address of the corporate seat is: 10 place de la Joliette, atrium 10.5, 13 002 Marseille (France). As a consequence, it is no longer a Switzerland registered company.

CEVA Logistics SA and its subsidiaries (collectively, the 'Group' or 'CEVA') design, implement and operate complete end-to-end Freight Management and Contract Logistics solutions for multinational and small and medium sized companies on a local, regional and global level.

In 2022 and in 2021, CEVA has acquired several entities, and the details are disclosed in Note 11 'Business combinations'.

These Group Consolidated Financial Statements were authorized by the Management on 3 March 2023.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.01 Basis of Preparation

General information
The consolidated financial statements of the Company have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, except for the item mentioned below "Consolidation of GEFCO". As such, these consolidated financial statements do not constitute a full set of accounts in accordance with IFRS.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

Company management considers whether it is appropriate to prepare the financial statements under the going concern principle. CEVA prepares annual budgets, multi-year forecasts and regularly supplements the budgets with forecasts during the year. In addition, the Company makes an assessment of the amount of facilities available to it, including commitments to repay debt. After reviewing this information in conjunction with CEVA's available facilities, the continued support from its parent CMA CGM and its commitments to debt repayments, Company management has concluded that the Group has adequate resources for the foreseeable future.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3 'Critical accounting estimates and judgments'.

Consolidation of GEFCO
CEVA consolidates GEFCO since July 25, 2022 despite not having yet the ownership and the shares still seating in CMA CGM SA, its parent company (see Note 11 'Business combinations'). July 25, 2022 is the date on which the acquisition of GEFCO by CMA CGM was approved by the competition authorities, noting that CMA CGM had already acquired the shares of GEFCO on April 8, 2022.
The consolidation of GEFCO by CEVA is completed in anticipation of the actual contribution by CMA CGM to CEVA of GEFCO shares, which is expected to occur in the course of 2023.

The consolidation on July 25, 2022 has been considered as a business combination under common control for which CEVA decided to apply the fair-value method.

Presentation of financial information

The Group's consolidated income statements separately identify operating results before specific items. Specific items are those that in management's judgment are exceptional by virtue of their size, nature or incidence and therefore are separately disclosed on the face of the consolidated income statement. In determining whether an event or transaction is specific, management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence. This is consistent with the way that financial performance is measured by management and reported to the Board of Directors and assists in providing a meaningful analysis of the operating results of the Group. Management believes that presentation of the Group's results in this way is relevant to an understanding of the Group's financial performance. Furthermore, the Group considers a columnar presentation to be appropriate, as it improves the clarity of the presentation and is consistent with the way that financial performance is measured by management and reported to the Board of Directors. Specific items may not be comparable to similarly titled measures used by other companies. Items that have been considered to be specific items include costs incurred in the realization of our cost containment programs, other significant non-recurring charges or credits linked to recent acquisitions, the profits or losses realized on certain non-recurring transactions and transaction costs related to significant corporate activity.

EBITDA before specific items refers to earnings before interest, tax, depreciation, amortization, specific items ('EBITDA before specific items'). It is a key financial measure used by management to assess operational performance.

Adjusted EBITDA ('Adjusted EBITDA') is another key financial measure used by management to assess operational performance. Adjusted EBITDA is composed of the Group's consolidated EBITDA before specific items and of the Group's share of the EBITDA before specific items of the Anji-CEVA joint venture.

Neither EBITDA before specific items nor Adjusted EBITDA is a measurement of performance or liquidity under IFRS and should not be considered as a substitute for profit / (loss) for the year, operating profit, net income or any other performance measures derived in accordance with IFRS or as a substitute for cash flow from operating activities as a measure of CEVA's performance. Because not all companies calculate EBITDA before specific items or Adjusted EBITDA identically, the presentations of EBITDA before specific items, and Adjusted EBITDA in this Annual Report may not be comparable to other similarly titled measures of other companies.

New and amended standards adopted by the Group

Some new standards are effective from 1 January 2022 but do not have a material effect on the Group's financial statements.

New standards and interpretations not yet adopted

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.02 Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint arrangements
The Group applies IFRS 11 for all joint arrangements. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Company has assessed the nature of its joint arrangement (Anji-CEVA) and determined it to be a joint venture. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.03 Revenue from contract with customers

Revenue recognition
The group derives revenue from the transfer of services mainly over time in four major product lines, Contract Logistics, Air and Ocean Freight Management, Ground and FVL (Finish Vehicle Logistics). The group also provides brokerage and value-added services.
The Group recognizes revenue when (or as) performance obligations are satisfied by transferring promised goods or services to the customer, which generally is dictated by the type of service CEVA is providing in agreement with the customer.

Contract logistics services
CEVA provides a range of logistics services such as distribution, pick and pack, materials management services, international insurance services, global project management services and trade facilitation services. The revenue performance obligation is satisfied over time based on the service delivered measured by either actual costs or output provided depending on the terms and conditions in the contracts. Costs are recorded or accrued to match revenue recognition.

Air and Ocean Freight Management – indirect carrier
As an indirect carrier, CEVA obtains shipments from its customers, consolidates shipments bound for a particular destination, determines the routing, selects the direct carrier and tenders each consolidated lot as a single shipment to the direct carrier for transportation to a distribution point. CEVA issues a Bill of Lading to customers as the contract of carriage. CEVA has complete discretion in selecting the means, route and procedures to be followed in handling, transportation and delivery of freight. CEVA is the direct point of contact for service fulfilment. The progress towards complete satisfaction of each performance obligation is measured based on the progress of each shipment during its time of travel, and thus met on an over time basis. The share of travel time not falling into a given reporting period is deferred to next period.

Ground and Other FM – Value added services
CEVA provides services at either origin or destination to clear shipments through customs, helping customers by preparing required documentation, calculating and providing for payment of duties and other taxes on behalf of the customers as well as arranging for any required inspections by governmental agencies and arranging for delivery or providing additional services such as warehousing, transportation, storage and document handling. The performance obligation is satisfied at the point in time once the service has been completed. Costs are recorded or accrued to match revenue recognition.

Cargo agent (direct freight services) revenue as included in the Air and Ocean Freight Management business lines.
As an authorized cargo sales agent of most airlines and ocean shipping lines, CEVA also arranges for transportation of individual shipments and receives a commission from the airline or ocean shipping line for arranging the shipments or earns net revenue for the excess of amounts billed to the customer over amounts paid to the direct carrier. The

contract of carriage is between the customer and the direct carrier, and the direct carrier is the primary obligor from the perspective of the customer. When acting in this capacity, CEVA does not consolidate shipments or have responsibility for shipments once they have been tendered to the carrier, therefore the CEVA performance obligation is satisfied at the point in time once an agreement on the shipment between the customer and the carrier is reached. The revenue respective to agent revenue is recognized as either Ocean or Air.

FVL
CEVA moves finished vehicles from the factory floor to the point of sale. In addition, the segment provides a growing range of value-added services such as seamless multimodal network by road, rail and sea, storage, post production operations, vehicle customization, pre-delivery inspection, and fleet management. The revenue performance obligation is satisfied over time based on the service delivered measured by either actual costs or output provided depending on the terms and conditions in the contracts. Costs are recorded or accrued to match revenue recognition.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Therefore, the group does not adjust any of the transaction prices for the time value of money.

Contract assets and liabilities
The Group presents contract assets and contract liabilities separately. Contract assets includes the accrued income of the Contract Logistics business. Accrued income represents goods delivered and services rendered which have not fully been processed and invoiced. This is short term in nature and is recognized as revenue in current year. Contract liabilities mainly includes deferred revenue related to shipments in the Air and Ocean Freight Management business invoiced in advance which are not fully completed per period end. The contract liabilities are recognized as revenue once the shipments are completed, usually within one month following the period end.

Revenue is recognized net of trade discounts, service level credits, credit notes and taxes levied on sales when the service is rendered based on the contract with the customer. The variable consideration in the contracts is included in the transaction price and recognized as revenue, when it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur once the uncertainty related to the variable consideration is subsequently resolved.

2.04 Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in US dollars ('US$'), which is the Group's presentation currency. All values are rounded to the nearest million except where otherwise indicated.

The Company is deemed to be a 'stock corporation' with no operating activities and mainly carries out financing activities. Financing activities are mainly US$ denominated. The functional currency of the Company is therefore identified as US$.

Transactions and balances
Foreign currency transactions in the Group's entities are translated into the functional currency of the entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss of the entity concerned.

Group companies
The results and financial position of all Group entities that have a functional currency different from the US$ are translated into US$ as follows:

a) assets and liabilities for each Consolidated balance sheet presented are translated at the closing rate at the date of that balance sheet;

b) income and expenses for each Consolidated income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the rate at the dates of the transactions); and

c) all resulting exchange differences are recognized in other comprehensive income.

The currency in Turkey, Argentina and Lebanon operation is subject to a hyperinflationary economy. The impact for the Group is not material.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognized in other comprehensive income, and presented in the cumulative translation reserve in equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is disposed of or sold, exchange differences that were previously recorded in other comprehensive income are reclassified to profit and loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate of exchange. Exchange differences arising are recognized in other comprehensive income.

2.05 Work contracted out

Work contracted out represents the cost of third-party transport providers that CEVA utilizes to provide services to its customers.

2.06 Other operating expenses

Other operating expenses include cost of materials, rental and lease payments associated with leases of low value assets and short-term leases that are recognized as an expense on a straight-line basis over the lease term. The other operating expenses also include maintenance and repair charges, professional fees and other miscellaneous expenses.

2.07 Leases

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an asset, the Group uses the definition of a lease in IFRS 16.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Extension or termination options
Some property leases contain extension and/or termination options exercisable by the Group. Where practicable, the Group seeks to include extension and/or termination options in new leases to provide operational flexibility. The extension and/or termination options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension and/or termination options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Short-term leases and leases of low-value assets
The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

2.08 Finance income and expenses

Finance income comprises interest income on funds invested, changes in the fair value of financial assets at fair value through profit or loss, gains on the purchase of financial liabilities and gains on derivatives that are recognized in profit or loss. Interest income is recognized as it accrues in profit or loss.

Finance expenses comprise interest expense on borrowings and lease liabilities, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, losses on hedging instruments that are recognized in profit or loss, bank charges and bank guarantee fees. Borrowing costs on qualifying assets are capitalized. All other borrowing costs are recognized in profit or loss using the effective interest method.

Foreign currency gains and losses are presented on a net basis.

2.09 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for

taxation purposes. Deferred income tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and differences relating to investments in subsidiaries and joint venture entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred income tax liabilities are not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related benefit will be realized.

Deferred income tax is not provided on the unremitted earnings of subsidiaries and joint ventures where the timing of the reversal of the remitting temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future or where the remittance would not give rise to incremental tax liabilities or is not taxable.

2.10 Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets and is carried at cost less accumulated impairment losses.

Goodwill impairment tests are undertaken annually or more frequently if events or changes in circumstances ("triggering events") indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value-in-use and the fair value less cost of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination. Goodwill is monitored at an operating segment level.

In 2022, CEVA undertook a number of business combinations (CLS Ingram, Colis Privé and GEFCO), which led the company to reorganize its business model to integrate its major acquisitions. Following this reorganization, CEVA's business model is organized around 4 CGUs in 2022 compared to 2 CGUs in 2021:

- Air / Ocean Freight Management
- Ground
- Contract Logistics ("CL")
- Finished Vehicle Logistics ("FVL")

Refer to note 12 for the assumptions and the outcomes of this reassessment.

Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognized at fair value at the acquisition date. The contractual customer relationships have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of the contractual customer relationships over their estimated useful lives of between 10 and 20 years.

Other intangibles

Other intangible assets mainly comprise computer software, licenses and brand names.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when it can be demonstrated how the software product will generate probable future economic benefits; there are adequate technical, financial and other resources to complete the development and to use the software product and the expenditure attributable to the software product during its development can be reliably measured. Costs associated with maintaining computer software programs are recognized as an expense as incurred. Computer software development costs recognized as assets are amortized over their estimated useful lives, on average three years.

Separately acquired licenses are shown at historical cost. Licenses acquired in a business combination are recognized at fair value at the acquisition date. Licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives of three to five years.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives, which do not exceed three years.

Other intangible assets that are acquired by the Group, which have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses. Other intangible assets are amortized on a straight-line basis over their estimated useful lives of three to 20 years.

2.11 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the cost of that equipment.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful economic lives (or period of finance lease, if shorter), as follows:

- Buildings 10-50 years
- Plant and equipment 2-10 years
- Other 3-10 years

The assets' estimated residual values and useful economic lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Disposal

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in profit or loss.

2.12 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually or earlier in response to a triggering event for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill that suffered an impairment, are reviewed for possible reversal of the impairment at each reporting date.

2.13 Financial assets

Recognition and measurement

Trade receivables and regular purchases and sales of financial assets are recognized when they originate or when the Group becomes party to the contractual provision of the instrument. A financial asset (unless it is a trade receivable without significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Loans, trade and other receivables are carried at amortized cost using the effective interest method.

Classification and subsequent remeasurement

On initial recognition, a financial asset is classified at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Gains or losses arising from changes in the fair value of the FVTPL category are presented in the Consolidated income statement within 'net financial expense' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the Consolidated income statement when the Group's right to receive payments is established.

If the market for a financial asset is not active (and for unlisted securities), the Group establishes FVTPL by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables have been grouped based on the days past due.

The expected loss rates are based on average bad debt expense and the average trade receivable positions over a period of the last five years before 1 January 2022. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within the operating expenses. Subsequent recoveries of amounts previously written off are credited against the same line item.

In a non-recourse factoring arrangement, when the Group has transferred substantially all the risks and rewards of ownership of the receivables, the trade receivables are derecognized in their entirety. In a factoring of receivables with recourse the Group recognizes the factoring arrangement as a financing transaction, that is, a liability is recognized at FVTPL.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

2.15 Acquisitions

CEVA applies IFRS 3 for acquisitions. For acquisitions or transfers under common control, IFRS 3 does not apply, therefore CEVA uses pooling of interest or carry-over method of accounting. The acquired assets and liabilities are recorded at their existing carrying value at the closing date of the transaction. No goodwill is recorded and the difference between the acquirer's cost of investment and the acquiree's equity is presented as a separate reserve within equity on consolidation.

Business combinations are accounted for in accordance with acquisition methods prescribed by IFRS 3 "Business combinations".

The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition-date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer.
The price paid for the acquisition of a subsidiary corresponds to the fair value of the assets acquired, the liabilities assumed, and equity instruments issued by the Group on the date of the transaction.
Identifiable assets acquired and liabilities assumed in the context of a business combination are measured at their fair value on the acquisition date.
All costs related to Business combinations are recognized as operating expenses.

Goodwill valuation

Goodwill is measured as the difference between:

- the aggregate of (i) the value of the consideration transferred (generally at fair value), (ii) the amount of any non-controlling interest (NCI, see below), and (iii) in a business combination achieved in stages (see below), the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree, and
- the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assume.

If the difference above is negative, the resulting gain is a bargain purchase in profit or loss, which may arise in circumstances such as a forced seller acting under compulsion. However, before any bargain purchase gain is recognized in profit or loss, the acquirer is required to undertake a review to ensure the identification of assets and liabilities is complete, and that measurements appropriately reflect consideration of all available information.
Non-controlling interests represent the portion of income and net assets (of the Group or of one of its subsidiaries) attributable to interests held by third parties.
Adjustments are recognized as goodwill revisions, if they are a result of new information obtained on facts and circumstances that existed on the date of acquisition occurring within twelve months of the acquisition date.

Goodwill arising from the acquisition of subsidiaries is presented separately on the balance sheet. Goodwill of a associated company or joint venture is included in the Group's share of investments in associates or joint ventures. Upon the disposal of a subsidiary, associate or joint venture, the value of goodwill attributable to the entity is considered in determining the capital gain or loss.

2.16 Share Capital

Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity net of any tax effects.

2.17 Financial liabilities

Recognition and measurement

Debt securities issued are initially recognized when they are originated, all other financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Borrowings are recognized initially at fair value, net of transaction costs incurred. Trade payables are recognized initially at fair value.

Classification and subsequent remeasurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Borrowings and other financial liabilities are subsequently measured at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method. Trade payables subsequently measured at amortized cost using the effective interest method. Interest expense, and foreign exchange gains and losses are recognized in profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until a draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

2.18 Employee benefits

Pension obligations

The Group operates a number of defined contribution and defined benefit pension schemes.

(a) Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as a personnel expense in profit or loss when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognized in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by the yield at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation.

All actuarial remeasurements arising from experience adjustments and changes in actuarial assumptions are recognized immediately in other comprehensive income. Interest expense on the pension obligation and interest income on the return on assets are recognized as a net amount in finance income and expense.

Other long term employee benefits

Other long term employee obligations include long-service, sabbatical or jubilee leave and, deferred compensation not payable within 12 months after the end of the period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans except for actuarial gains and losses, which are recorded in profit and loss. These obligations are valued annually by independent, qualified actuaries.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it has demonstrably committed to terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or provided termination benefits as a result of an

offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

Short term benefits
Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.19 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where relevant provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions for insurance represent an estimate, based on historical experience, of the ultimate cost of settling outstanding claims and claims incurred but not reported at the balance sheet date on certain risks retained by the Group.

3. Critical accounting estimates and judgments

The preparation of financial statements in accordance with generally accepted accounting principles under IFRS requires the Group to make estimates, judgments and assumptions that may affect the reported amounts of assets, liabilities, revenue and expenses and the disclosure of contingent assets and liabilities in the financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Reference is made to Note 2.07 on leases regarding the assessment of whether the Group is reasonably certain or not to exercise extension or termination options under lease contracts.

The accounting estimates will, by definition, rarely equal the related actual results. Actual results may differ significantly from these estimates, the effect of which is recognized in the period in which the facts that give rise to the revision become known. The estimates, judgments and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

3.1 Estimated impairment of goodwill

The Group tests annually, or earlier in response to a triggering event, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Notes 2.10 'Intangible assets' and 2.12 'Impairment of non-financial assets'. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions consistent with the most up-to-date budgets and plans that have been formally approved by management. Refer to Note 12 'Intangible assets' for the key assumptions used for the value-in-use calculations.

3.2 Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Deferred tax assets resulting

from tax loss carryforward are recognized to the extent that it is probable that future taxable profits will be available before the unused tax losses will expire.

3.3 Retirement benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

Defined benefit schemes are reappraised annually by independent actuaries based upon actuarial assumptions. Significant judgment is required in determining these actuarial assumptions. Refer to Note 20 'Retirement benefit obligations' for the principal assumptions used.

3.4 Provisions and contingent liabilities

Legal proceedings covering a range of matters pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against CEVA often raise difficult and complex factual and legal issues. These are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, CEVA consults with legal counsel and certain other experts on matters related to litigation.

CEVA recognizes a provision when it is determined that an adverse outcome is probable, and the amount of the loss can be reliably estimated. This includes onerous contracts and self-insurance provisions. In the event that an adverse outcome is possible, and an estimate is not determinable, the matter is disclosed. Refer to Note 24 'Contingencies' for further information regarding contingent liabilities.

4. Global trade evolution

Group

The year 2022 was a year of two halves for the Transport and Logistics industry. While industry prospects were well oriented at the beginning of the year (continuous global economic recovery post Covid-19 pandemic and dynamic consumer demand) the macroeconomic and geopolitical backdrop started to deteriorate after the Russian invasion of Ukraine, having negative spillover effects on the sector. Global consumer demand for goods softened rapidly during the second half of 2022 in a context of eroding consumer and business confidence due to mounting inflationary pressures across most economies and a severe energy crisis in Europe. Lower demand and flattening global trade volumes, along with the gradual adaptation of global supply chains to the above-mentioned negative supply shocks, allowed to resolve most disruptions towards year-end.

In response to supply chain challenges, but also to prepare for the future, the Group has continued to invest to enhance its portfolio of assets (logistics activities for CEVA). The Group closed in April 2022 the acquisitions of the main part of Ingram CLS as well as of Colis Privé and GEFCO (the latter being finalized and integrated in Q3 2022 following antitrust approval), thereby strengthening its logistics solutions, particularly in the e-commerce space.

Besides, considering the current geopolitical landscape, the group has suspended from day one all new bookings to/from Russia, Ukraine and Belarus. The Group also ensures that it complies with applicable sanctions. In such context, Management decided to proceed with the disinvestment in our Russian entities. The decisions taken thus far have no material impact on the Group's performance. However, it is difficult to assess yet the impact of a potential further deterioration in the geopolitical environment and the wider macro-economic consequences.

Air Freight Market

The Air freight market came under pressure in 2022, after a very positive year in 2021 in the aftermaths of the Covid-19 pandemic which saw capacity constrains as a results of lower available passenger flights belly capacity combined with strong demand supporting elevated yields.
In 2022 global air cargo volumes reached 250 billion CTKs (Cargo Tonne-Kilometers) down 8.0% YoY but broadly in line with 2019 according to IATA (Air Cargo Monthly Analysis – December 2022). During the first quarter of the year air cargo volumes were at par with the same period in 2021 and started declining throughout the rest of the year. Weaker air cargo demand in 2022 resulted from multiple headwinds including high inflation curtailing household

spending, the ongoing war in Ukraine which disrupted trade flows, the destocking cycle in the US and the fact that normalization in the Ocean market in the second half of the year meant that air was no longer needed to circumvent the ocean congestions like in 2021.

Logistics market

Freight management activities are driven by the same global trade dynamics affecting the Air, Ocean and Ground transportation sectors as freight forwarders act as intermediaries between carriers and shippers. Nevertheless, freight forwarders are more immune to underlying freight rates volatility as their cost base is more flexible due to the asset-light nature of the business. Carrier or transportation service costs are being passed-through to end-customers and the labor cost base is more adaptable. That translates into generally more stable margins.

Contract Logistics is less prone to cyclicality in the logistics space and continues to be supported by outsourcing trends in the context of increasingly complex supply-chains and the expansion of e-commerce. It is also an asset-heavier part of the logistics business although players tend to match lease contracts on warehouse assets to customer contracts. Digital innovation and automation are other key trends reshaping the industry and bolstering profitability of the most efficient players. In 2022 the contract logistics market continued to recover from the disruption experienced in 2020 and 2021 as a result of the Covid-19 pandemic (warehouse closures, staff shortages and general supply-chain disruption). After two years of exceptional dynamism, the e-commerce space moderated in 2022 as consumer spending habits rebalanced, while other sectors remained dynamic (eg: pharmaceuticals). The automotive vertical continued to suffer due to semiconductor shortages and a depressed demand.

5. Financial risk management

Financial risk factors

The Group's operating activities expose it to a variety of financial risks, such as market risk (including foreign currency exchange risk, interest rate risk and commodity price risk), credit risk and liquidity risk. The Group's financial risk management is predominantly controlled by a central treasury department (group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The following analysis provides quantitative information regarding CEVA's exposure to the financial risks described above. There are certain limitations inherent in the analyses presented, primarily due to the assumption that rates change in a parallel fashion and instantaneously. In addition, the analysis is unable to reflect the complex market reactions that normally would arise from the market shifts assumed.

(a) Market risk

Foreign currency exchange risk

The Group operates internationally and is exposed to foreign currency exchange risks arising from future commercial transactions, recognized assets and liabilities, investments and divestments in foreign currencies other than the US$, the Group's reporting currency.

Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

CEVA has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

The main exchange rates are shown below:

	2022		2021	
	Year end closing	Average	Year end closing	Average
British pound	0.8266	0.8110	0.7392	0.7270
Euro	0.9344	0.9505	0.8797	0.8457
Chinese yuan	6.8972	6.7299	6.3521	6.4497

A five percent strengthening of the following functional currencies against the reporting currency (US$) at 31 December 2022 would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2021.

$ millions	2022		2021	
	Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
British pound	0	(12)	1	5
Euro	(1)	(2)	(2)	(8)
Chinese yuan	7	5	6	(18)

A five percent weakening of the above currencies against the US$ at 31 December 2022 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Cash flow and fair value interest rate risk

Interest rate risk is the risk that unexpected interest rate changes negatively affect the Group's results, cash flows and equity.

The table below shows the interest rate profile of the Group's interest-bearing financial instruments including the effects of cash flow hedges as of 31 December 2022 and 2021 (refer to Note 19 'Borrowings' for further details):

$ millions	2022	2021
Fixed rate instruments:		
Bank and Related Party borrowings	1 819	1 008
Variable rate instruments:		
Bank and Related Party borrowings	604	473
Total	**2 424**	1 482

Sensitivity analysis for variable rate instruments

A change of 100 basis points (bps) in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

$ millions		2022	2021
	Change in interest rate	Effect on profit before tax	Effect on profit before tax
Euro (denominated)	+100 bps	(2)	(1)
Euro (denominated)	-100 bps	2	-
US dollar (denominated)	+100 bps	(3)	(3)
US dollar (denominated)	-100 bps	3	1

Commodity risk

As a supply chain company, CEVA is exposed to the risk of an increase in the price of fuel. The Group typically has an ability to pass on fuel price increases to customers and has therefore not entered into any contract to hedge any specific commodity risk.

(b) Credit risk

The collectability of accounts receivable is assessed on a monthly basis using the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. Refer to Note 2.13 'Financial assets' for the details of the method used.

$ millions	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Sub Total
At 31 December 2022					
Expected loss rate	2.0%	1.8%	3.9%	3.2%	2.1%
Gross carying amount - trade receivables	**2,829**	**111**	**76**	**125**	**3,141**
Loss allowance	**56**	**2**	**3**	**4**	**65**

$ millions	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Sub Total
At 31 December 2021					
Expected loss rate	1.0%	1.9%	2.6%	15.0%	1.3%
Gross carying amount - trade receivables	1,971	52	38	40	2,101
Loss allowance	19	1	1	6	27

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. The Group is focusing strongly on the cash generating capacity of its businesses and acknowledges the importance of strong credit control which is monitored through periodic detailed analysis of overdue trade receivable balances.

Credit risk arises from credit exposures to customers as well as the risk that counterparties fail to meet their contractual payment obligations through insolvency or default.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

$ millions	2022	2021
Loans and receivables	3 948	2 722
Cash and cash equivalents	547	433

(c) Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient headroom (cash and cash equivalents plus central credit facilities described in Note 19 'Borrowings') available to meet both CEVA's day-to-day operating requirements and debt servicing obligations (interest and debt repayment). As is typical of global, integrated companies such as CEVA, cash is often held in various jurisdictions in which the Group operates and may not be immediately available to Group Treasury. Group Treasury mitigates liquidity risk by seeking to ensure that CEVA has adequate funding at its disposal at all times and by facilitating access to the money markets and capital markets. This includes relationship management with all financial stakeholders, such as banks, rating agencies and debt investor. See Note 19 'Borrowings' for more information regarding the external financing structure.

As at 31 December 2022, the Company had US$547 million (2021: US$433 million) in cash on its Consolidated balance sheet.

The table below analyzes the amounts of interest-bearing borrowings and trade and other payables into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date:

$ millions	2022			
	Bank borrowings	Interest on total borrowings	Trade payables and accrued liabilities	Related party borrowings
Less than 1 year	60	106	6 221	203
1-3 years	571	227	-	816
3-5 years	4	48	-	738
Thereafter	-	1	-	22
Total	**635**	**381**	**6 221**	**1 779**

$ millions	2021			
	Bank borrowings	Interest on total borrowings	Trade payables and accrued liabilities	Related party borrowings
Less than 1 year	14	42	2 386	10
1-3 years	460	88	-	-
3-5 years	-	0	-	984
Thereafter	-	0	-	-
Total	**474**	**131**	**2 386**	**994**

The current weighted average maturity is 3.8 years (2021: 3 years).

Capital management

The Group's objectives when managing capital, which comprises its paid-in capital and borrowings, are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The structure of the Company's debt and facilities is a combination of long-term debt and medium-term facilities which are available to support shorter term liquidity requirements. Approximatively 75% of CEVA's interest rates are fixed (excluding leasing). See Note 19 'Borrowings' for more information regarding maturities.

The gearing ratios at 31 December 2022 and 2021 were as follows:

$ millions	2022	2021
Total borrowings (note 19)	2 424	1 482
Cash and cash equivalents (note 16)	547	433
Net debt	**1 877**	**1 048**
Total equity attributable to shareholders	568	799
Total capital	**2 445**	**1 847**
Gearing ratio	76,8%	56,8%

6. Revenue

The disaggregation of revenue results from contracts with customers for the year ended 31 December 2022 are as follows:

	YEAR ENDED 31 DECEMBER 2022						
$ millions	Freight Management		Total Freight Management	Ground	FVL	Contract Logistics	Total
	Air	Ocean					
Revenue from external customers	3 221	4 383	7 604	3 319	688	4 485	16 096

The disaggregation of revenue results from contracts with customers for the year ended 31 December 2021 are as follows:

	YEAR ENDED 31 DECEMBER					
$ millions						2021
	Freight Management			Total Freight Management	Contract Logistics	Total
	Air	Ocean	Ground			
Revenue from external customers	2 722	2 967	2 212	7 901	2 998	10 899

CEVA used to operate through two main operating segments: “Freight Management”, covering air, ocean and ground transportation, and “Contracts Logistics” covering warehousing and distribution. With the integration of GEFCO during Q3 2022 a new segment FVL (“Finished Vehicle Logistics”) has been created and Ground became a separate segment.

Assets and liabilities related to contracts with customers

In accordance with the impairment requirements in IFRS 9, the group assessed the potential recognition of a loss allowance for contract assets. Based on this assessment the Group concluded that this is immaterial.

All contract liabilities are short term in nature, the closing balances of contractual liabilities at the end of the year are recognized as income in the following year.
The contract assets are also short term in nature and the closing balances of the contract assets result from the income recognized in the period.

7. Personnel expenses

$ millions	2022	2021
Wages and salaries	3 179	2 230
Social security charges	386	281
Pension costs - defined benefit plans (Note 19)	4	7
Pension costs - defined contribution plans	75	61
Total personnel expenses	**3 644**	2 579

Average number of people employed

The average number of persons (including executive management) employed by the Group during the year was as follows:

	2022	2021
Freight Management	20 142	8 642
Contract Logistics	41 080	37 088
Total	**61 222**	45 730

8. Finance income and expense

$ millions	2022	2021
Interest income	29	8
Finance income	**29**	**8**
Interest expense on borrowings	(149)	(57)
Interest on lease liabilities	(88)	(60)
Net interest on retirement benefit obligations	(2)	(1)
Other financial expense	(6)	(24)
Finance expense	**(244)**	(142)
Net foreign exchange gains/losses	**(2)**	(9)
Net finance expense	**(217)**	(143)

Other financial expense includes the amortization of debt issuance costs of US$1 million (2021: US$7 million).

9. Taxation

$ millions	2022	2021
Current tax expense	146	91
Deferred tax income	10	(43)
Income tax (income) / expense	**156**	**48**

Income tax expense recognized for the year in other comprehensive income is US$(3) million (2021: US$0 million) relating to retirement benefit obligations.

The contributing factors for the difference between the theoretical tax rate and the expected tax rate are as follows:

$ millions	2022		2021	
Profit (Loss) before income taxes	**(465)**		255	
Tax at the domestic rate of 25.83% (2021: 27.50%)	(120)		70	
Effect of different tax rates	5		(9)	
Tax effect of non-deductible expenses	194		17	
Tax effect of interest limitations	47		2	
Deferred tax assets not recognized on tax losses and temporary differences	(20)		(20)	
Deferred tax assets on losses carryforward	56		(4)	
Changes in respect to prior years	3		9	
Current and deferred impact of withholding taxes	(6)		5	
Increase in deferred tax liability for undistributed profits & risks	2		(4)	
Impact of tax rate changes	-		(22)	
Other tax effects	(5)		3	
Actual tax expense/(income)	**156**	**-34%**	48	19%

The difference between the group's expected tax rate at 25.83%, which is based on the corporate income tax rate of the group head company, and the effective tax rate is mainly due to:

- Non-deductible financing cost of investment into CLS Ingram,
- Non-deductible goodwill impairment of new investment made this year,
- the utilization of future tax losses in certain countries, for which deferred tax assets have not been recognized, and its reversal.
- the consumption of unrecognized tax losses carry forward in certain countries

Above are offset by increasing earnings before tax reported in higher tax jurisdictions compared to previous period and the integration of GEFCO.

For France, from 1st January 2022: the rate of 25% applies on the taxable profit. A special social contribution of 3.3% on the income tax expense is added for companies having a revenue above 7.63 million euros and more than 763'000 euros income tax expense. Final corporate income tax rate is 25.83%.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred income taxes relate to the same fiscal authority. The amounts recognized are as follows:

$ millions	2022	2021
Before offsets:		
Deferred income tax assets	(192)	(185)
Deferred income tax liabilities	390	30
Net deferred income tax assets	**198**	**(155)**
After offsets:		
Deferred income tax assets	(192)	(171)
Deferred income tax liabilities	390	16
Net deferred income tax assets	**198**	**(155)**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets:

$ millions	Losses carried forward	Retirement benefit obligations and other provisions	Property, plant and equipment	Other	Total
Balance at 1 January 2021	**80**	**12**	**29**	**31**	**152**
Prior year adjustments	(2)	-	(1)	-	(4)
Income statement effect	21	4	4	7	37
Deferred income tax assets at 31 December 2021 / at 1 January 2022	**99**	**16**	**32**	**38**	**185**
Newly acquired subsidiaries	8	1	1	43	53
Prior year adjustments	-	-	-	(13)	(13)
Exchange rate differences	-	-	-	(5)	(5)
Income statement effect	(53)	(4)	(16)	45	(28)
Deferred income tax assets at 31 December 2022	**54**	**12**	**17**	**109**	**192**

The Group has unused tax losses of US$1'116 million (2021: US$883 million) available for offset against future taxable profits for which no deferred tax asset has been recognized because the entities concerned reported losses in either the current or prior year. Tax losses amounting to US$942 million (2021: US$420 million) will not expire. Within one to five years, US$41 million (2021: US$28 million) of tax losses will expire. The remainder of tax losses, amounting to US$134 million (2021: US$435 million) will expire in 6 to 20 years.

The Company recognized deferred tax assets of US$23 million in 2022 (2021: US$3 million) for which utilization is dependent on future taxable profits whilst the related entities have incurred losses in either the current or preceding years.

Deferred income tax liabilities:

$ millions	Property, plant and equipment	Intangibles	Subsidiaries and joint ventures	Other	Total
Balance at 1 January 2021	**6**	**1**	**15**	**13**	**35**
Newly acquired subsidiaries	1	-	-	-	1
Income statement effect	(3)	(1)	(5)	3	(6)
Deferred income tax liabilities at 31 December 2021 / at 1 January 2022	**4**	**-**	**10**	**16**	**30**
Newly acquired subsidiaries	13	4	-	362	379
Income statement effect	(17)	1	1	(3)	(19)
Deferred income tax liabilities at 31 December 2022	**1**	**5**	**11**	**375**	**390**

The Company did not recognize deferred tax liabilities on temporary differences associated with undistributed earnings of subsidiaries for an aggregate amount of US$116 million (2021: US$47 million), because the Company is in a position to control the timing of the reversal of the temporary difference, and it is probable that such differences will not reverse in the foreseeable future.

10. Specific items

The following tables provide a detailed split on the specific items:

$ millions	2022	2021
Personnel expenses	(83)	-
Other operating expenses	(40)	2
Items affecting EBITDA	**(123)**	**2**
Amortization and impairment	(689)	-
Finance expenses	(0)	(2)
Total income/(expense) before income taxes	**(813)**	**-**
Tax expense	(63)	-
Total income/(expense) before income taxes	**(876)**	**-**

$ millions	2022	2021
Restructuring and transformation	(2)	(2)
Litigation and legacy tax	(1)	-
Acquisitions and divestment	(28)	-
Monitoring fees (GHO only)	(0)	-
Other personnel expenses	(83)	-
Other specific income/(expense)	(7)	-
Strategic projects - finance costs	(2)	-
Items affecting EBITDA	**(123)**	(2)
Other	(689)	2
Total income/(expense) before income taxes	**(813)**	-
Tax expense	(63)	-
Total income/(expense) before income taxes	**(876)**	-

Specific items are mainly related to:

- Exceptional bonus granted to the group's employees,
- Goodwill impairment,
- Write-off of deferred tax assets on net operating losses
- Acquisitions costs related to Ingram CLS, Colis Privé & GEFCO deals,
- Synergies & savings related to GEFCO integration,
- Restructuring costs.

11. Business combinations

Significant judgments and estimates applied to the business combinations

In accordance with IFRS 3, all acquired assets, liabilities and contingent liabilities assumed have been measured at fair value according to IFRS 13 principles. The valuation methods used to determine the fair values of the main assets and liabilities are as follows:

- Market comparison method: This valuation method considers the prices observable on the principal market of similar assets if these are available. This method was mainly used for the valuation of property and equipment, as well as for the measurement of advantageous and disadvantageous contracts;

- Discounted cash flow method: This valuation method considers future cash flows and appropriate discounting valuation to measure the present value of assets and liabilities for which there is no market data. Such valuation is based on observable data to the extent possible.

- Income approach: this valuation consists in both (i) the relief from royalty method applied to the valuation of brands and (ii) the excess earnings method applied to the valuation of customer contracts, terminal concession rights and trademarks.

Overview of transactions in 2022

- **INGRAM CLS**

On April 4th, 2022, CEVA Logistics acquired INGRAM MICRO's Commerce & Lifecycle Services business ("Ingram CLS") business for US$3.1 billion.

With approximately US$1.8 billion in annual sales in 2020 and more than 11,500 employees worldwide located at 59 sites, the CLS business of Ingram Micro has a strong base in contract logistics with particularly strong eCommerce capabilities. Shipwire, business included in the transaction, is an order fulfilment platform that provides flexible eCommerce logistics solutions for small and medium-sized companies.
Overall, this transaction is complementing CEVA Logistics existing eCommerce business and will accelerate the growth in key market segments, such as technology and fashion. CEVA Logistics scale and expertise in contract logistics and freight forwarding is extending the solutions and value of the CLS and Shipwire businesses to a broader range of global markets and clients.

Since the acquisition, CLS business contributed revenue of US$1 249 million and profit after tax of US$(5) million to the Group's results.
Before the closing of the acquisition, INGRAM MICRO group has performed an internal restructuring with different Carve in and Carve out operations to sell INGRAM CLS business. Thus, it is not possible to provide a reliable estimate of revenue and profit

after tax as if CEVA Logistics had acquired INGRAM CLS business from 1 January 2022 as comparative and stand-alone INGRAM CLS figures are not available.

Acquisition costs related to CLS business are considered as minimal at group level and have been recognized as operating expenses.

At the acquisition date, the consideration paid, the measurement at fair value of the assets acquired and liabilities assumed, and the resulting goodwill can be presented as follows:

$ millions		2022
Total consideration for 100% stake in Ingram	**A**	**3 088**
Cash acquired - Cash and cash equivalents of Ingram at acquisition date	**B**	**69**
Cash consideration paid for 100% stake in Ingram, net of cash acquired, at acquisition date	**C = A (-) B**	**3 019**
Identifiable assets acquired		
Customer relationships gross		864
Technology		93
Software licences and other intangible		40
Lands and buildings		15
Other property and equipment		129
Right of Use		133
Deferred tax assets		2
Other non current assets		8
Inventories		45
Working capital - assets		426
Liabilities assumed		
Non current borrowings and lease liabilities		124
Deferred tax liabilities		249
Non current provisions		9
Current provisions		28
Working capital - liabilities		220
Current liabilities		1
Fair value of net assets acquired	**D**	**1 124**
Goodwill	**C (-) D**	**1 895**

In accordance with its accounting policy of business combination, CEVA Logistics applied fair value calculations especially for the following assets which have been identified and measured accordingly:

- Trademarks for US$37 million (relief from royalty method),
- Technology for US$93 million (relief from royalty method or cost approach),
- and Customer Relationships for US$864 million (multiple period excess earnings method).

The goodwill and purchase price allocation determined on December 31st, 2022, are provisional and may be subject to additional adjustments (within the 12 months period authorized by the IFRS standards).

- **Colis Privé**

On April 7th, 2022, CEVA Logistics acquired Colis Privé group for a total consideration of €646 million (US$716 million).
Colis Privé is an asset-light last-mile network in France, having also started to expand in Belgium in past two years. They delivered more than 70 million packages in 2021, operating from 4 hubs, 20 owned stations and 80 Partner stations.

The Colis Privé business model is focused on small packages for B2C eCommerce and is supported by a technology platform focused on both the delivery process and customer interaction. Their last-mile expertise fits squarely within our mission to connect all around the world: people, products and providers.

Thanks to its expertise and its agile and innovative offering, Colis Privé now has a major customer portfolio consisting of more than 200 e-commerce companies, including international market leaders.

With the acquisition of Colis Privé, CEVA Logistics is adding more solutions and building compelling Direct To Customers (DTC) networks to serve eCommerce customers' needs and allow to grow more rapidly in last-mile delivery for certain geographic markets.

Since the acquisition, Colis Privé contributed revenue of US$206 million and loss after tax of US$1 million to the Group's results. Had CEVA Logistics acquired Colis Privé on 1 January 2022, the estimated combined revenue and loss after tax for the twelve months ended December 31st, 2022, would have been US$275 million and US$(2) million respectively.

Individual acquisition costs related to Colis Privé are considered as minimal at group level and have been recognized as operating expenses.

At the acquisition date, the consideration paid, the measurement at fair value of the assets acquired and liabilities assumed, and the resulting goodwill can be presented as follows:

$ millions		2022
Total consideration for 100% stake in Colis Privé	**A**	**716**
Cash acquired - Cash and cash equivalents of Colis Privé at acquisition date	**B**	**37**
Cash consideration paid for 100% stake in Colis Privé, net of cash acquired, at acquisition date	**C = A (-) B**	**679**
Identifiable assets acquired		
Customer relationships gross		207
Technology		10
Software licences and other intangible		75
Other property and equipment		7
Right of Use		37
Other non current assets		5
Working capital - assets		64
Other current assets		0
Liabilities assumed		
Non current borrowings and lease liabilities		48
Deferred tax liabilities		74
Non current provisions		0
Other non current liabilities		1
Current provisions		1
Working capital - liabilities		111
Fair value of net assets acquired	**D**	**170**
Goodwill	**C (-) D**	**509**

In accordance with its accounting policy of business combination, CEVA Logistics applied fair value calculations especially for the following assets which have been identified and measured accordingly:

- Trademarks for US$72 million (relief from royalty method),
- Technology for US$10 million (cost approach),
- and Customer Relationships for US$207 million (multiple period excess earnings method)

The goodwill and purchase price allocation determined on December 31st, 2022, are provisional and may be subject to additional adjustments (within the 12 months period authorized by the IFRS standards).

- **Spedag**

On July 13rd 2022 CEVA Logistics acquired 100 percent shares of Spedag Interfreight for a total consideration of US$43.7 million. Spedag Interfreight group, gathering nine entities, is a leading international freight forwarder in East Africa with an excellent reputation and industry name recognition, especially across Kenya, Uganda, Tanzania, Rwanda and South Sudan. Their intense focus on the customer is an excellent match for our CEVA commitment to "Responsive Logistics for You." With 400 employees, this group has expertise in several key verticals, including energy and infrastructure, oil and gas, aid and relief, and commodities. As of December 31st, 2022 a goodwill of US$33m has been recognized.

- **GEFCO**

On April 8, 2022, the Group announced a new logistics development with the acquisition of nearly 100% of GEFCO group, a European leader in automotive logistics. With this acquisition, the CMA CGM Group ensures the continuity and long-term stability of GEFCO's business which will strengthen its development within CEVA Logistics. As part of a special procedure, the European Commission authorized CMA CGM to acquire the capital of GEFCO SA while the integration was subject to the final approval from competition authorities. Such approval was obtained on July 25, 2022.

As detailed in the basis of preparation CEVA decided to consolidate GEFCO within its financial statements despite not having yet the ownership and the shares still seated in CMA CGM SA. This decision has been taken in reference to the transfer that should occurred in the coming months. This operation is defined as a business combination under common control for which the Group decided to apply the book-value method.

Since the integration date, GEFCO contributed US$1 864 million to group revenue and US$25 million to group net result. Had CEVA Logistics acquired GEFCO on January 1, 2022, the estimated revenue and profit after tax for the twelve months to 31 December 2022 would have been US$4 651 million and US$84 million, respectively.

At the integration date, the measurement of the assets acquired and liabilities assumed can be presented as follows:

$ millions	2022
Total consideration for 100% stake in GEFCO	**N/A**
Cash acquired - Cash and cash equivalents of GEFCO at acquisition date	**282**
Identifiable assets acquired	
Customer relationships gross	146
GEFCO tradename	5
Technology	21
Software licences and other intangible	8
Lands and buildings	246
Other property and equipment	102
Right of Use	249
Deferred tax assets	49
Financial assets	16
Other non current assets	16
Inventories	11
Working capital - assets	1 057
Current assets	26
Liabilities assumed	
Non current borrowings and lease liabilities	344
Deferred tax liabilities	80
Non current provisions	154
Current provisions	15
Current borrowings and lease liabilities	102
Working capital - liabilities	1 053
Current liabilities	32
Fair value of net assets acquired	**172**
Impact in Net Equity	**454**

In accordance with its accounting policy of business combination, CEVA Logistics applied fair value calculations especially for the following assets which have been identified and measured accordingly:

- Customer Relationships for US$146 million (multiple period excess earnings method),
- Property plant and Equipment US$348 million (cost & income approach),
- GEFCO Trademarks for US$5 million (relief from royalty method),
- Technology for US$21 million (relief from royalty method or replacement cost approach).

12. Intangible assets

$ millions	Goodwill	Contractual and customer relationships	Other Intangibles	Total
Net book amount at 1 January 2021	**1 389**	**2**	**73**	**1 464**
Additions	11	-	64	75
Disposals	-	-	3	3
Amortization	-	(1)	(27)	(28)
Transfers	-	-	(3)	(3)
Exchange rate differences	(36)	-	(8)	(44)
Closing net book amount at 31 December 2021	**1 364**	**1**	**102**	**1 467**
Historical cost	1 773	152	272	2 197
Accumulated impairment	(410)	-	-	(410)
Accumulated amortization	-	(151)	(169)	(320)
Net book amount at 1 January 2022	**1 364**	**1**	**102**	**1 467**
Additions	-	-	76	76
Additions due to business combinations	2 435	1 217	256	3 907
Disposals	-	-	(4)	(4)
Amortization	-	(44)	(52)	(96)
Impairment	(698)	-	-	(698)
Transfers	(3)	-	13	10
Exchange rate differences	(81)	-	(8)	(89)
Other	4	-	1	5
Closing net book amount at 31 December 2022	**3 020**	**1 174**	**384**	**4 578**
Historical cost	4 121	1 417	947	6 485
Accumulated impairment	(1 101)	-	-	(1 101)
Accumulated amortization	-	(244)	(562)	(806)
Net book amount at 31 December 2022	**3 020**	**1 174**	**384**	**4 578**

Other intangibles include internally generated software with a closing net book amount at 31 December 2022 of US$134 million (2021: US$57 million).

Goodwill Cash Generating Unit reorganization

CEVA's and CMA CGM's management have decided to revisit CEVA's business reporting model from October 2022. In 2022, CEVA and CMA CGM acquired a significant number of entities (CLS Ingram, Colis Privé and GEFCO), which led us to reorganize our business model in order to integrate its major acquisitions for the Group. Following this reorganization, CEVA's business model is organized around 4 CGUs in 2022 vs 2 CGUs in 2021:

- ✓ Air / Ocean
- ✓ Ground
- ✓ Contract Logistics ("CL")
- ✓ Finished Vehicle Logistics ("FVL")

The former CGU Freight Management ("FM") has been split into two distinct CGUs Air/Ocean and Ground in line with the management organized around these two businesses with dedicated reporting and management product structures. In addition, the acquisition in 2022 of Colis Privé operating in a new Last Mile business for CEVA, part of the Ground business requires to isolate the net assets and their related cash flows. GEFCO is also operating in the Air/Ocean businesses but even more significantly in the Ground business, increasing the weight of this last sector within CEVA activities. Therefore, CEVA has decided to separate its businesses Air/Ocean and Ground businesses.

The CGU Contract Logistics ("CL") is still present and has not been modified as it remains an independent business with specific assets which has been strengthened with the acquisition of CLS Ingram fully part of this business, and to a lesser extent by the GEFCO Contract Logistics activity.

The new CGU Finished Vehicle Logistics ("FVL") comes from the acquisition of GEFCO as a new business not yet handled by CEVA. This FVL business is an independent business already monitored as such within GEFCO.

Goodwill impairment testing

As required by IAS 36, goodwill is subject to an annual impairment review. Management monitors goodwill based on its operating segments (Air/Ocean, Ground, Contract Logistics, FVL). For the purpose of the impairment review an

amount of goodwill is attributed to each of the operating segments. Such operating segments are determined to be a 'Cash Generating Unit' (CGU) as determined by IAS 36 'Impairment of Assets'. The recoverable amount of each CGU is determined based on calculating its value-in-use. The value-in-use is calculated by applying discounted cash flow modeling to management's own projections covering a eight-year period. Cash flows beyond the eight-year period are extrapolated using an average long term growth rate within a range of 2% to 2.8% depending on the CGUs which does not exceed the estimated long term GDP and industry growth rates for the most relevant territories in which the businesses operate.

Management's projections have been prepared on the basis of strategic and performance improvement plans, knowledge of the market, performance of competitors and management's views on achievable growth in market share and margins over the longer term.

Key assumptions

The following growth rates and discount rates are used for the reviews:

$ millions	2022		2021	
	Growth rate beyond explicit period	discount rates	Growth rate beyond explicit period	discount rates
Air/Ocean	2.80%	8.50%	2.00%	7.75%
Ground	2.80%	8.50%	2.00%	7.75%
Contract Logictics	2.80%	9.20%	2.00%	7.75%
FVL	2.00%	11.80%	-	-

The discount rates applied to cash flows are based on the Group's weighted average cost of capital (WACC) adjusted for income tax and reflects the specific risks relating to the Air/Ocean, Ground, Contract Logistics and FVL businesses, which operate in similar geographies. The WACC is calculated based on a weighted average of the post-tax interest rates paid on CEVA's loans, and a return on equity based on the equity market risk premium (that is the required increased return required over and above a risk-free rate by an investor who is investing in the market as a whole) and the risk adjustment, beta, applied to reflect the risk of the Group relative to the market as a whole. The beta used is based on median beta of what management considers to be the most comparable logistics companies.

Projected EBITDA

The height-year projections for EBITDA have been prepared using strategic plans which include key assumptions for growth in sales and costs over this period. These assumptions take into account knowledge of the current markets in CEVA's Air/Ocean, Ground, Contract Logistics and FVL segments, management's view on the development of CEVA's services relative to the market and the impact of the performance improvement plans, including cost reduction initiatives and investments.

Budgeted capital expenditure

The cash flow forecasts for capital expenditure are based on past experience and include the ongoing capital expenditure required to implement new projects and maintain existing activities in CEVA's Contract Logistics segment and grow and maintain CEVA's Air/Ocean, Ground and FVL network. Capital expenditure includes cash outflows for the purchase of property, plant and equipment and computer software.

Net Working Capital (NWC) levels

Projections for NWC levels are based on the actual NWC needs of the Air/Ocean, Ground, Contract Logistics and FVL segments during 2022.

Result

No goodwill impairment loss is recognized for the year ended 31 December 2022 on Air/Ocean, Ground, FVL Cash Generating Unit as a result of the goodwill impairment testing.

US$(698) million goodwill impairment loss is recognized for the year ended 31 December 2022 on Contract Logisics Cash Generating Unit as a result of the goodwill impairment testing.

As a reminder, no goodwill impairment loss was recognized for the year ended 31 December 2021 on Freight Management and Contract Logistics Generating Unit as a result of the goodwill impairment testing.

The carrying amount of the CGU's as at 31 December 2022 & 2021 are as follows:

$ millions	2022	2021
Air/Ocean	967	1 132
Ground	1 320	623
Contract Logistics	3 029	135
FVL	326	-
Total	**5 642**	**1 890**

Sensitivities

A sensitivity analysis has been performed on each of the base case assumptions used for assessing the goodwill with other variables held constant. Consideration of sensitivities to key assumptions can evolve from one financial year to the next.

The table below shows the sensitivity impact of changes in key assumptions by CGU:

$ millions					2022
	Air/Ocean	Ground	Contract Logistics	FVL	Total
Decrease in long term growth rate of 1%	(279)	(155)	(294)	(45)	(773)
Increase in discount rate of 1%	(417)	(237)	(461)	(87)	(1 202)
Decrease in projected EBITDA of 10%	(511)	(500)	(792)	(152)	(1 954)
Increase in projected capital expenditure of 10%	(171)	(291)	(389)	(37)	(888)

$ millions					2021
	Air/Ocean	Ground	Contract Logistics	FVL	Total
Decrease in long term growth rate of 1%	(367)	(297)	(145)	-	(810)
Increase in discount rate of 1%	(348)	(282)	(138)	-	(767)
Decrease in projected EBITDA of 10%	(383)	(207)	(237)	-	(826)
Increase in projected capital expenditure of 10%	(101)	(76)	(202)	-	(379)

The table above shows the change in headroom as a result of a change in assumptions affecting the headroom. The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

13. Property, plant and equipment

$ millions	Land and buildings	Plant and equipment	Other	Under construction	Total
Opening net book amount at 1 January 2021	**79**	**55**	**50**	**22**	**206**
Additions	19	24	26	94	164
Additions as a result of business combinations	-	1	0	-	1
Disposals	(1)	(0)	(1)	(5)	(7)
Depreciation	(14)	(26)	(25)	-	(65)
Other transfers	6	28	18	(54)	(2)
Exchange rate differences	(4)	(6)	(4)	(2)	(16)
Closing net book amount at 31 December 2021	**85**	**76**	**64**	**55**	**280**
Historical cost	220	313	263	55	852
Accumulated depreciation and impairment	(136)	(237)	(200)	-	(572)
Net book amount at 1 January 2022	**85**	**76**	**64**	**55**	**280**
Additions	53	24	29	201	307
Additions as a result of business combinations	262	154	69	13	499
Disposals	(2)	-	(1)	(1)	(5)
Depreciation	(34)	(63)	(40)	-	(135)
Impairment	9	-	-	-	9
Other transfers	7	56	11	(81)	(7)
Exchange rate differences	(6)	(7)	(3)	(1)	(18)
Other	2	4	2	(0)	7
Closing net book amount at 31 December 2022	**376**	**244**	**131**	**187**	**937**
Historical cost	846	903	473	187	2 409
Accumulated depreciation and impairment	(470)	(660)	(342)	-	(1 472)
Net book amount at 31 December 2022	**376**	**244**	**131**	**187**	**937**

14. Right of use assets and lease liabilities

The movements related to the right of use assets are as follows:

$ millions	Land and buildings	Plant and equipment	Total
Opening net book amount at 1 January 2022	**1 111**	**199**	**1 310**
Additions	655	91	746
Additions as a result of business combinations	368	52	420
Disposals	(8)	-	(8)
Depreciation	(416)	(89)	(505)
Transfers	7	(6)	1
Exchange rate differences	(40)	7	(33)
Closing net book amount at 31 December 2022	**1 677**	**253**	**1 929**
Historical cost	2 611	419	3 030
Accumulated amortization and impairment	(934)	(166)	(1 100)
Net book amount at 31 December 2022	**1 677**	**253**	**1 929**

$ millions	Land and buildings	Plant and equipment	Total
Opening net book amount at 1 January 2021	**967**	**201**	**1 168**
Additions	580	103	683
Disposals	(67)	(19)	(86)
Depreciation	(324)	(77)	(401)
Transfers	7	(1)	5
Exchange rate differences	(51)	(8)	(59)
Closing net book amount at 31 December 2021	**1 111**	**199**	**1 310**
Historical cost	1 829	342	2 171
Accumulated amortization and impairment	(718)	(142)	(861)
Net book amount at 31 December 2021	**1 111**	**199**	**1 310**

The movements related to the lease liabilities are as follows:

$ millions	Total
Opening net book amount at 1 January 2022	**1 385**
Additions	829
Acquisitions	382
Disposals	(91)
Transfer from finance lease liabilities	2
Payment of lease liabilities	(528)
Interest	90
Exchange rate differences	(66)
Closing net book amount at 31 December 2022	**2 003**
Of which non-current	1 503
Of which current	500

$ millions	Total
Opening net book amount at 1 January 2021	**1 234**
Additions	738
Acquisitions	-
Disposals	(145)
Transfer from finance lease liabilities	(7)
Payment of lease liabilities	(431)
Interest	59
Exchange rate differences	(63)
Closing net book amount at 31 December 2021	**1 385**
Of which non-current	1 027
Of which current	358

The maturity of the lease liabilities is as follows:

$ millions	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	619	68	551
Between 1 and 5 years	1 346	115	1 230
More than 5 years	397	176	220

Amounts recognized in profit or loss:

$ millions	2022	2021
Expenses relating to short-term leases	63	31
Expenses relating to leases of low-value assets	6	2
Expenses related to variable lease payments	27	27

15. Trade and other receivables

$ millions	2022	2021
Trade receivables	3 141	2 075
Provision for impairment of trade receivables	(104)	(46)
Trade accounts receivable - net	**3 037**	**2 029**
VAT receivable	204	116
Other	241	419
Other receivables	**445**	**535**
Total trade and other receivables	**3 482**	**2 564**

Other receivables include miscellaneous other receivables, vendor and supplier rebate receivables and amounts receivable from insurance companies.

The fair value of trade and other receivables approximates its carrying amount.

At 31 December 2022 non-recourse factoring and participation in customer supply chain financing arrangements resulted in the derecognition of US$148 million (2021: US$162 million) of trade receivables.

The Company finance a part of its working capital with a trade receivables securitization facility (see Note 19 'Borrowings').

Trade receivables are subject to the IFRS 9 expected loss provision, which is calculated based on the gross amount of trade receivables excluding that subject to legal proceedings (see Note 5(b)). The ageing profile of these trade receivables (excluding the trade receivables subject to legal proceedings) is as follows:

$ millions	2022	2021
Current	2 677	1 796
Past due 0-30 days	274	178
Past due 31-60 days	113	52
Past due 61-90 days	51	25
Past due 91-120 days	24	14
Past due more than 121 days	36	36
Total	**3 176**	**2 101**

The carrying amount of the Group's gross trade and other receivables (excluding the provision for impairment of trade receivables) are denominated in the following currencies:

$ millions	2022	2021
Euro	1 142	367
US dollar	1 175	1 580
British pound	151	118
Other currencies	1 119	545
Total	**3 587**	**2 610**

Movements on the provision for impairment of trade receivables are as follows:

$ millions	2022	2021
At 1 January	**46**	**37**
Charged to other operating expenses	29	17
Additions due to business combinations	45	3
Receivables written off during the year as uncollectable	(14)	(5)
Unused amounts reversed	(0)	(2)
Exchange rate differences	(2)	(4)
At 31 December	**104**	**46**

The creation and release of the loss allowance on receivables has been included in Other operating expenses in the Consolidated income statement. The other classes within trade and other receivables do not contain impaired assets. Refer to Note 5b 'Financial risk management – Credit risk' for the provision matrix with the expected credit loss percentages.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above.

16. Cash and cash equivalents

$ millions	2022	2021
Cash at bank	535	431
Current bank deposits	13	2
Total cash and cash equivalents	**547**	**433**

Cash and cash equivalents are available for use by the Group, except for US$12 million deposited to support contingent liabilities under guarantees and letters of credit of the same amount (31 December 2021: $2 million). Bank overdrafts are included within interest bearing borrowings (Note 19 'Borrowings').

17. Joint ventures

The Group has an investment totaling US$99 million as at 31 December 2022 (31 December 2021: US$109 million), being a 50% interest in ANJI-CEVA Logistics Co. Ltd ('Anji-CEVA') with its registered address at No. 258 Miquan Road, Anting Town, Jiading District, Shanghai City, P.R. of China. Anji-CEVA principally engages in contract logistics activities, including warehousing, distribution, transportation, domestic freight, technical consulting and training. For the year ended 31 December 2022, CEVA's share in Anji-CEVA's net result was a US$5 million profit (year ended 31 December 2021: US$11 million profit).

The 'summarized' consolidated balance sheet of Anji-CEVA as at 31 December 2022 and 2021 is as follows:

	AS AT 31 DECEMBER	
$ millions	2022	2021
Current		
Cash and cash equivalents	148	181
Other current assets	809	799
Total current assets	**956**	**980**
Financial liablities	(15)	(1)
Leases liabilities	(11)	(14)
Other current liabilities	(840)	(874)
Total current liabilities	**(866)**	**(889)**
Non-current		
Right-of-use assets	24	37
Other non-current assets	145	173
Total non-current assets	**169**	**210**
Financial liablities	(1)	(11)
Leases liablities	(14)	(22)
Other liabilities	(19)	(19)
Total non-current liabilities	**(33)**	**(52)**
NET ASSETS	**226**	**249**

The 'summarized' consolidated income statement of Anji-CEVA for the years ended 31 December 2022 and 2021 is as follows:

$ millions	Years ended 31 December 2022	2021
Revenue	**1 407**	1 499
Operating expenses excluding depreciation, amortization and impairment	(1 323)	(1 393)
EBITDA	**84**	106
Depreciation,amortization and impairment	(31)	(34)
Depreciation right-of-use assets	(16)	(13)
Operating income	**37**	59
Net finance income/(expense) (including foreign exchange movements)	**3**	-
Profit/(Loss) before income taxes	**40**	59
Income tax (expense) / income	(12)	(16)
Profit/(Loss) for the period	**28**	43
Attributable to:		
Non-controlling interests	19	21
Equity holders of the Company	9	22

The reconciliation from the net asset value to the carrying value of the Anji-CEVA joint venture for the years ended 31 December 2022 and 2021 is as follows:

$ millions	Years ended 31 December 2022	2021
Opening net assets - 1 January	**249**	234
Allocated to non-controlling interest	(61)	(53)
Adjusted opening net assets - 1 January	**188**	180
Profit for the period	29	43
Non-controlling interest	(19)	(21)
Dividend paid by joint ventures[1]	(15)	(18)
Foreign exchange impact	(13)	3
Adjusted closing net assets - 31 December	**169**	188
Interest in joint ventures at 50%	84	94
Dividend adjustment	(12)	(9)
Goodwill in joint ventures	26	26
Carrying value 31 December	**99**	111

[1] Included are dividends received by CEVA during the period. The CEVA portion of the dividend paid by joint ventures amounted to US$6 million (2021: US$7 million).

The Company had no contingent liabilities towards Anji-CEVA as at 31 December 2022 (31 December 2021: nil). There are no significant restrictions on the ability of Anji-CEVA to transfer funds to the Company in the form of cash dividends, or to repay loans or advances made by the Company.

As part of the agreement in 2017 to renew the Anji-CEVA joint venture agreement it was agreed in principle that the joint venture parties, CEVA and Anji Automotive Logistics Company Limited (Anji Logistics) (a subsidiary of Shanghai Automotive Industry Sales Corporation, or SAIC), will be entitled to certain annual adjustment payments prior to or subsequent to the net profits distribution depending on the difference between the ratio in joint venture revenue stemming from the SAIC-group versus non-SAIC-group companies. In prior year such adjustments were made by means of a service fee payable from Anji-CEVA to Anji Logistics.

18. Share capital

	Number of common shares	Nominal value
1 January 2022	55 911 255	EUR 8.40
Issued share capital during the period	-	
31 December 2022	**55 911 255**	EUR 8.40
Authorised and issued share capital as per 31 December 2022	**55 911 255**	EUR 8.40

Each common share has one vote. All shares have equal voting rights, and no preferential rights or similar entitlements exist.

For the entire year 2022, no changes in capital occurred.

19. Borrowings

The carrying amounts and fair value of borrowings were as follows:

	31 DECEMBER 2022				31 DECEMBER 2021			
$ millions	Carrying value	Level 1 fair value	Level 2 fair value	Total fair value	Carrying value	Level 1 fair value	Level 2 fair value	Total fair value
Non-current								
Bank borrowings	612	-	612	612	462	-	462	462
Related party positions	1 574	-	1 574	1 574	984	-	984	984
Total non-current borrowings	**2 186**	**-**	**2 186**	**2 186**	**1 446**	**-**	**1 446**	**1 446**
Current								
Bank overdrafts	10	-	10	10	13	-	13	13
Related party positions	205	-	205	205	11	-	11	11
Bank borrowings	22	-	22	22	12	-	12	12
Total current borrowings	**238**	**-**	**238**	**238**	**36**	**-**	**36**	**36**
Total borrowings	**2 424**	**-**	**2 424**	**2 424**	**1 482**	**-**	**1 482**	**1 482**
Unamortized debt issuance costs	(5)				4			
Total principal debt	**2 419**				**1 486**			

The different levels for calculating the fair value have been defined as follows:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives or convertible bond instruments) are determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are based on observable market data, the instrument is included in level 2. The fair value of derivatives is calculated as the present value of the estimated future cash flows based on observable interest yield curves, basis spread and foreign exchange rates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The Company did not use a level 3 calculation to measure fair value.

Net Debt reconciliation

The table below sets out an analysis of the movements in net debt for the years ended 31 December 2022 and 2021:

			YEAR ENDED 31 DECEMBER		
		Non Cash Movements			
$ millions	2021	Cash-Flows	Foreign exchange	Other	2022
Non-Current borrowings	1 446	767	(21)	(6)	2 186
Current borrowings	36	166	0	35	238
Total liabilities from financing activities[1]	1 482	**933**	**(21)**	**29**	**2 424**
Cash and cash equivalents	(433)	(17)	(97)	-	(547)
Net Debt	1 049	**916**	**(118)**	**29**	**1 877**

1 Total liabilities from financing activities does not include finance leases in the net debt figure.

'Other' includes amortization of debt issuance costs for US$5 million.

			YEAR ENDED 31 DECEMBER		
		Non Cash Movements			
$ millions	2020	Cash-Flows	Foreign exchange	Other	2021
Non-Current borrowings	1 150	322	(24)	(3)	1 446
Current borrowings	16	24	(15)	11	36
Total liabilities from financing activities[1]	1 166	**346**	**(39)**	**8**	**1 482**
Cash and cash equivalents	(463)	9	21	-	(433)
Net Debt	703	**355**	**(18)**	**8**	**1 049**

1 Total liabilities from financing activities does not include finance leases in the net debt figure.

'Other' includes amortization of debt issuance costs for US$4 million.

Non-current borrowings

In 2021 and 2022 the bank borrowings have been presented at the carrying values.

Current borrowings

Correspondingly with 2021, in 2022 the bank borrowings have been presented at the carrying values.

Terms and debt repayment schedule

The Group borrowings for 2022 and 2021 were as follows:

	Currency	Maturity	Amount drawn at 31 December 2022 principal value	Unamortized debt issuance costs at 31 December 2022		Amount drawn at 31 December 2022 carrying value
			in USD	in USD		in USD
Shareholder Loan	various	2024 - 2029	$1,688	-		$1,688
Global Securitization Program	Various	November 2025	$473	($4)		$469
GEFCO Term Loan	Euros	2024 - 2025	$102	-		$102
Others	Various	Various	$160	($1)		$160
			$2,424	**($5)**	•	**$2,419**

	Currency	Maturity	Amount drawn at 31 December 2021 principal value	Unamortized debt issuance costs at 31 December 2021	Amount drawn at 31 December 2021 carrying value
			in USD	in USD	in USD
Shareholder Loan	US dollar	2024 - 2025	$984	-	$984
Global Securitization Program	Various	December 2022	$462	-	$462
Others	Various	Various	$40	($4)	$36
			$1,486	**($4)**	**$1,482**

The carrying amounts of the Group's borrowings are denominated in the following currencies:

$ millions	2022	2021
Euro	534	505
US dollar	1,804	884
Other currencies	85	92
Total borrowings	**2,424**	**1,482**

As at 31 December 2022 the weighted average period to maturity of the borrowings was 3.8 years (2021: 3 years).

Bank borrowings and letters of credit

As at 31 December 2022, there is undrawn borrowing facilities which were inherited from GEFCO acquisition. The undrawn amount is related to RCF from GEFCO.

$ millions	2022	2021
Floating rate	37	-
Fixed rate	-	-
Total	**37**	**-**

Interest rate

The financial borrowings of the Group are a combination of floating and fixed rates. The average interest rate for the year ended 31 December 2022 was 4,57% (2021: 3.4%).

Overview of external borrowings

Global Securitization Program due 2024

On 22 November 2022, the Company has closed an amended and extended multi-currency US$800 million trade receivables securitization facility ('the CEVA Global Securitization Program') maturing 2025.
As of 31 December 2022, the Global Securitization Program was drawn in cash for an outstanding amount of US$473 million.

EUR95 million GEFCO Term Loans

GEFCO S.A. contracted EUR95 million of bilateral terms loans with some banks. As of 31 December 2022, the outstanding amount drawn was EUR95 million (equivalent US$102 million).

EUR35 million GEFCO's subsidiaries Term Loans

Gruppo Mercurio S.P.A., a subsidiary of GEFCO S.A. contracted EUR35M of bilateral amortizing term loans with some banks. As of 31 December 2022, the outstanding amount drawn was EUR22 million (equivalent US$24 million).

EUR35 million GEFCO RCF

GEFCO S.A. contracted EUR35 million of bilateral revolving credit facility with some banks. As of 31 December 2022, neither of those RCF were drawn.

20. Retirement benefit obligations

The Group operates a number of pension plans around the world, most of which are defined contribution plans. CEVA has a small number of defined benefit plans of which the main ones are based in Italy, the United Kingdom and the United States. The plans in Italy, the United Kingdom and the United States are closed to new members.

The majority of benefit payments are from trustee-administered funds; however, there are also a number of unfunded plans where the Company meets the benefit payment as it falls due. The pension plan in the Netherlands changed to a career average plan with no indexation as from 1 January 2013. The new plan is treated as a defined contribution plan for accounting purposes.

Amounts recognized in the Consolidated balance sheet

$ millions	2022	2021
Present value of funded obligations	204	218
Fair value of plan assets	89	123
Liability in the balance sheet	**115**	**94**

Italian pension plan

In accordance with the Trattamento di Fine Rapporto ("TFR") legislation in Italy, employees are entitled to a termination payment on leaving the Company. The TFR regulation changed from 1 January 2007 and employees were given the option to either remain under the prior regulation or to transfer the future accruals to external pension funds. The funded provision for TFR maturing after 1 January 2007 is treated as a defined contribution plan under both options. An amount of US$5 million at 31 December 2022 (2021: US$6 million) has been recognized in the provision for pension liabilities in accordance with this legislation, which is unfunded. As part of the retirement benefit obligation the Group also reports a liability ('Cassa Vincolata Passiva') of US$16 million at 31 December 2022 (2021: US$18 million) that represents the right of current employers of former CEVA employees to claim TFR payments. Similarly, the Group also has an asset ('Cassa Vincolata Attiva') of US$0.1 million (2021: US$0.4 million) which is included in non-current prepayments. This asset reflects the right of the Group to claim TFR payments for certain employees from their prior employers. The participants are paid out within six months after their retirement. Mortality assumptions for the Italian pension plans are based on the Tabelle di mortalita RG48 pubblicate dalla Ragioneria Generale dello Stato.

Movement in defined benefit obligations

$ millions	2022	2021
At 1 January	**218**	**232**
Balance acquired through business combinations	59	0
Service costs	4	7
Interest costs	4	3
Remeasurements	(55)	(2)
Exchange rate differences	(15)	(6)
Benefits paid	(12)	(16)
At 31 December	**204**	**218**

Movement in plan assets

$ millions	2022	2021
At 1 January	**123**	**114**
Fair value of plan assets acquired through business combinations	13	0
Expected return on plan assets	2	2
Remeasurements	(39)	8
Exchange rate differences	(9)	(1)
Employer contribution	4	-
Benefits paid	(5)	-
At 31 December	**89**	**123**

Expense recognized in the Consolidated income statement

$ millions	2022	2021
Recognized in personnel expenses (note 7)		
Service costs	4	7
Recognized in finance expense (note 8)		
Interest income	(2)	(2)
Interest costs	4	3
Employer pension expense for the year	**6**	**8**

Amounts recognized in the Statement of other comprehensive income

$ millions	2022	2021
Remeasurements recognized in the statement of other comprehensive income in the period (before tax)	(15)	(10)
Remeasurements through business acquisition	(16)	-
Cumulative remeasurements recognized in the statement of other comprehensive income (before tax)	38	69

Principal actuarial assumptions

	2022	2021
Discount rate	4.8%	1.4%
Rate of compensation increase	3.5%	2.2%
Inflation	2.6%	2.2%

Percentages indicated are weighted averages across all the schemes.

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with public statistics and experience in each territory. Mortality assumptions for CEVA's most important funds are based on the following post-retirement mortality tables:

- United Kingdom:
  - The post-retirement mortality assumption adopted is 100%/97% S2PA tables for males/females respectively, with future improvements projected from 2007 in line with the CMI's 2017 projections model with a long-term improvement rate of 1.5% per annum for males/females.
  - The post-retirement mortality assumption adopted is S3PA tables with CMI 2020 projections using a long-term improvement rate of 1.25% pa, no initial addition, and a 2020 weight parameter of 10%
- United States: The post-retirement mortality assumption adopted is RP-2014 tables backed off to 2006 and then projected with mortality improvement using scale MP-2020

These tables translate into an average life expectancy in years for the largest plans in the United Kingdom and the US of a pensioner retiring at age 65 as set out below:

	2022		2021	
	UK	US	UK	US
Retiring at the end of the reporting period:				
Male	22.6	21.1	22.0	20.6
Female	25.0	23.1	24.1	22.6
Retiring 20 years after the end of the reporting period:				
Male	23.4	22.6	23.6	19.2
Female	25.7	24.5	25.8	22.0

Other key assumptions inherent to the valuation of the Group's pensions and the determination of CEVA's pension cost include employee turnover, discount rates, and future wage increases. The expected return on plan assets is determined by considering the expected returns available on assets underlying the current investments policy. These assumptions are given a weighted average and are based on independent actuarial advice and are updated on an annual basis. Actual circumstances may vary from these assumptions giving rise to a different pension liability.

Through its defined benefit pension plans and post-employment medical plans, the group is exposed to a number of risks, the most significant of which are detailed below:

- Asset volatility: The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit.
- Inflation risk: The main part of the Group's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities. The majority of the plan's assets are either unaffected by or loosely correlated with inflation, meaning that an increase in inflation will also increase the deficit.

- Life expectancy: The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption	Increase in assumption		Decrease in assumption	
		2022	2021	2022	2021
Discount rate	0,25% - 0,25%	Decrease by 2.5%	Decrease by 2.5%	Increase by 2.7%	Increase by 2.6%
Pension growth rate (inflation)	0,25% - 0,25%	Increase by 1.7%	Increase by 1.5%	Decrease by 1.6%	Decrease by 1.1%
Life expectancy	1 year	Increase by 1.1%	Increase by 1.9%	Decrease by 1.1%	Decrease by 1.9%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized in the Consolidated balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The weighted average duration of the defined benefit obligation is 14 years.

Expected employer contributions to post-employment benefit plans for the year ending 31 December 2023 are US$19.6 million.

Plan assets do not include any investments in the Group and are comprised as follows:

$ millions	2022	2021
Listed equity	26	51
Fixed interest	7	24
Real estate	2	-
Cash	9	11
Other	45	37
Total	**89**	**123**

The actual return on plan assets is a US$36.9 million loss (31 December 2021: US$9.9 million income).

21. Provisions

$ millions	Legal claims	Insurance	Restructuring	Other	Total
Balance at 1 January 2022	**32**	**52**	**13**	**66**	**164**
Business Combination	18	-	74	72	164
Raised during the year	16	34	24	36	110
Utilized during the year	(10)	(11)	(26)	(25)	(73)
Reversed during the year	(9)	(11)	(13)	-	(32)
Exchange rate differences	(1)	(1)	2	(3)	(3)
Balance at 31 December 2022	**46**	**63**	**74**	**146**	**330**
Of which non-current	19	19	58	86	182
Of which current	27	44	15	61	148

$ millions	Legal claims	Insurance	Restructuring	Other	Total
Balance at 1 January 2021	**27**	**41**	**12**	**71**	**152**
Raised during the year	18	24	13	23	78
Utilized during the year	(4)	(6)	(11)	(14)	(35)
Reversed during the year	(6)	(6)	(1)	(10)	(24)
Exchange rate differences	(2)	(0)	(0)	(3)	(6)
Balance at 31 December 2021	**32**	**52**	**13**	**66**	**164**
Of which non-current	9	18	0	42	**70**
Of which current	23	34	13	24	**95**

The economic outflow of non-current provisions is expected to occur within one to five years. The impact of discounting was not considered to be material.

Legal claims

A number of legal claims are pending against the Group. They consist of provisions for claims related to labor and employment matters, commercial arrangements, personal injury and property damage claims (including claims seeking to hold us liable for accidents involving CEVA's independent owner-operators), international trade, intellectual property, health, and safety, tariff enforcement, subrogation claims and various other matters arising from CEVA's ordinary business activities.

While the outcome of these disputes cannot be predicted with certainty, management believes that, based upon legal advice and information received, the final decision will not materially affect the consolidated financial position of the Group. To the extent management has been able to reliably estimate the expected outcome of these claims, a provision has been recorded as at 31 December 2022. Where the expected outcome cannot be reliably estimated, disclosure of the matter is given in Note 24 'Contingencies'.

Insurance

The insurance provision includes amounts provided in respect of self-insurance schemes which represent estimates, based on historical experience, of the ultimate cost of settling outstanding claims and claims incurred but not reported at the balance sheet date on risks retained by the Group.

Restructuring

These provisions relate to various restructuring projects initiated as part of the Group's cost containment programs. They include staff redundancy costs, and site closure costs.

Other

Other provisions largely comprise provisions for dilapidations and dismantling costs, provisions for workers compensation, onerous contract (mainly Ingram) and tax risk (GEFCO).

22. Trade and other payables

$ millions	2022	2021
Trade payables	2 080	1 442
Personnel related accruals	494	236
Social security and other taxes	212	109
Accrued liabilities	4 141	944
Total trade and other payables	**6 927**	2 731

Treasury Management Agreement with CMA CGM is included in the Accrued liabilities and detailed in note 25 'Related arty transactions'.

23. Commitments

Capital commitments

Capital expenditure for the acquisition of tangible fixed assets contracted on 31 December 2022 but not yet incurred totals US$172 million (2021: US$22 million).

Guarantees

In the normal course of our business, we provide bank guarantees or letters of credit to various customs authorities, landlords, suppliers and insurance underwriters. The principal source of the bank guarantees or letters of credit are ancillary guarantee facilities and local facilities.

As at 31 December 2022, bank guarantees on behalf of CEVA's subsidiaries amounting to US$424 million were issued (2021: US$206 million).

Following the cancellation of the Senior Revolving Credit facility on 10 August 2021, CMA CGM, as shareholder has taken over ancillary guarantee facilities under the umbrella of its own banking facilities and continues to make them available for CEVA.

24. Contingencies

Litigation and Legal Proceedings

The Company is involved in several legal proceedings relating to the normal conduct of CEVA's business. While the outcome of these legal proceedings is uncertain, the Company believes that it has provided for all probable and estimable liabilities arising from the normal course of business, and CEVA therefore does not expect any un-provisioned liability arising from any of these legal proceedings to have a material impact on CEVA's results of operations, liquidity, capital resources or financial position.

CIL Related Proceedings

CIL Limited (formerly CEVA Investments Limited), the former parent of CEVA Group Plc (which became CEVA GROU Ltd in December 2022) which is now a minority shareholder, is involved in a consensually filed liquidation proceeding in the Cayman Islands and an involuntary Chapter 7 proceeding in the Bankruptcy Court for the Southern District of New York. The Trustee in the Chapter 7 proceeding filed a claim against CIL Limited's former directors, CEVA Group Plc (which became CEVA Group Ltd), and affiliated entities relating to CEVA's 2013 recapitalization and a disputed payable. In May 2015 the defendants filed motions to dismiss certain of the claims asserted by the Trustee, and in January 2018, the Bankruptcy Court issued an order granting in part and denying in part the defendants' motions including dismissing the disputed payable claim against one of the defendants for lack of personal jurisdiction. In July 2018, the Trustee filed an amended complaint as well as a new action in the Netherlands related to the disputed payable claim against the entity that had been dismissed from the Bankruptcy Court action, and other CEVA-affiliated entities. The defendants and the Trustee filed motions for summary judgment in the Bankruptcy Court action in 2018 which have been fully briefed and argued. The defendants have filed a Statement of Defense and Counterclaim in the Netherlands action.

CEVA cannot provide assurances regarding the outcome of this matter, and it is possible that if the Trustee were to prevail on his claims, CEVA could incur a material loss in connection with this matter, including the payment of substantial damages and/or the unwinding of the recapitalization in 2013. However, CEVA believes the claims are without merit and intends to vigorously defend itself.

A former CEVA employee and CIL shareholder has asserted a putative class action against CEVA Group Plc (now CEVA Group Ltd), among others, in the U.S. District Court in the Middle District of Florida. Plaintiff claims that CEVA Group should have treated him differently in connection with the 2013 restructuring. In July 2020, CEVA Group filed a motion for summary judgment motion regarding the statute of limitations. In July 2021, the court denied the motion for summary judgment, though CEVA Group has sought reconsideration of that decision. The case has otherwise not proceeded past the pleadings stage During the first half 2022, the judge dismissed the former employee action; This former employee filed an appeal in July. In accordance with the rules of the Court of Appeals, the court has scheduled a mandatory telephone mediation for end of 2022 which has been postponed to Q1 2023.

Although there is uncertainty with respect to the outcome and the potential cash-outflow related to this matter, CEVA believe the claim is without merit and intends to vigorously defend itself.

Tax Proceedings

CEVA is involved in tax audits and tax proceedings in various jurisdictions relating to the normal conduct of its business. While the outcome of these audits and proceedings is uncertain and can involve material amounts, in the reasonable judgement of CEVA a liability for uncertain income tax treatments has been booked, and CEVA therefore does not expect any liability arising from these audits to have a material impact on its results.

Other Proceedings

From time to time, CEVA is involved in a variety of legal proceedings and disputes arising in the ordinary course of business. For example, CEVA has been and is currently subject to numerous labor and employment proceedings and disputes in both Italy and Brazil notably, alleging various causes of action and raising other legal challenges to CEVA's labor and employment practices. Such proceedings sometimes include individual claims and lawsuits, disputes with unions, class action claims, and governmental or quasi-governmental investigations. While the outcome of these legal proceedings is sometimes uncertain and may not be capable of estimation, CEVA believes that resolution of these matters and the incurrence of their related costs and expenses should not have a material adverse effect on CEVA's results of operations, liquidity, capital resources, or financial position.

25. Related party transactions

Trading transactions

During the year, Group entities entered into the following trading transactions with related parties

	YEARS ENDED 31 DECEMBER			
$ millions	2022		2021	
	Sales of goods & services	Purchases of goods & services	Sales of goods & services	Purchases of goods & services
Joint ventures	72	50	24	30
CMA CGM	50	1 422	88	857

	YEARS ENDED 31 DECEMBER			
$ millions	2022		2021	
	Amounts owed by related parties	Amounts owed to related parties	Amounts owed by related parties	Amounts owed to related parties
Joint ventures	1	5	1	1
CMA CGM	414	5 348	172	1 694

All transactions carried out with related parties are done on terms equivalent to those that prevail in an arm's length transaction. There are no provisions for doubtful accounts with respect to related party transactions.

Financing transactions with CMA CGM
CEVA has contracted various shareholder loans with CMA CGM over the last periods. The purposes of these shareholder loans were mainly (i) to refinance historical external financings such as for example a Senior Term Loan B or Senior Revolving Credit Facility, (ii) to finance CAPEX of CEVA Group or (iii) acquisitions done by CEVA.

More details regarding those Shareholder loans are disclosed in the Borrowing note (19).

In addition, a Treasury Management Agreement has been implemented between CMA CGM and CEVA to support the daily liquidity and short-term need.

Shareholder Loans ("comptes-courants d'associés) with CMA CGM to be capitalized into equity
In the frame of the financing of Ingram CLS business acquisition, CEVA has also contracted in March 2022 a new US$2,500 million shareholder loan ("compte courant d'associé") with CMA CGM which will be capitalized into equity in the coming months. In the same way, a shareholder loan ("compte courant d'associé") with CMA CGM of EUR641.5 million has been contracted to finance the acquisition of Colis Privé and shall be capitalized into equity in the coming months.

Other related party transactions
CEVA Logistics SA is the immediate parent of CEVA Group Plc (which became CEVA Group Ltd in Dec 2022), a company incorporated on 9 August 2006 in England and Wales as a UK public company with limited liability. The Company and two of its indirect subsidiaries, CEVA UK 1 Limited and CEVA UK 2 Limited, who each hold one ordinary share, collectively own 99.99% of the ordinary shares of CEVA Group Plc (now CEVA Group Ltd), 0.01% is held by CIL Limited (formerly CEVA Investment Limited, the former parent of CEVA Group Plc), and one ordinary share is held by Louis Cayman Second Holdco Limited, a wholly owned subsidiary of CIL Limited, on trust as bare nominee for CIL Limited. In addition, CIL Limited holds 349,999 deferred shares and Louis Cayman Second Holdco Limited owns 1 deferred share (which has the right to a return of capital upon a winding up after the holders of ordinary shares have received the amount paid up on such ordinary shares plus a premium of £10,000 per ordinary share).

CIL Limited was the former parent company of CEVA Group Plc and was placed in liquidation proceedings in connection with the Recapitalization. CIL Limited is involved in an official liquidation proceeding in the Republic of the Cayman Islands and a Chapter 7 proceeding in the Bankruptcy Court for the Southern District of New York. Refer to Note 24 Contingencies regarding the CIL litigation.

Transactions with key management personnel are:

	YEARS ENDED 31 DECEMBER	
$ millions	**2022**	2021
Salaries and other short-term benefits	6	8
Post-employment benefits	-	-
Share-based payments	-	-
Total	**6**	8

All amounts paid or payable are included in the table above, there are no other amounts outstanding at year end related to key management personnel.

26. Events after balance sheet date

The Transfer of GEFCO shares from CMA CGM to CEVA Logistics is planned for the upcoming months.

27. Group entities

The Group's subsidiaries, joint ventures, associates and investments as at 31 December 2022 are included in the table below. All entities other than intermediate holding companies are primarily involved in the provision of Freight Management,Contract Logistics services Ground and FVL

All subsidiary undertakings are included in the consolidation. If the proportion of the voting rights in the subsidiary undertakings held directly by the Group differs from the proportion of ordinary shares held, the former is disclosed in brackets in the table below. All entities were indirectly held by the parent, CEVA Logistics SA, other than CEVA Group Plc (now CEVA Group Ltd) which is a directly owned intermediate company. Subsidiaries in which the Group holds less than 50% of the voting rights are generally controlled through contractual arrangements with the other shareholder(s). Both the equity investment and the result for the year of those subsidiaries are not significant for the Group as a whole. The subsidiaries in which the Group holds a non-controlling interest are also not significant.

Country of incorporation and principal place of business	Entity	2022 Holding if less than 100%	
Algeria	CEVA Logistics Algerie EURL		
Angola	CEVA Logistics (Angola) - Trânsitários e Agentes de Navegação, Lda		
Argentina	B&S Fiduciaria SA	0.00%	
	BSM Transportes S.A.	0.00%	
	CEVA ANOVO S.A.		
	CEVA de Argentina S.R.L.		
	Circle International Argentina S.A.		
	GEFCO Argentina S.A.	0.00%	
	SAM Transportes S.R.L.	0.00%	
Australia	CEVA Freight (Australia) Pty. Limited		
	CEVA Logistics (Australia) Pty. Limited		
	CEVA LOGISTICS CLS (AUSTRALIA) PTY LTD		
	CEVA Pty. Limited		
	GEFCO Forwarding Australia Pty. Ltd.	0.00%	
	Logistics Link Pty. Limited		
Austria	CEVA Freight Austria GmbH		
	CEVA Logistics Austria GmbH		
	GEFCO Österreich Gmbh.	0.00%	
Bahrain	CEVA LOGISTICS BAHRAIN W.L.L.		
	EGL Eagle Global Logistics (Bahrain) W.L.L.	0.00%	*
Bangladesh	3PL Consignment Bangladesh Private Limited	0.00%	*
	CEVA Freight (Bangladesh) Company Limited	40.00%	
Belgium	CEVA Belgium Receivables BV		
	CEVA Freight Belgium NV		
	CEVA Ground Europe BV		
	CEVA Logistics Belgium NV		
	COLIS PRIVE BELGIQUE	64.98%	
	EGL (Belgium) Holding Company BV		
	GEFCO Benelux S.A	0.00%	
	GEFCO Forwarding Belgium	0.00%	
	SODIAC	0.10%	
Benin	CEVA Logistics Benin S.A.	60.00%	
Bermuda	Regga Holdings Ltd.		
Botswana	CEVA Logistics Botswana Proprietary Limited		
Brazil	CEVA Freight Management do Brasil Ltda.		
	CEVA Logistics Ltda.		
	Circle Fretes Internacionais do Brasil Ltda.		
	CMA CGM LOG DO BRASIL Agenciamento de Cargas E Serviços Logisticos LTDA		
	GEFCO INDUSTRIA DO BRASIL LTDA	0.00%	
	GEFCO Logistica Do Brasil Ltda.	0.00%	
	TRANSBSM TRANSPORTE DO BRASIL LTDA	0.00%	
Bulgaria	GEFCO Bulgaria Eood	0.00%	
	GEFCO Global Services Center Bulgaria EOOD	0.00%	
Burkina Faso	CEVA LOGISTICS BURKINA FASO	0.00%	*
Burundi	CEVA Logistics Burundi Limited		
Cambodia	CEVA Freight (Cambodia) Company Limited	60.00%	

Cameroon	CEVA Logistics Cameroun S.A.	90.01%
Canada	7267746 Canada Inc.	96.17%
	CEVA Freight Canada Corp.	
	CEVA Logistics Canada, Inc.	
	IM CLS Canada, ULC	
Chile	ANOVO Andes SA	
	BSM TRANSAUTO CHILE	0.00%
	CEVA Freight Management Logistica de Chile Ltda.	
	GEFCO Chile S.A.	0.00%
China	Anji - CEVA Logistics Company Limited	50.00%
	Anji Shangwen Chemical Transportation (Shangai) Company Limited	45.00%
	Anji-CEVA Logistics (Fujian) Company Limited	50.00%
	Anji-CEVA Logistics (Suzhou) Company Limited	50.00%
	Anji-CEVA Logistics (Zhengzhou) Company Limited	50.00%
	CC-LOG (China) Co., Ltd	
	CEVA Freight (Shenzhen) Limited	
	CEVA Freight International (Shanghai) Company Limited	50.00%
	CEVA Freight Shanghai Limited	
	CEVA Logistics Company Limited Shanghai	50.00%
	Chongqing Anji Hongyan Logistics Company Limited	30.00%
	Chongqing GEFCO International Logistics Co. , Ltd	0.00%
	GEFCO Forwarding China Ltd	0.00%
	GEFCO International Logistics (China) Co., Ltd.	0.00%
	Hangzhou Changhe Anji Supply Chain Management Company Limited	25.00%
	Ingram Micro supply chain (Shenzhen) Co Ltd	
	Jiangsu Anji - CEVA Logistics Company Limited	35.00%
	Liaoning Anji United Logistics Company Limited	25.50%
	Shanghai Anji - Tonghui Automotive Logistics Company Limited	25.50%
	Shanghai Anji-Suchi Logistics Company Limited	33.00%
	Shenzhen Minsheng Gefco Logistics Co Ltd (MLG)	0.00%
	Wuhan Anji-Tonghui Automotive Logistics Company Limited	25.50%
	Yizheng SAIC Saike Logistics Co., Ltd	35.00%
China Hongkong	GEFCO Forwarding Hong Kong Limited	0.00%
	TDSD Holding Limited	0.00%
	TDSD Line Limited	0.00%
Colombia	AGENCIA DE ADUANAS ADUANAMOS S.A. NIVEL 2	
	Agencia de Aduanas CEVA Logistics S.A.S Nivel 2	
	ANOVO Colombia SAS	
	CARGEX S.A.	
	CEVA Freight Management de Colombia S.A.S.	
Congo	Agence Maritime Internationale Africa Congo	95.00%
	CEVA Logistics Congo S.A.	
Costa Rica	CEVA Freight Management Costa Rica, S. de R.L.	
Côte-d'Ivoire	CEVA LOGISTICS COTE D'IVOIRE	0.00% *
	CEVA PROLINE LOGISTICS COTE D'IVOIRE	51.00%
Croatia	GEFCO d.o.o	0.00%
Cyprus	CEVALOG Holdings Limited	64.99%
Czechia	CEVA Freight Czech Republic s.r.o.	
	CEVA Logistics spol. s r.o.	
	GEFCO Ceska Republica S.R.O.	0.00%
	GEFCO Forwarding CZ s.r.o	0.00%
	MBA Logistika SRO	0.00%
Denmark	Scandinavarian Auto Logistics A/S	0.00%
Ecuador	CARGEX ECUADOR SAS	
	CEVA Freight Management de Ecuador CEVALOGISTICS – ECUADOR Cia. Ltda.	
Egypt	CEVA Egypt LLC	60.00%
El Salvador	CEVA Freight Management El Salvador, Ltda. de C.V.	
Ethiopia	MACCFA Freight Logistics Private Limited Company	49.00%
Finland	CEVA Logistics Finland Oy	

France	ASTI EUROPE	24.00%
	CEVA 1	
	CEVA 2	
	CEVA 2024	0.00%
	CEVA 3	
	CEVA 4	
	CEVA 5	
	CEVA Corporate Services	
	CEVA France Receivables SAS	
	CEVA France SASU	
	CEVA Freight Holdings France SAS	
	CEVA Freight Management France SAS	
	CEVA FREIGHT SAS	
	CEVA Logistics France SAS	
	CEVA Logistics SA	
	CEVA Real Estate Holding	
	CHRONOTRUCK SAS	0.00%
	COLIS PRIVE FRANCE	
	COLIS PRIVE GROUP	
	COLIS PRIVE INTERNATIONAL	
	COLIS PRIVE STORE	
	G2F, GEFCO Fleet Facilities	0.00%
	GEFCO AUTOMOTIVE SERVICES	0.00%
	GEFCO Box Slovakia, s. r. o.	0.00%
	GEFCO Contract Logistic Ouest	0.00%
	GEFCO Forwarding France	0.00%
	GEFCO France SAS	0.00%
	GEFCO Industrial Services	0.00%
	GEFCO MCIT (My Car Is There)	0.00%
	GEFCO SA	0.00%
	GEFCO Strategic Expert	0.00%
	Mercurio France SAS	0.00%
Germany	CEVA Freight (Management) GmbH	
	CEVA Freight Germany GmbH	
	CEVA Germany Receivables GmbH	
	CEVA Logistics Berlin GmbH	
	CEVA Logistics CFS E-Business GmbH	
	CEVA Logistics CFS Eurohub Fulfilment GmbH	
	CEVA Logistics CFS Fulfilment GmbH	
	CEVA Logistics CFS Germany GmbH	
	CEVA Logistics CFS Germany Holding GmbH	
	CEVA Logistics Flensburg GmbH	
	CEVA Logistics GmbH	
	CEVA Logistics Service GmbH	
	DIHS-DAKOSY Interessengemeinschaft Hamburger-Spediteure GmbH	3.85%
	GEFCO Deutschland Gmbh.	0.00%
	GEFCO Forwarding Germany GmbH	0.00%
	IDSP GmbH & Co. KG	7.66%
	Kombiverkehr Deutsche Gesellschaft für kombinierten Güterverkehr mbH & Co. KG	0.44%
	TRANSCONTAINER-UNIVERSAL GmbH & Co. KG	0.71%
Greece	GEFCO GREECE, Logistics and transportation services single member limited liability company	0.00%
Guatemala	CEVA Freight Management Guatemala, Ltda.	
Hongkong	Africa Worldwide Container Line Ltd	
	Anji-CEVA Logistics (Hong Kong) Limited	50.00%
	CEVA FM (Hong Kong) Limited	
	CEVA Logistics (Hong Kong) Limited	
	CMA CGM Logistics (Asia) Limited	
	IJS Global (Asia) Ltd.	0.00%
	LCL Logistix (HK) Limited	
	Pyramid Lines Limited	

Hungary	CEVA Contract Logistics Kft.	
	CEVA Logistics Hungary Kft.	
	GEFCO Magyarország Kft.	0.00%
India	CEVA ESA BSC Private Limited	
	CEVA Logistics India Private Limited	
	GEFCO India Private Limited	0.00%
	Malabar Lines Private Limited	50.98%
Indonesia	PT. CEVA Freight Indonesia	95.00%
	PT. CEVA Logistik Indonesia	
	PT. Circle Persada International	94.99% *
Iraq	(GOLDEN CEVA) Company for Contracting and Commercial brokerage and Services/Limited (in liq.)	
	CEVA Iraq For General Transportation LLC	0.00% *
	GEFCO FOR GOODS TRANSPORTATION LTD	0.00%
Ireland	AVEC Logistics (Ireland) Limited	
Italy	AC HOLDING S.p.A	0.00%
	Automar S.P.A.	0.00%
	Brucato de T.A. Internazionali S.P.A.	0.00%
	C&M BOOK LOGISTICS S.R.L.	50.00%
	CEPIM	0.00%
	CEVA Freight Italy S.r.l.	
	CEVA Logistics Italia S.r.l.	
	DOC DATA Italy Srl	
	Galatea Logistica Auto S.R.L.	0.00%
	GEFCO Italia S.P.A.	0.00%
	Gruppo Mercurio S.P.A.	0.00%
	Sealiv S.R.L.	0.00%
Japan	CEVA Logistics Japan Inc.	
Jordan	CEVA Logistics Jordan Limited	50.00% *
	CEVA Shipping and Logistics Services LLC	24.50% *
Kazakstan	CEVA Logistics Central Asia LLP	60.00%
	LLP GEFCO Kazakhstan	0.00%
Kenya	AMI Africa (Kenya) Limited	99.96%
	CEVA Interfreight Kenya Limited	
	LCL Logistix (Kenya) Limited	74.99% *
	Magellan Logistics Kenya Limited	95.24%
	Responsive Logistics Kenya Limited	99.00%
	White Nile Supply Base Ltd	50.00%
Latvia	CEVA Logistics Latvia SIA	
	GEFCO Baltic Sia	0.00%
Lebanon	CEVA LEBANON SAL	49.00% *
	CEVA LOGISTICS - LEBANON PACKING HOUSE SARL - Single Partner	49.00% *
Luxembourg	CEVA Freight Holdings Luxembourg S.à r.l.	
Malawi	CEVA Logistics Malawi Limited	
Malaysia	CEVA Freight (Malaysia) Sdn. Bhd.	49.00% *
	CEVA Freight Holdings (Malaysia) Sdn. Bhd.	
	CEVA Logistics (Malaysia) Sdn. Bhd.	
	Milage Sdn. Bhd.	0.00% *
	Regga (Malaysia) Sdn. Bhd.	49.00% *
Mali	CEVA LOGISTICS MALI	0.00% *
Marshall Islands	Mena 360 Holding Limited	13.50%
Mauritania	CEVA Logistics Mauritania S.a.r.l.	
Mauritius	AMI Worldwide Limited	
Mexico	CCLOG, S.A. de C.V.	
	CEVA Contract Logistics Mexico, SA de CV	
	CEVA Freight Management Mexico S.A. de C.V.	
	CEVA Logistica de Mexico, S.A. de C.V.	
	CEVA Servicios de Mexico, S.A. de C.V.	
	GEFCO Mexico S. DE R.L. DE C.V.	0.00%

Morocco	ACOMAR - Agence de Consignation Marocaine	60.00%
	ALTEAD MAROC	5.88%
	CEVA Logistics Maroc	60.00%
	CEVA Logistics Morocco Free Zone	99.94% *
	GEFCO MAROC FREE ZONE	0.00%
	GEFCO Maroc S.A.	0.00%
	GROAT LORRY AND TRANSPORT, Sarl	0.00%
	LINEA	60.00%
Mozambique	CEVA Ground Logistics Limitada	
	CEVA Logistics Limitada	
	CMA CGM Logistics Mozambique, Limitada	
	Magellan Logistics Mozambique	95.24%
Myanmar	CEVA Logistics Myanmar Company Limited	
Netherlands	CEVA Coop Holdco B.V.	
	CEVA Freight Holdings B.V.	
	CEVA Freight Holland B.V.	
	CEVA Logistics B.V.	
	CEVA Logistics Benelux B.V.	
	CEVA Logistics Commerce EMEA B.V.	
	CEVA Logistics Dutch Holdco B.V.	
	CEVA Logistics eServices B.V.	
	CEVA Logistics Fashion Services B.V.	
	CEVA Logistics Finance B.V.	
	CEVA Logistics Headoffice B.V.	
	CEVA Logistics Netherlands B.V.	
	CEVA Logistics Services Holding B.V.	
	CEVA Logistics Technology B.V.	
	CEVA Logistics ZalareServices B.V.	
	CEVA Netherlands Receivables B.V.	
	COLIS PRIVE NETHERLANDS B.V.	
	GEFCO Box Services B.V.	0.00%
	GEFCO Forwarding Asia Holding B.V.	0.00%
	GEFCO Forwarding EMEA Holding B.V.	0.00%
	GEFCO Forwarding International B.V.	0.00%
	GEFCO Forwarding Netherlands B.V.	0.00%
	GEFCO Forwarding Services B.V.	0.00%
	GEFCO Rail Services B.V.	0.00%
	GEFCO Trucks Services B.V.	0.00%
	IJS Global Asia Holding B.V.	0.00%
	IJS Global Group Holding B.V.	0.00%
New Zealand	Brightpoint New Zealand Limited	
	CEVA Logistics (New Zealand) Limited	
Nigeria	CEVA Logistics Nigeria Limited	
Norway	CEVA Logistics Norway AS	
Oman	CEVA Logistics L.L.C.	64.83%
Pakistan	CEVA Logistics Pakistan (Private) Limited	51.00%
Panama	CEVA Freight Management Panama S. de R.L.	55.00%
Peru	ANOVO Perú S.A.C.	
	CEVA Logistics Peru S.R.L.	
	CEVA Peru Aduanas S.A.C.	
	Transauto Bsm Logistica Perù S.A.C.	0.00%
Philippines	CEVA Logistics (SUBIC), Inc.	
	CEVA Logistics Philippines Inc.	
	CEVA Warehousing and Distribution, Inc.	
Poland	CEVA Direct Sp. z o.o.	
	CEVA Freight (Poland) Sp. z o.o.	
	CEVA Logistics CFS Fulfilment Solutions sp. z o.o.	
	CEVA LOGISTICS CFS Fulfilment Sp z.o.o	
	CEVA Logistics Poland Sp. z o.o.	
	GEFCO Forwarding Poland Sp. Z.O.O.	0.00%
	GEFCO Polska Sp. Zoo	0.00%
	INGRAM MICRO CLS Fashion Sp z.o.o	
	Przedsiebiorstwo Spedycyjno-Transortowe Transpoland sp. z o. o.	0.00%

Portugal	CEVA Logistics (Portugal) - Logistica Empresarial, Lda.	
	GEFCO GLOBAL SERVICES CENTER PORTUGAL, LDA	0.00%
	GEFCO Transitarios, LDA	0.00%
	GREAT LORRY AND TRANSPORT, LDA	0.00%
	TRIVE Portugal	0.00%
Puerto Rico	CEVA Logistics Puerto Rico, Inc.	
Qatar	CEVA Logistics (Qatar) W.L.L.	49.00% *
Romania	CEVA Logistics S.R.L.	
	GEFCO Romania Srl	0.00%
Russia	LLC GEFCO (Cis)	0.00%
Rwanda	CEVA LOGISTICS RWANDA Limited	
	Spedag Interfreight Rwanda Ltd.	
Saudi Arabia	Arabian Logistic Services Solution Company	0.00%
	CEVA Saudi Logistics & Freight Co.	
Senegal	CEVA Logistics Senegal S.A.	74.99%
Serbia	GEFCO doo Beograd	0.00%
Singapore	CEVA Asia Pacific Holdings Company Pte. Ltd.	
	CEVA Logistics Asia Pte. Ltd.	
	CEVA Logistics Singapore Pte. Ltd.	
	CEVA Supply Chain Singapore Pte. Ltd.	
	GEFCO Forwarding Singapore Pte. Ltd.	0.00%
	PYRAMID LINES SINGAPORE PTE. LTD.	
Slovakia	#VCM, s.r.o	0.00%
	CEVA Contract Logistics Slovakia s.r.o.	
	CEVA Logistics Slovakia, s.r.o.	
	GEFCO Forwarding Slovakia s.r.o.	0.00%
	GEFCO RAIL SLOVAKIA s.r.o.	0.00%
	GEFCO SLOVAKIA s.r.o.	0.00%
	GEFCO TRUCKS SLOVAKIA s.r.o.	0.00%
	Mercurio Slovensko s.r.o	0.00%
Slovenia	GEFCO Adria logistika d.o.o.	0.00%
South Africa	CEVA Educational Trust	0.00%
	CEVA Holding Company SA (Pty) Limited	49.00%
	CEVA Logistics South Africa (Proprietary) Limited	
	General Express Forwarding Company South africa (PTY) Ltd.	0.00%
	Manica Holdings Limited	
	Manica South Africa Proprietary Limited	
South Korea	CEVA Logistics Korea, Inc.	
	GEFCO KOREA YUHAN HOESA	0.00%
South Sudan	Spedag Interfreight Ltd	
Spain	BERGE GEFCO, S.L.	0.00%
	CEVA Freight España, S.L.U.	
	CEVA Logisitcs Canarias, S.L.U.	
	CEVA Logistics España, S.L.U.	
	CEVA Logistics Technologies, S.L.U	
	CEVA Spain Receivables, S.L.	
	GEFCO España SA	0.00%
	GEFCO FORWARDING SPAIN, S.L.	0.00%
	GEFCO LORRY AND TRANSPORT, S.L.U	0.00%
	GLT Investement, S.L.	0.00%
	Zedchain International Logistics SL	72.39%
Sweden	CEVA Logistics (Sweden) AB	
	CEVA Logistics Mobility AB	
	CEVA Logistics Nordic Services AB	
Switzerland	CEVA Logistics Services Switzerland GmbH	
	CEVA Logistics Switzerland GmbH	
	CEVA Management GmbH	
	GEFCO Forwarding Switzerland GmbH	0.00%
	GEFCO SUISSE S.A	0.00%
	TRANS East Africa AG	
Taiwan	CEVA Logistics (Taiwan) Company Limited	
	GEFCO Forwarding Taiwan Ltd	0.00%
Tanzania	AMI Africa Tanzania Limited	
	CEVA LOGISTICS TANZANIA LIMITED	
	LCL Logistix (Tanzania) Limited	36.56% *
	Magellan Logistics Tanzania Limited	95.24%
	Spedag Interfreight Logistics Solution (T) Limited	84.99%
	Spedag Interfreight Tanzania Limited	

Thailand	CEVA Freight (Thailand) Limited	73.98%
	CEVA Logistics (Thailand) Limited	86.73%
	CEVA Vehicle Logistics (Thailand) Limited	
	CWBI Limited	49.00%
	GEFCO (Thailand) Co Ltd.	0.00%
Togo	CEVA Logistics Togo S.A.	
Tunisia	GEFCO Tunisie SA	0.00%
Turkey	CEVA Lojistik Limited Şirketi	
	CEVA Uluslararasi Taşimacilik Limited Şirketi	
	GEFCO Forwarding Hava ve Deniz Taşımacılığı A.Ş.	0.00%
	GEFCO Tasimacilik Ve Lojistik A.S.	0.00%
Uganda	CEVA International Limited	
	Spedag Interfreight Uganda Ltd	
Ukraine	GEFCO Ukraine LLC	0.00%
United Arab Emirates	AMI Middle East LLC	49.00% *
	CEVA Logistics (U.A.E.) L.L.C.	49.00% *
	CEVA Logistics FZCO	
	CEVA Logistics LLC - Sole Proprietorship LLC	
	GEFCO Middle East FZE	0.00%
	TOS Middle East	49.00% *
United Kingdom	AUTOXP LIMITED	0.00%
	CEVA Container Logistics Limited	
	CEVA Freight (UK) Holding Company Limited	
	CEVA Freight (UK) Holdings Limited	
	CEVA Freight (UK) Limited	
	CEVA Group Ltd	
	CEVA Limited	
	CEVA Logistics - The Chill Hub Limited	
	CEVA Logistics CFS (UK) Limited	
	CEVA Logistics Limited	
	CEVA Network Logistics Limited	
	CEVA Real Estate (UK) Limited	
	CEVA Supply Chain Solutions Limited	
	CEVA UK 1 Limited	
	CEVA UK 2 Limited	
	CEVA UK Receivables Limited	
	GEFCO Forwarding UK Ltd.	0.00%
	GEFCO FVL UK LIMITED	0.00%
	GEFCO UK, Ltd	0.00%
	LCE Global Logistics Limited	0.00%
	XP TECH LIMITED	0.00%
United States	APL CEVA Government Logistics	50.00%
	APL Move, LLC	35.00%
	Brightpoint North America L.P.	
	Brightpoint Services, LLC	
	CEVA Freight LLC	
	CEVA Freight Management International Group, Inc.	
	CEVA Government Services, LLC	
	CEVA International Inc.	
	CEVA Logistics Japan LLC	
	CEVA Logistics Services U.S., Inc.	
	CEVA Logistics U.S. Group, Inc.	
	CEVA Logistics U.S. Holdings, Inc.	
	CEVA Logistics U.S., Inc.	
	CEVA Real Estate Holding US, LLC	
	CEVA US Receivables Finance 1 LLC	
	Circle International Holdings LLC	
	CUSA Risk Retention Group, Inc.	
	EGL, Inc.	
	FACET Insurance Limited	
	GEFCO Forwarding USA, Inc.	0.00%
	GEFCO USA, LLC	0.00%
	IAH Transload I, LLC	
	Inter-Jet Ocean Transport, Inc.	0.00%
	Shipwire, Inc.	

Uruguay	CEVA Logistics Uruguay S.A	
	Circle International Latin America Holdings S.A.	
Uzbekistan	CEVA LOGISTICS TASHKENT Limited Liability Company	
Vietnam	CEVA Logistics (Vietnam) Co. Limited	69.99%
	CEVA Supply Chain (Vietnam) Company Limited	
Zambia	CEVA LOGISTICS ZAMBIA LIMITED	
Zimbabwe	CEVAFRICA LOGISTICS ZIMBABWE LIMITED	

* Nominee shareholders and management fees agreements

Description of key line items in the consolidated income statement

Below is a brief description of the composition of the key line items of our Consolidated income statement:

Revenue
Revenue represents the delivery of goods and services to third parties less discounts, credit notes and taxes levied on sales.

Operating expenses
Operating expenses have been classified by nature as follows:

- Work contracted out includes amounts charged by third parties directly attributable to the normal operating activities of the business. The majority of these costs relate to purchased transportation;
- Personnel expenses are charged to the profit and loss account when due and in accordance with employment contracts and obligations. This includes all wage and social costs of both direct and indirect employees. It also includes agency costs of non-permanent (subcontracted) warehouse personnel;
- Other operating expenses include cost of materials (including fuel, packaging, pallets and utility costs) and costs incurred for insurance, consultancy, audit, legal and miscellaneous costs. Additionally, this includes expenditure associated with the rental of trucks and material handling equipment, as well as warehouse rental costs. Other operating income representing insurance receipts and other sundry income may be netted against other operating expenses if they are not material.

Depreciation, amortization and impairment
Depreciation and amortization is charged to profit or loss on a straight-line basis over the expected life of the related asset. Amortization and impairment on contractual customer relationships and brands recognized upon the acquisition of the Contract Logistics business from TNT N.V. and the Freight Management business from EGL Inc. is recognized in amortization and impairment on purchased intangibles. Impairment is recognized in profit or loss as incurred.

Net Finance income/(expense) (including foreign exchange movements)
Interest income mainly relates to interest earned on loans and deposits and interest charged on overdue customer receivables. Interest and similar expenses relates to interest charged on loans, financial leases, other borrowings and pension schemes.

Income tax expense
Income tax represents the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred income tax. Current tax is the amount of income taxes payable / (recoverable) in respect of the taxable profit / (loss) for a period. Deferred income tax represents the amounts of income taxes payable / (recoverable) in future periods in respect of taxable (deductible) temporary differences and unused tax losses.

Certain definitions

Unless expressly stated otherwise or where the context otherwise requires, 'the Company', 'we', 'us', 'our', 'Group' and other similar terms refer to CEVA Logistics SA and its subsidiaries

Adjusted EBITDA
is a key financial measure used by management to assess operational performance. It excludes the impact of specific items, such as costs incurred in the realization of our cost containment programs, other significant non-recurring charges or credits including the profits or losses realized on non-recurring transactions. Furthermore, Adjusted EBITDA includes the Group's share of the EBITDA before specific items of joint ventures that are equity accounted, currently Anji-CEVA

CapRe
refers to Capital Research and Management Company

EBITDA or earnings before interest, tax, depreciation and amortization
is not a measurement of performance or liquidity under IFRS and should not be considered as a substitute for profit / (loss) for the year, operating profit, net income or any other performance measures derived in accordance with IFRS or as a substitute for cash flow from operating activities as a measure of CEVA's performance. Because not all companies calculate EBITDA identically, the presentations of EBITDA in this annual report may not be comparable to other similarly titled measures of other companies.

FVTPL
refers to Fair Value Through the Statement of Profit or Loss

Gearing ratio
refers to a financial ratio comparing the net debt to the net debt adjusted for equity attributable to equity holders of the Company

Headroom
is the sum of cash and cash equivalents plus committed facilities less amounts drawn on committed facilities

IFRS
refers to International Financial Reporting Standards

Net debt
is calculated as total borrowings less cash and cash equivalents

Net working capital
is defined as trade and other receivables (net of provision for impairment), inventories, prepayments, accrued income, contract assets and income tax receivables less non-interest charging current liabilities

Recapitalization
refers to the Recapitalization that the Company successfully completed on 2 May 2013, which substantially reduced its overall debt and interest costs, as well as increase liquidity and strengthen its capital structure

Specific items
are significant non-recurring items. The principal events which may give rise to a specific item include restructuring, profit/loss on disposal of a business, cost reduction programs and material litigation costs, amongst others.

TFR
refers to "Trattamento di Fine Rapporto" leaving service benefits provided to Italian employees that are mandatory under Italian law

TNT
refers to TNT N.V.

$, dollar, United States dollar, US dollar, US$ or USD
refers to the lawful currency of the United States of America

A$ or Australian dollar

refers to the lawful currency of Australia

CHF
refers to the lawful currency of Switzerland

€, euro or EUR
refers to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community

£, British pound, pounds sterling or GBP
refers to the lawful currency of the United Kingdom

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