
Nagel Danmark A/S

Thorsvej 19, Frøslev, DK-6330 Padborg

Annual Report for 2023

CVR No. 81 74 55 28

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 29/4 2024

Jan Gantenbrink
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nagel Danmark A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Padborg, 29 April 2024

Executive Board

Jens Henrik Olesen

Andreas Tønder Jørgensen

Rouven Besseling-Fischer

Board of Directors

Jan Gantenbrink
Chairman

Sina Wiedau

Thomas Pütter

Claus Christian Clausen
Employee representative

Dennis Rotbøl Jacobsen
Employee representative

Independent Auditor's report

To the shareholder of Nagel Danmark A/S

Opinion

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

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Nagel Danmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's report

Trekantområdet, 29 April 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jan Bunk Harbo Larsen

State Authorised Public Accountant

mne30224

Henrik Forthoft Lind

State Authorised Public Accountant

mne34169

Company information

The Company

Nagel Danmark A/S
Thorsvej 19, Frøslev
DK-6330 Padborg

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Email: dk.info@nagel-group.dk

Website: www.nagel-group.dk

CVR No: 81 74 55 28

Financial period: 1 January - 31 December

Incorporated: 9 February 1977

Financial year: 47th financial year

Municipality of reg. office: Aabenraa

Board of Directors

Jan Gantenbrink, chairman

Sina Wiedau

Thomas Pütter

Claus Christian Clausen, employee representative

Dennis Rotbøl Jacobsen, employee representative

Executive Board

Jens Henrik Olesen

Andreas Tønder Jørgensen

Rouven Besseling-Fischer

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Herredsvej 32

DK-7100 Vejle

Group Chart

<u>Company</u>	<u>Residence</u>	<u>Ownership</u>
Nagel Danmark A/S	Danmark	
Nagel Liller A/S	Denmark	100%
Nagel Andresen Fleet Management ApS*	Danmark	50%
* Investment in associates		

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2023	2022	2021	2020	2019
	Mio. DKK	Mio. DKK	Mio. DKK	Mio. DKK	Mio. DKK
Key figures					
Profit/loss					
Revenue	1,029	1,048	868	870	972
Gross profit	262	269	242	241	270
Profit/loss of primary operations	-18	14	2	12	-1
Profit/loss of financial income and expenses	-2	-1	0	0	-3
Net profit/loss for the year	-23	18	8	26	2
Balance sheet					
Balance sheet total	341	316	271	273	292
Investment in property, plant and equipment	36	6	2	1	3
Equity	87	110	92	84	58
Cash flows					
Cash flows from:					
- operating activities	-44	-15	6	28	-76
- investing activities	-13	-4	-3	-1	94
- financing activities	57	9	4	-26	-44
Change in cash and cash equivalents for the year	0	-10	7	1	-26
Number of employees	468	434	426	438	479
Ratios					
Gross margin	25.5%	25.7%	27.9%	27.7%	27.8%
Profit margin	-1.7%	1.3%	0.2%	1.4%	-0.1%
Return on assets	-5.3%	4.4%	0.7%	4.4%	-0.3%
Solvency ratio	25.5%	34.8%	33.9%	30.8%	19.9%
Return on equity	-23.4%	17.8%	9.1%	36.6%	3.5%

See the description under accounting policies.

Management's review

Key activities

The group's main activities comprise domestic and international logistics services with focus on especially temperature-controlled transportation for the food processing industry and trade in Europe.

The group moreover offers chilled and frozen storage, dry goods storage, re-usable packaging systems, analyses and consultancy services.

Development in the year

Revenue for the year reached DKK 1.029 million compared to the last year's DKK 1.048 million. The net result for the year amounted to DKK -22.6 million compared to DKK 17.7 million last year.

Nagel Danmark group has in 2023 been modernizing the whole facility infrastructure and have moved into new, modern, energy-efficient terminal and warehouse facilities in Vejle and Ringsted, while closing older and less energy-efficient facilities. Cost increases, especially on staff costs, continued in 2023. This, as well as the change in production infrastructure that have been more costly than expected and a not foreseen decrease in transport volumes have affected the result negatively.

The profit before tax of DKK -19.4 million is below expectations expressed in the Annual Report 2022.

The profit before tax and the net result is considered unsatisfactory.

Development expectations

Also 2024 is expected to be challenging for both the transport industry and Nagel Danmark Group due to competition and continued high general cost increases.

Nagel Danmark Group has started a program of optimizing use of IT-infrastructure to reach the full potential of the new, modern production setup. Further has a program of Lean management been started whereby training all personnel, the internal processes will be optimized.

Nagel Danmark Group expects a profit before tax in 2024 in the range of DKK 9 – 14 million.

Statement of corporate social responsibility ref. Danish Financial Statements Act section 99a

Business Model

Nagel Danmark group's main activities comprise domestic and international logistics services with focus on especially temperature-controlled transportation for the food processing industry and trade in Europe. The group moreover offers chilled and frozen storage, dry goods storage, re-usable packaging systems, analyses and consultancy services.

Identified risks

Nagel Danmark group's risk of having an impact on the areas specified within the law regarding environment, social and employee relationships, human rights and anti-corruption, is assessed to be limited. Furthermore, the group's activities do not give rise to any other risks related to social responsibility. Nagel Danmark group complies with all relevant legislation in all countries in which the group operates.

Management's review

Nevertheless, Nagel Danmark group is aware of potential risks related to the activities of the group, including the ability to attract and retain competent employees, as well as emission-related environmental impact caused by the group's transport, storage and management of goods.

Environment and climate change

Nagel Danmark group is aware that the group must treat the environment as an indispensable partner. It is a basic principle for the group to act responsibly about the use of resources and to continuously reduce the environmental impact of the group's operations.

Efforts and results concerning environmental issues and climate change

In 2023 the group continued to rejuvenate the fleet of trucks, trailers as well as pallet-trucks and warehouse devices. All trucks are EURO 6 compliant and uses 7% biodiesel compliant with the European standard E590. All pallet-trucks and wheeled warehouse devices are battery driven, and a large part with the newest lithium-ion battery technology. Trailers have been exchanged with more energy-efficient units. Furthermore, a new technology of battery-cooled trailers is in testing in daily operation.

Daily operations focus on reducing the carbon footprint of transports through bundling of goods flow, optimization of loading space and route optimization for avoidance of extra driving distance. Fuel efficiency of the trucks is monitored, and drivers are trained in fuel-efficient driving. Energy consumption in warehouses and other facilities are monitored. Improvements in operational usage as well as maintenance and repairs are implemented in order to reduce the energy consumption.

Nagel Danmark group has completed a program of modernizing the whole facility infrastructure and has in 2023 moved into new energy-efficient facilities in Vejle and Ringsted including photovoltaic solar panels, while closing more older and less energy-efficient facilities.

Social- and employee conditions

Nagel Danmark group is aware of the risk related to the attraction and the retention of competent employees. It is the group's ambition to offer working conditions for current as well as for future employees, that secures and maintains a high level of employee satisfaction and a high level of attractiveness among new and potential employees by creating a solid culture, that reflects the wishes of existing and potential employees.

Nagel Danmark group believes that the group has a responsibility to the surrounding society and its citizens. The group wishes to contribute via efforts made within education, sport and social institutions by working actively to promote sport and youth activities, educational opportunities and to promote a healthy work-life-balance.

Efforts and results concerning social- and employee conditions

Nagel Danmark group has a close collaboration with local communities. I.e. in Vejle Kommune Nagel Liller works together with Trekantsområdet's jobcenter re. recruitment and job-training of drivers and terminal/warehouse employees – in order to secure the right job for the right person with the right skillset.

Also in 2023 Aabenraa Kommune endorsed the social responsibility of Nagel Danmark through granting the "CSR-Mærke". In order to obtain the "CSR-Mærke", companies must meet several demands. As a minimum 10% of the employees must have been employed under a scheme within the last 3 months prior to application

Management's review

– i.e. internships, flex-jobs, sheltered jobs, adult apprentice, integration basic education (IGU), basic vocational education and training (EGU), special designed youth educations (STU).

In 2024 was started a large-scale education program in Lean Management planned to run february - april 2024. It includes approximately 100 employees in Nagel Danmark group.

Through theoretical training as well as practical training and leadership sparring, the employees are given a valuable insight into many areas of the daily work in the whole organization and the challenges in other departments. Through education and training focus is on raising the general level of education and competences as well as working strategically with the next generation of managers of the company. The total education program supports among other things teamwork, effectiveness, recruiting, leadership and collaboration, while also benefitting the employees personally through increased job-satisfaction and personal development. Some of the training courses were finished with exams.

Nagel Danmark group uses more preventive measures in order to secure a healthy work-life-balance, both mentally and physically. I.e. stress coaching and health insurances including opportunities for preventive treatments like physiotherapist. In addition, we have expanded the working environment organization from January 2024, so that we can intensify the internal measures.

Human rights and anti-corruption

Nagel Danmark group does not have a separate policy regarding human rights and anti-corruption, because the group only conducts business in highly regulated markets, in which European and national legislations protect and uphold human rights. Based on this, we assess the risk of exposure to possible breaches of human rights and anti-corruption as limited. Nagel Danmark group rejects all forms of corruption and is committed to fair competition. Furthermore, Nagel Danmark is committed to respect human rights in our own operations and in our supply chain. Business partners are selected solely on the basis of objective and unbiased criteria. Nagel Danmark group complies with IFS Logistics (International Featured Standards), which is a standard for companies offering logistics service, that ensures comparability and transparency throughout the entire supply chain.

Based on the group's compliance with European and national legislation, as well as IFS Logistics, Nagel Danmark group evaluates that a separate policy is not necessary.

Every employee is called upon to report violations of laws and/or violations of ethical and moral principles to the Compliance Officer or the Nagel-Group's ombudsman. The anonymity of the whistleblower is protected. By doing this, the Nagel-Group wants to prevent that the whistleblower does not suffer any detriment when they report actual or suspected violations. Also in 2023 there has been no reports submitted to the independent ombudsman.

Continuous Improvement

We work constantly to improve our services, structures, and processes in order to satisfy the high quality standards the Nagel-Group has set for the long term. The know-how and skills of each employee are the basis for this continuous improvement process. To ensure this, we interact at all levels in an open, communicative manner, which is defined by mutual respect.

Management's review

Statement on gender composition ref. Danish Financial Statements Act section 99b

Target for female representation on the Board of Directors

When appointing candidates for the Board of Directors it is important that the candidates show a specific professional background and qualifications. It is moreover important that appointments are made with no regard to ethnicity, religious belief, political conviction, age or gender.

In respect of gender representation, the company is attentive to comply with new legislation from 2023 re. female representation on Board of Directors as well as on management level 1 and 2.

Target until 2028: One female member, equal to 33%, on the Board of Directors.

Currently Nagel Danmark A/S has one female member on the Board of Directors, equal to 33%. Thus, the firm has obtained gender equality on the Board of directors cf. The Danish Business Authorities.

Target for female representation on other management levels

The group considers a diverse workforce an asset. We employ our staff based on qualifications and personality and we offer all our employees equal opportunities with no regard to their background, ethnicity, religious belief, political conviction, age or gender. The group encourages every employee to pursue and realize his or her personal goals.

In respect of gender representation, the group is attentive to comply with new legislation from 2023 re. female representation on Board of Directors as well as on management level 1 and 2.

The group has for more years been working on promoting its female talents. This work has produced a result that is satisfactory for the industry but still inadequate to achieve the target of 40% on management level 1 and 2 in the new legislation.

Currently Nagel Danmark A/S has 22% female representatives at management level 1 and 2. In 2022 was zero female representatives.

Target until 2028: Gradually develop in order to be in compliance with 40% representation in 2028.

Achieving 40% female representation on management level 1 and 2 is difficult given the majority of male employees in the industry and will not be possible to achieve in a few years. A long term plan has been established with various activities planned with focus on recruiting and education as well as further developing a culture supporting gender equality.

Management's review

	2023	2024	2025	2026	2027
The highest management level					
Total members	3				
Underrepresented gender	33%				
Target figure in percentage					
Year for meeting targets					
The company's other management levels					
Total members	9				
Underrepresented gender	22%				
Target figure in percentage	40%				
Year for meeting targets	2028				

Statement on data ethics ref. Danish Financial Statements Act section 99d

Nagel Danmark A/S complies with the Danish legislation on GDPR with regards to employee and personal data.

Given our business model and activities we acquire data from external sources in support of our market strategy and the services we provide to clients. However, all data are considered business critical and will as such never be shared with or in any way be made available to third parties. Consequently, the management of Nagel Danmark A/S see no immediate need for approving a policy on data ethics but will follow the topic closely with the aim of setting such a policy in due time.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Revenue	1	1,028,694	1,048,473	420,232	434,899
Other operating income		18,168	19,493	16,360	12,573
Direct expenses		-709,821	-720,689	-355,493	-349,816
Other external expenses		-75,050	-78,506	-21,172	-33,848
Gross profit		261,991	268,771	59,927	63,808
Staff expenses	2	-272,690	-249,282	-51,508	-51,494
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-7,140	-5,691	-3,564	-4,181
Profit/loss before financial income and expenses		-17,839	13,798	4,855	8,133
Income from investments in associates		-48	-592	-48	-592
Financial income	3	12,675	2,561	13,026	2,887
Financial expenses	4	-14,225	-3,126	-12,093	-2,441
Profit/loss before tax		-19,437	12,641	5,740	7,987
Tax on profit/loss for the year	5	-3,157	5,108	4,423	1,528
Net profit/loss for the year	6	-22,594	17,749	10,163	9,515

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Acquired other similar rights		1,217	4,329	8	2,469
Development projects in progress		2,134	4,620	1,692	0
Intangible assets	7	3,351	8,949	1,700	2,469
Other fixtures and fittings, tools and equipment		18,262	3,945	1,950	2,678
Leasehold improvements		17,726	0	1,272	0
Property, plant and equipment in progress		0	834	0	834
Property, plant and equipment	8	35,988	4,779	3,222	3,512
Investments in subsidiaries	9	0	0	0	0
Investments in associates	10	0	48	0	48
Receivables from group enterprises	11	0	0	60,000	0
Other investments	11	3,141	2,799	1,767	1,767
Deposits	11	7,871	12,426	7,871	10,734
Fixed asset investments		11,012	15,273	69,638	12,549
Fixed assets		50,351	29,001	74,560	18,530
Raw materials and consumables		7,588	3,339	43	3,339
Inventories		7,588	3,339	43	3,339
Trade receivables		204,982	221,795	91,757	98,449
Receivables from group enterprises		60,760	38,956	54,737	101,150
Other receivables		1,052	0	13	3
Deferred tax asset	12	9,746	12,794	7,070	2,538
Corporation tax		121	0	41	0
Prepayments	13	3,702	7,081	2,696	3,418
Receivables		280,363	280,626	156,314	205,558

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Cash at bank and in hand		3,181	3,293	3,181	3,293
Current assets		291,132	287,258	159,538	212,190
Assets		341,483	316,259	234,098	230,720

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Share capital		92,000	92,000	92,000	92,000
Reserve for development costs		0	0	1,326	1,926
Retained earnings		-4,873	17,727	71,625	60,868
Equity		87,127	109,727	164,951	154,794
Other provisions	14	17,973	13	4,523	0
Provisions		17,973	13	4,523	0
Payables to group enterprises		68,012	0	0	0
Long-term debt	15	68,012	0	0	0
Prepayments received from customers		366	414	321	369
Trade payables		124,598	152,245	52,590	65,842
Payables to group enterprises	15	9,767	21,066	3,107	128
Corporation tax		0	0	0	962
Payables to group enterprises relating to corporation tax		0	1,077	0	0
Other payables		33,640	31,717	8,606	8,625
Short-term debt		168,371	206,519	64,624	75,926
Debt		236,383	206,519	64,624	75,926
Liabilities and equity		341,483	316,259	234,098	230,720
Contingent assets, liabilities and other financial obligations	18				
Related parties	19				
Fee to auditors appointed at the general meeting	20				
Subsequent events	21				
Accounting Policies	22				

Statement of changes in equity

Group

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	92,000	17,721	109,721
Net profit/loss for the year	0	-22,594	-22,594
Equity at 31 December	92,000	-4,873	87,127

Parent company

	Share capital	Reserve for development costs	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	92,000	1,926	60,862	154,788
Development costs for the year	0	-600	600	0
Net profit/loss for the year	0	0	10,163	10,163
Equity at 31 December	92,000	1,326	71,625	164,951

Cash flow statement 1 January - 31 December

	Note	Group	
		2023	2022
		TDKK	TDKK
Result of the year		-22,594	17,749
Adjustments	16	9,408	-728
Change in working capital	17	-27,833	-31,873
Cash flow from operations before financial items		-41,019	-14,852
Financial income		12,675	2,561
Financial expenses		-14,225	-3,126
Cash flows from ordinary activities		-42,569	-15,417
Corporation tax paid		-1,307	159
Cash flows from operating activities		-43,876	-15,258
Purchase of intangible assets		-2,196	-4,620
Purchase of property, plant and equipment		-18,729	-6,382
Fixed asset investments made etc		0	1,658
Sale of property, plant and equipment		3,763	4,746
Sale of fixed asset investments made etc		4,213	135
Cash flows from investing activities		-12,949	-4,463
Raising of payables to group enterprises		56,713	9,337
Cash flows from financing activities		56,713	9,337
Change in cash and cash equivalents		-112	-10,384
Cash and cash equivalents at 1 January		3,293	13,677
Cash and cash equivalents at 31 December		3,181	3,293
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		3,181	3,293
Cash and cash equivalents at 31 December		3,181	3,293

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
1. Revenue				
Geographical segments				
Northern Europe	67,609	65,244	67,609	65,243
Germany	162,976	144,215	162,976	144,215
Southern Europe	39,043	46,095	39,043	46,095
Denmark	625,858	678,567	17,396	64,994
Other	133,208	114,352	133,208	114,352
	1,028,694	1,048,473	420,232	434,899
Business segments				
Freight by road	955,390	968,754	393,081	372,773
Various	73,304	79,719	27,151	62,126
	1,028,694	1,048,473	420,232	434,899
	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
2. Staff Expenses				
Wages and salaries	245,899	226,951	46,895	47,157
Pensions	22,400	18,163	4,400	3,946
Other social security expenses	4,391	4,168	213	391
	272,690	249,282	51,508	51,494
Including remuneration to the Executive Board and Board of Directors:				
Executive board	5,704	2,314	2,851	1,157
Board of directors	50	50	50	50
	5,754	2,364	2,901	1,207
Average number of employees	468	434	93	97

Notes to the Financial Statements

3. Financial income

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Income from securities, which are fixed assets	187	238	187	238
Interest received from group enterprises	11,746	1,779	12,808	2,840
Other financial income	735	525	31	-191
Exchange gains	7	19	0	0
	12,675	2,561	13,026	2,887

4. Financial expenses

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Interest paid to group enterprises	13,058	2,191	11,432	2,017
Other financial expenses	1,125	804	661	424
Exchange loss	42	131	0	0
	14,225	3,126	12,093	2,441

5. Income tax expense

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Current tax for the year	0	1,180	0	985
Deferred tax for the year	3,048	-6,288	-4,532	-2,513
Adjustment of tax concerning previous years	109	0	109	0
	3,157	-5,108	-4,423	-1,528

Notes to the Financial Statements

6. Profit allocation

Retained earnings

Parent company	
2023	2022
TDKK	TDKK
10,163	9,515
10,163	9,515

7. Intangible fixed assets

	Group		Parent company	
	Acquired other similar rights	Development projects in progress	Acquired other similar rights	Development projects in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	19,388	4,620	15,900	0
Additions for the year	62	2,134	0	1,692
Disposals for the year	0	-4,620	0	0
Cost at 31 December	19,450	2,134	15,900	1,692
Impairment losses and depreciation at 1 January	15,059	0	13,431	0
Depreciation for the year	3,174	0	2,461	0
Impairment losses and depreciation at 31 December	18,233	0	15,892	0
Carrying amount at 31 December	1,217	2,134	8	1,692
Amortised over	3-5 years		3-5 years	

Development projects in progress relate to software development.

Notes to the Financial Statements

8. Property, plant and equipment

	Group			Parent company		
	Other fixtures and fittings, tools and equipment	Leasehold improve- ments	Property, plant and equipment in progress	Other fixtures and fittings, tools and equipment	Leasehold improve- ments	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	12,636	0	834	10,038	0	834
Additions for the year	17,251	19,198	0	543	1,440	0
Disposals for the year	-6,716	0	0	-6,266	0	0
Transfers for the year	834	0	-834	834	0	-834
Cost at 31 December	24,005	19,198	0	5,149	1,440	0
Impairment losses and depreciation at 1 January	8,689	0	0	7,360	0	0
Depreciation for the year	2,494	1,472	0	935	168	0
Impairment and depreciation of sold assets for the year	-4,834	0	0	-4,834	0	0
Reversal of impairment and depreciation of sold assets	-606	0	0	-262	0	0
Impairment losses and depreciation at 31 December	5,743	1,472	0	3,199	168	0
Carrying amount at 31 December	18,262	17,726	0	1,950	1,272	0
Amortised over	3-20 years	6-15 years		3-20 years	6 years	

Parent company	
2023	2022
TDKK	TDKK

9. Investments in subsidiaries

Cost at 1 January	7,813	7,813
Cost at 31 December	7,813	7,813
Value adjustments at 1 January	-7,813	-7,813
Value adjustments at 31 December	-7,813	-7,813
Carrying amount at 31 December	0	0

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Nagel Liller A/S	Vejle Øst, Denmark	TDKK 500	100%

Notes to the Financial Statements

10. Investments in associates

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	665	25	665	25
Additions for the year	0	640	0	640
Cost at 31 December	665	665	665	665
Value adjustments at 1 January	-617	-25	-617	-25
Net profit/loss for the year	-48	-592	-48	-592
Value adjustments at 31 December	-665	-617	-665	-617
Carrying amount at 31 December	0	48	0	48

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Ownership
Nagel Andresen Fleet Management ApS (under frivillig likvidation)	Padborg, Denmark	TDKK 100	50%

11. Other fixed asset investments

	Group		Parent company	
	Other investments	Deposits	Receivables from group enterprises	Other investments
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	2,799	12,426	0	1,767
Additions for the year	342	5,114	60,000	0
Disposals for the year	0	-9,669	0	0
Cost at 31 December	3,141	7,871	60,000	1,767
Carrying amount at 31 December	3,141	7,871	60,000	1,767

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
12. Deferred tax asset				
Deferred tax asset at 1 January	12,794	6,506	2,538	25
Amounts recognised in the income statement for the year	-3,048	6,288	4,532	2,513
Deferred tax asset at 31 December	9,746	12,794	7,070	2,538

The recognised tax asset comprises tax loss carry-forwards expected to be utilised within the next years. In connection with the assessment of the utilisation of the tax asset, special emphasis has been placed on the Group having implemented efficiency measures which are expected to increase the Group's income.

13. Prepayments

Prepayments consist mainly of prepaid expenses concerning insurance premiums, lease and etc.

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
14. Other provisions				
Other provisions include obligations regarding relocation costs and provisions in respect of pallets and packing materials and are recognised net in the balance sheet.				
Other provisions	17,973	13	4,523	0
	17,973	13	4,523	0

The provisions are expected to mature as follows:

After 5 years	17,973	13	4,523	0
	17,973	13	4,523	0

Notes to the Financial Statements

Group		Parent company	
2023	2022	2023	2022
TDKK	TDKK	TDKK	TDKK

15. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Payables to group enterprises

After 5 years	68,012	0	0	0
Long-term part	68,012	0	0	0
Other short-term debt to group enterprises	9,767	21,066	3,107	128
	77,779	21,066	3,107	128

Group	
2023	2022
TDKK	TDKK

16. Cash flow statement - Adjustments

Financial income	-12,675	-2,561
Financial expenses	14,225	3,126
Depreciation, amortisation and impairment losses, including losses and gains on sales	4,653	3,223
Income from investments in associates	48	592
Tax on profit/loss for the year	3,157	-5,108
	9,408	-728

Notes to the Financial Statements

	Group	
	2023	2022
	TDKK	TDKK
17. Cash flow statement - Change in working capital		
Change in inventories	-4,249	6,895
Change in receivables	-2,664	-56,147
Change in other provisions	4,860	-8,561
Change in trade payables, etc	-25,780	25,940
	-27,833	-31,873

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
18. Contingent assets, liabilities and other financial obligations				

Contingent assets

Deferred tax asset, due to historic tax losses carry forward, of the value of approximately DKK 20-22 mio. (2022: DKK 13-15 mio.), is not recognized in the income statement and balance sheet.

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	25,829	21,598	1,592	1,887
Between 1 and 5 years	44,760	31,924	1,760	2,743
After 5 years	4,887	7,954	80	0
	75,476	61,476	3,432	4,630

Rental obligations, period of interminability up to 15 years for the Group

186,701	189,530	12,448	15,951
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Notes to the Financial Statements

Group		Parent company	
2023	2022	2023	2022
TDKK	TDKK	TDKK	TDKK

18. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to TDKK 1,077. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The group has registered a pledge ban regarding some of the group's accounts receivables.

19. Related parties and disclosure of consolidated financial statements

Basis

Controlling interest

Nagel-Group Logistics SE

Immediate Parent Company

Other related parties

Nagel-Group SE & Co. KG, Versmold

Ultimate Parent Company

Transactions

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

Consolidated Financial Statements

The Company is included in the Consolidated Annual Report of its ultimate Parent Company, Nagel-Group SE & Co. KG.

Name

Nagel-Group SE & Co. KG

Place of registered office

D-33775 Versmold

The Group Annual Report of Nagel-Group SE & Co. KG may be obtained at the following address:

Friedrich-Menzefricke-Straße 6
D-33775 Versmold
Germany

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
20. Fee to auditors appointed at the general meeting				
PricewaterhouseCoopers				
Audit fee	420	405	320	305
Other assurance engagements	8	47	8	26
Tax advisory services	322	163	322	163
Non-audit services	143	156	72	155
	893	771	722	649

21. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

22. Accounting policies

The Annual Report of Nagel Danmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in TDKK.

Recognition and measurement

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

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

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

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

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

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Notes to the Financial Statements

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Nagel Danmark A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). This includes allowing for any restructuring provisions determined in relation to the enterprise acquired. Any remaining positive differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straightline basis over its estimated useful life, but not exceeding 20 years. Any remaining negative differences are recognised in deferred income in the balance sheet as negative goodwill. Amounts attributable to expected losses or expenses are recognised as income in the income statement as the affairs and conditions to which the amounts relate materialise. Negative goodwill not related to expected losses or expenses is recognised at an amount equal to the fair value of non-monetary assets in the income statement over the average useful life of the non-monetary assets.

Positive and negative differences from enterprises acquired may, due to changes to the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related.

Amortisation of goodwill is recognised in "Amortisation, depreciation and impairment losses".

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

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

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Notes to the Financial Statements

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Segment information on revenue

Information on business segments and geographical segments is based on the Group's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Income statement

Revenue

Revenue is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries and associates

The items "Income from investments in subsidiaries" and "Income from investments in associates" in the income statement include the proportionate share of the profit for the year.

Financial income and expenses

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

Tax on profit/loss for the year

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

Notes to the Financial Statements

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with the subsidiary Nagel Liller A/S. Nagel Danmark A/S has been selected as the administrative company.

The tax effect of the joint taxation with the subsidiary is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5-10 years.

Software are measured at the lower of cost less accumulated amortisation and recoverable amount. Software is amortised on a straight-line basis over its useful life, which is assessed at 3-5 years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other buildings	10-40 years
Other fixtures and fittings, tools and equipment	3-20 years
Leasehold improvements	6-15 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries and associates

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

Notes to the Financial Statements

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

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

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

Fixed asset investments

Fixed asset investments, which consist of deposit and other investments are not traded in an active market are measured at the lower of cost and recoverable amount.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits and long term receivables.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

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

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, lease and etc.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions also includes relocation costs in respect of repair and maintenance at the end of rental of properties (estimated to a period of up to 15 years). Provisions are measured and recognised based on experience and management discretion.

Notes to the Financial Statements

Deferred tax assets and liabilities

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

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

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

Current tax receivables and liabilities

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

Financial liabilities

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Cash Flow Statement

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Notes to the Financial Statements

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Overdraft facilities".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$
Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$