

OOCL Logistics (Europe) Limited  
Annual report and financial statements  
for the year ended 31 December 2022

Registered Number 01877229

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# OOCL Logistics (Europe) Limited

## Annual report and financial statements for the year ended 31 December 2022

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# **OOCL Logistics (Europe) Limited**

## **Directors and advisors**

### **Directors**

Joern Wilhelm BOEGER  
Andreas Hendrik BRAKEL  
Chung Ming PAN  
Suliani TJHIN

### **Secretary**

OOCL Secretarial Services Limited  
31<sup>st</sup> Floor  
Harbour Centre  
25 Harbour Road  
Wanchai  
Hong Kong

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
The Maurice Wilkes Building  
Cowley Road  
Cambridge  
CB4 0DS  
United Kingdom

### **Registered office**

OOCL House  
Levington Park  
Bridge Road  
Levington  
Ipswich  
Suffolk  
IP10 0NE  
United Kingdom

# OOCL Logistics (Europe) Limited

## Strategic report for the year ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

### Review of the business

Market conditions in the first half of 2022 were largely unchanged from the extraordinary conditions seen over the previous 18 to 24 months. From the middle of the year it became clear that, despite continuing consumer spending, a build up of inventories would reduce demand, and that alleviation of congestion in some major ports would start to release effective capacity. This altered the dynamics of the market and created a long and steady decline in freight rates from their extraordinary highs to levels that, by year end, had started to approach the pre pandemic levels.

In 2022, OOCL Logistics achieved healthy business and revenue growth as well as expanded customer base across the board, including our International Supply Chain Management Service, Freight Forwarding, Depot and NVOCC units. We continued with our agenda to strengthen our physical services and network coverage with further investment. There has been particularly strong focus on domestic services including warehousing and distribution services. Environmental, Sustainability and Governance remained key focuses of our corporate governance, where efforts have been made including the use of environmentally friendly processes, vehicles and equipment.

The Company commits to innovations. Throughout 2022, we have partnered with various partners such as carriers, depot, Global Shipping Business Network (GSBN) and key clients, on projects involving Blockchain applications for cargo release, cargo preparation for loading and container pickup to boost time and cost efficiency in the supply chain. In September, OOCL Logistics launched our new digital platform – E-Trucking on OOCL's FreightSmart platform – presents a complete suite of trucking solutions that integrate and enhance the connectivity between multiple nodes in the supply chain network. E-Trucking strives to serve both international and domestic customers in the world's fastest-growing markets to secure cargo space digitally and conveniently.

### Key Performance Indicators ("KPIs")

The directors consider the key performance indicators by which the Company is monitored to be the key performance indicators by which the intermediate parent undertaking is monitored. These have been considered within the directors' report of the intermediate parent undertaking's financial statements, Orient Overseas (International) Limited, which are publicly available from the website and which do not form part of this annual report.

### Results

The Company made a profit for the financial year after taxation of £1,102,000 (2021: loss of £4,388,000) and had net liabilities of £17,656,000 (2021: £18,308,000).

### Strategy

The strategy of the business is to continue to develop new services aimed at providing international supply chain management and execution services for our customers, with plans to expand further into domestic logistics business areas.

# OOCL Logistics (Europe) Limited

## Strategic report for the year ended 31 December 2022 (continued)

### Review of the business (continued)

#### Principal risks and uncertainties

The most significant risks for the business relate to operational risk and credit risk, as per below:

**Operational risk** – this arises from the execution of the Company's business functions relating to the people, systems and processes through which the Company operates. Operational risk is managed by adopting detailed processes and procedures in all facets of the business. We continue to seek a diversified portfolio of customers in order to mitigate the risk associated with a narrow customer base.

**Credit risk** – the Company bears the risk that customers do not settle amounts in a timely manner. Credit risk is minimised by a credit policy that requires credit checking and setting of credit periods for all customers alongside rigorous credit monitoring procedures.

#### Financial risk management

The Company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and foreign exchange risk. Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Company's finance department.

#### *Credit risk*

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made, which are reviewed periodically to accommodate for changing circumstances in the customer base. The amount of exposure to any individual counterparty is subject to a limit.

#### *Liquidity and cashflow risk*

The Company maintains cash balances and has access to inter-Company short-term finance so as to ensure the Company has sufficient available funds for operations.

#### *Foreign exchange risk*

The business predominately sells in US dollar related rates but invoices in local currency. Costs are incurred in a range of currencies which helps to mitigate the foreign exchange risk. The business does not currently undertake hedging; however, this will be reconsidered if operations change in nature.

#### Statement by the directors in performance with their duties in accordance with s172(1) Companies Act 2006

A director of a Company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to factors (a) to (f).

- a. The likely consequences of any decision in the long term,
- b. The interests of the company's employees,
- c. The need to foster the company's business relationships with suppliers, customers and others,
- d. The impact of the company's operations on the community and the environment,
- e. The desirability of the company maintaining a reputation for high standards of business conduct, and

## OOCL Logistics (Europe) Limited

### Strategic report for the year ended 31 December 2022 (continued)

Statement by the directors in performance with their duties in accordance with s172(1) Companies Act 2006 (continued)

f. The need to act fairly as between members of the company.

The following paragraphs summarise how the Directors' fulfil their duties:

#### *Risk Management*

The board acknowledges that risks are inherent in our business and the market in which we operate, and we undertake and monitor risks in pursuit of our strategic and business objectives. The risk strategy of the company, once risk is identified, is to manage it by understanding, minimising, transferring or containing it through the wider Orient Overseas (International) Limited (OOIL) Group risk management framework. We adopt an activity-based "three lines of defence" risk governance model designed to mitigate short and long-term risk. First line is for functional units to identify risk, formulate mitigation strategy and upward reporting of risk monitoring progress. Second line is the risk management department, who are responsible for monitoring the risk management system and internal controls to ensure their effectiveness. Third line is the internal audit department who provide an independent review on the effectiveness of risk management and internal control systems. The principal risks are discussed further on page 4.

#### *Our People*

As a responsible corporate citizen employing the highest standards of business ethics in all that it does, the company understands that the process begins with the well treatment of its employees. As an equal opportunity employer, we have a clearly defined policy, covering areas such as treating employees with fairness and dignity, promoting corporate culture and encouraging frank communication, as well as recognising their efforts and achievements.

#### *Business Relationships*

Customer focus is a core value of the wider group and followed without exception by the company. We believe in long term, mutually beneficial relationships with our customers. Our employees adopt a "we take it personally" attitude in order to proactively meet customers' expectations.

For suppliers, we place special emphasis on the supplier selection process in which quantitative and qualitative factors are considered objectively, independently and openly according to the Group's highest ethical standards. In the interest of adhering to these ethical standards we have formulated a Code of Conduct which serves as guideline to ensure compliance with all local, national and international legal standards. It helps to preclude any offences under local or international laws, breaches of confidentiality, intellectual property rights infringement as well as conflicts of interest, acts of bribery, corruption or political contribution or any other corporate misconduct.

#### *Community and Environment*

As a responsible corporate citizen, the Group and company recognise that the society in which employees live and work contributes greatly to the success of the whole Group. Employees are encouraged to give something back to the communities in which they live through charitable activities such as fundraising and volunteering to

## OOCL Logistics (Europe) Limited

### Strategic report for the year ended 31 December 2022 (continued)

Statement by the directors in performance with their duties in accordance with s172(1) Companies Act 2006 (continued)

help those in need. We actively participate in environmental care measures designed at reducing our carbon footprint, improve air quality and make the world a better place to live for ourselves and future generations.

#### *Communication with Shareholders*

The company attaches great importance to communications with shareholders of the company. Extensive information on the Group's activities, business strategy and developments are provided in the Group's annual and interim reports. The company has established a shareholders' communication policy to ensure shareholders are provided with ready, equal and timely access to balanced and understandable information about the company.

Approved by the board and signed on its behalf by:

  
Andreas Hendrik BRAKEL

Director

Date: 29.06.2023

# OOCL Logistics (Europe) Limited

## Directors' report for the year ended 31 December 2022

The directors present their report together with the audited financial statements of the Company for the year ended 31 December 2022.

### Principal activities

OOCL Logistics (Europe) Limited continues to operate as a European logistics company with the following principal activities:

- International logistics cargo consolidation and freight forwarding services, operating under the name of OOCL Logistics, itself or through its branches supplying international supply chain management and execution services.
- Domestic logistics services and custom house brokerage.

### Dividends

The directors are unable to recommend the payment of a dividend (2021: £nil)

### Financial risk management

See the Strategic Report (page 4-5) for details of the Company's policy on financial risk management.

### Going concern

For the year ended 31 December 2022 the Company achieved a profit of £1,102,000 (2021: loss of £4,388,000), with net current liabilities of £17,914,000 (2021: £18,537,000) and net liabilities of £17,656,000 (2021: £18,308,000). The directors have prepared the financial statements on the going concern basis given that OOCL (Assets) Holdings Inc., the intermediate parent Company, has confirmed in writing to the Company its present intention to provide adequate financial support such as to allow the Company to pay its debts as they fall due and to allow the continued operations of the Company for a period of at least 12 months following the signing of these financial statements.

### Environment

The Company fully endorses and embraces a policy under which safety and the protection of the environment are foremost. The Company's core value of community responsibility as regards environmental concern is communicated to all employees through the induction program for new employees. In addition, the Company makes extensive use of electronic communications in conducting business, thus assisting in the conservation of natural resources. All employees are encouraged to recycle and to use the least amounts of natural resources.

The promotion of e-commerce encourages the advent of "paperless" trade and business. Additionally, the Company encourages "office greening" with green plants as well as adopting environmental considerations in the vendor and supplier selection process.

Streamlined Energy and Carbon Reporting (SECR)		2022	2021
Total Energy Consumption		36,562 kwh	47,235 kwh
Scope	Emission Source	tCO <sub>2</sub> e	tCO <sub>2</sub> e
2	Emissions from purchased gas and electricity	6.80	9.22
Intensity ratio			
Office space occupied (square feet)		2000	2000
Total scope 2 emissions / square feet		0.003	0.005

# OOCL Logistics (Europe) Limited

## Directors' report for the year ended 31 December 2022 (continued)

### Streamlined Energy and Carbon Reporting (SECR) (continued)

These calculations are made in line with the Greenhouse Gas ("GHG") Protocol Accounting and Reporting Standard and are based on an allocation relating to office tenancy of its UK operation only.

#### Directors

The directors of the Company who served during the year and up to the date of signing these financial statements were as follows:

Joern Wilhelm BOEGER  
Andreas Hendrik BRAKEL  
Chung Ming PAN  
Suliani TJHIN

#### Permitted indemnity

During the year and at the date of approval of the financial statements, the Company had in force an indemnity provision in favour of one or more directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

#### Key relationships with customers and suppliers

It is the Company's policy to maintain a diversified customer base in order to minimise risks associated with customer concentration. This is assessed at group level and is regarded as acceptable. "Customer Focus" is one of our core values and we encourage staff to go beyond the call of duty to meet customer's needs by understanding their business and seeing things from their perspective. Similarly, with suppliers, we also seek a diversified supplier base. We assess suppliers on qualitative as well as quantitative factors. Pricing is not the primary consideration as we seek the same high ethical standards of our suppliers, as we expect from ourselves. In accordance with these policies, we have continued the process of actively seeking to expand our customer base and have maintained careful vendor selection throughout the year.

#### Future developments

Looking forward to 2023, the outlook is uncertain. Many countries face high inflation and budget deficits and are prioritising bringing these to manageable levels through higher taxation and increasing interest rates. This, combined with the effects of the war in Ukraine, means consumer demand is likely to be weaker than the last few years and will present challenges for the company in the coming year.

#### Branches

The Company operates in the UK and across Europe through branches registered in Belgium, Denmark, Sweden, Germany and the Netherlands. The locations of branches are disclosed in note 1.

# OOCL Logistics (Europe) Limited

## Directors' report for the year ended 31 December 2022 (continued)

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Independent auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

Approved by the board and signed on its behalf by:



Andreas Hendrik BRAKEL

Director

Date: 29.06.2023

## OOCL Logistics (Europe) Limited

# Independent auditors' report to the members of OOCL Logistics (Europe) Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, OOCL Logistics (Europe) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2022; the income statement, statement of comprehensive income and statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## OOCL Logistics (Europe) Limited

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' 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 auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, the Data Protection Act 1998, the Health and Safety at Work Act 1974,

## OOCL Logistics (Europe) Limited

and Employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate accounting entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Making enquiries with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries meeting specified criteria considered to be unusual or indicative of potential fraud;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Reviewing meeting minutes, including the Board of Directors to identify any non-compliance;
- Reviewing correspondence with HMRC to identify any instances of non-compliance; and
- Testing assumptions and judgements made by management in forming their significant accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

*Lauren Dilrew*

Lauren Dilrew (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cambridge  
29 June 2023

## OOCL Logistics (Europe) Limited

### Income statement for the year ended 31 December 2022

		2022	2021
	Note	£'000	£'000
Turnover	3	177,206	83,824
Staff costs	4	(8,362)	(7,519)
Depreciation	7	(25)	(20)
Other operating expenses		(167,634)	(80,569)
<b>Operating profit / (loss)</b>	4	<b>1,185</b>	<b>(4,284)</b>
Other finance income	12	5	3
Other finance charge	12	(4)	(3)
<b>Profit / (Loss) before taxation</b>		<b>1,186</b>	<b>(4,284)</b>
Tax on profit / (loss)	6	(84)	(104)
<b>Profit / (Loss) for the financial year</b>		<b>1,102</b>	<b>(4,388)</b>

The results for the year and prior year are derived entirely from continuing operations.

There is no material difference between the profit / (loss) before taxation and the profit / (loss) for the financial year stated above and their historical cost equivalents.

The notes on pages 17 to 34 form part of these financial statements.

## OOCL Logistics (Europe) Limited

### Statement of comprehensive income for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Profit / (loss) for the financial year</b>		<b>1,102</b>	<b>(4,388)</b>
<b>Other comprehensive (expense) / Income:</b>			
Currency translation differences arising in respect of foreign currency branches		(486)	602
Actuarial gain on pension scheme	12	36	24
<b>Other comprehensive (expense) / income for the year</b>		<b>(450)</b>	<b>626</b>
<b>Total comprehensive income / (expense) for the year</b>		<b>652</b>	<b>(3,762)</b>

The notes on pages 17 to 34 form part of these financial statements.

## OOCL Logistics (Europe) Limited

### Statement of financial position as at 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Tangible assets	7	62	63
Investments	8	153	153
		<b>215</b>	<b>216</b>
<b>Current assets</b>			
Debtors	9	28,612	44,336
Cash at bank and in hand		5,614	5,218
		<b>34,226</b>	<b>49,554</b>
<b>Creditors: amounts falling due within one year</b>	10	<b>(52,140)</b>	<b>(68,091)</b>
<b>Net current liabilities</b>		<b>(17,914)</b>	<b>(18,537)</b>
<b>Total assets less current liabilities</b>		<b>(17,699)</b>	<b>(18,321)</b>
Pensions and similar obligations	12	43	13
<b>Net liabilities</b>		<b>(17,656)</b>	<b>(18,308)</b>
<b>Capital and reserves</b>			
Called up share capital	13	-	-
Accumulated losses		<b>(17,656)</b>	<b>(18,308)</b>
<b>Total shareholders' deficit</b>		<b>(17,656)</b>	<b>(18,308)</b>

The notes on pages 17 to 34 form part of these financial statements.

The financial statements on pages 13 to 34 were authorised and approved for issue by the board of directors on 29 June 2023 and signed on its behalf by:



Andreas Hendrik BRAKEL  
Director

Registered number 01877229

## OOCL Logistics (Europe) Limited

### Statement of changes in equity for the year ended 31 December 2022

	Called up share capital	Accumulated losses	Total shareholders' deficit
	£'000	£'000	£'000
Balance as at 1 January 2021	-	(14,546)	(14,546)
Loss for the financial year	-	(4,388)	(4,388)
Other comprehensive income for the year	-	626	626
<b>Total comprehensive expense for the year</b>	-	<b>(3,762)</b>	<b>(3,762)</b>
<b>Balance as at 31 December 2021</b>	-	<b>(18,308)</b>	<b>(18,308)</b>
Balance as at 1 January 2022	-	(18,308)	(18,308)
Profit for the financial year	-	1,102	1,128
Other comprehensive expense for the year	-	(450)	(450)
<b>Total comprehensive income for the year</b>	-	<b>652</b>	<b>678</b>
<b>Balance as at 31 December 2022</b>	-	<b>(17,656)</b>	<b>(17,630)</b>

The notes on pages 17 to 34 form part of these financial statements.

## **OOCL Logistics (Europe) Limited**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **1. Accounting policies**

##### **General Information**

OOCL Logistics (Europe) Limited provides international logistics cargo consolidation, freight forwarding services, domestic logistics services and customs house brokerage. The Company operates in the UK and across Europe through its branches registered in Belgium, Denmark, Sweden, Germany and the Netherlands. The Company is a private company limited by shares and is incorporated and domiciled in the UK. The Company is registered in England and Wales and the address of its registered office is OOCL House, Levington Park, Bridge Road, Levington, Ipswich, Suffolk, IP10 0NE, U.K.

##### **Statement of compliance**

The individual financial statements of OOCL Logistics (Europe) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

##### **Summary of significant accounting policies**

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

##### **Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

##### **Going concern**

For the year ended 31 December 2022 the Company achieved a profit of £1,102,000 (2021: loss of £4,388,000), with net current liabilities of £17,914,000 (2021: £18,537,000) and net liabilities of £17,656,000 (2021: £18,308,000). The directors have prepared the financial statements on the going concern basis given that OOCL (Assets) Holdings Inc., the intermediate parent Company, has confirmed in writing to the Company its present intention to provide adequate financial support such as to allow the Company to pay its debts as they fall due and to allow the continued operations of the Company for a period of at least 12 months following the signing of these financial statements.

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 1. Accounting policies (continued)

##### Exemptions for qualifying entities under FRS 102

The Company is a subsidiary of Orient Overseas (International) Limited (“OOIL”), an intermediate parent Company of which it is included in the consolidated financial statements, which are publicly available. Consequently, the Company has taken advantage of the following exemptions in its individual financial statements:

- i. the Company has taken advantage of the exemption, under paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its intermediate parent company, OOIL, includes the company’s cash flows in its consolidated financial statements.
- ii. the Company has taken advantage of the exemption from the financial instrument disclosures, required under FRS 102 paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures of OOIL;
- iii. the Company has taken advantage of the exemption under paragraph 33, from disclosing related party transactions with entities that are 100% subsidiaries of the OOIL group.
- iv. the Company has taken advantage of the exemption from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

##### Turnover

Turnover represents the income receivable in the ordinary course of business for the provision of international logistics cargo consolidation and forwarding services, excluding VAT. Revenue is recognised upon completion of the service, that is, upon delivery to the customer. Income is accrued and deferred in accordance with the extent to which the relevant services have been performed at the balance sheet date.

##### Staff costs

The Company has employees in the United Kingdom and at the following branches: Netherlands, Belgium and Sweden. The Company’s German branch has staff employed by Orient Overseas Container Line Ltd. Zweigniederlassung Deutschland which is a fellow subsidiary company. OOCL Logistics (Europe) Limited is recharged for the costs incurred on its behalf and these costs are reflected within staff costs in the profit and loss account. There are no employees in the Company’s Denmark branch or any staff costs recharged.

It is considered that only the Directors are key management personnel within the Company.

## **OOCL Logistics (Europe) Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1. Accounting policies (continued)**

##### **Employee benefits**

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

##### **(i) Short-term benefits**

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

##### **(ii) Defined contribution pension plans**

The Company operates a number of country-specific defined contribution plans for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **(iii) Defined benefit pension plan**

The Company is a participating member of the Kenwake Pension Scheme, and a fellow subsidiary, FW Terminals Limited, is the principal employer. The assets and liabilities of the scheme have been allocated to the respective companies based upon the employment history of the individuals to which retirement benefits are accruing.

The defined benefit plan is only operated for certain employees of the Company. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. The defined benefit pension plan is closed to new members.

The liability recognised in the balance sheet in respect of the defined benefit plan is the fair value of the plan assets at the reporting date less the present value of the defined benefit obligation at the reporting date.

Any defined benefit plan surplus is only recognised to the extent that the Company is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The scheme assets are valued at market value and scheme liabilities are calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit asset'.

# OOCL Logistics (Europe) Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1. Accounting policies (continued)

#### Employee benefits (continued)

##### (iii) Defined benefit pension plan (continued)

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- (a) the increase in pension benefit liability arising from employee service during the period; and
- (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The interest income or charge is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This income or charge is recognised in profit or loss as 'Other finance income' or 'Other finance cost'.

Full actuarial valuations are carried out every three years with interim reviews in the intervening years; these valuations are updated to 31 December each year by qualified independent actuaries. The last full actuarial valuation took place during 2019.

##### (iv) Bonus plan

The Company recognises a liability and an expense for discretionary management bonuses, based on a formula that takes into consideration group profitability after certain adjustments. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### Tangible assets

Tangible assets are shown at cost less accumulated depreciation. The cost of tangible assets is the purchase cost, together with any incidental costs of acquisition. Depreciation is calculated using the straight line method to write off the cost less any estimated residual value over the asset's useful life. Estimated useful lives are as follows:

Fixtures and fittings	-	5 - 10 years
Computer equipment	-	3 - 5 years
Leasehold improvement	--	20% or over the lease period, whichever is the less

The Company assesses tangible assets for impairment at each balance sheet date to determine if the carrying value of an asset is recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount of the asset. The recoverable amount of the asset is the higher of the fair value less costs to sell and the value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is expensed immediately; if the impairment is not considered to be a permanent diminution in value, it may reverse in a future period to the extent it is no longer considered necessary.

## **OOCL Logistics (Europe) Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1. Accounting policies (continued)**

##### **Foreign currency translation**

Transactions in currencies other than sterling are translated at the rate of exchange ruling at the transaction date. Monetary assets and liabilities in currencies other than sterling are translated into sterling at the exchange rate ruling at the balance sheet date.

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Exchange differences arising from the retranslation of the opening net assets of branches which have currencies of operation other than sterling are taken to reserves together with the differences arising from the retranslation of the profit and loss account at year-end as compared to average exchange rates. Other exchange gains and losses arising are taken to the profit and loss account.

##### **Taxation**

###### **(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

###### **(ii) Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

# OOCL Logistics (Europe) Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1. Accounting policies (continued)

#### Investments

Investments are held at cost less accumulated impairment losses.

The Company assesses investments for impairment at each balance sheet date to determine if the carrying value of an investment is recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount of the investment. If the recoverable amount is less than the value of the investment, the investment is considered to be impaired and is written down to its recoverable amount.

An impairment loss is expensed immediately; if the impairment is not considered to be a permanent diminution in value, it may reverse in a future period to the extent it is no longer considered necessary.

#### Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### (i) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

## **OOCL Logistics (Europe) Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1. Accounting policies (continued)**

##### **Financial instruments (continued)**

###### **(ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

###### **(iii) Offsetting**

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Consolidated financial statements**

The financial statements contain information about OOCL Logistics (Europe) Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its intermediate parent, Orient Overseas (International) Limited, ("OOIL") a Company incorporated in Bermuda and also registered in Hong Kong. OOIL prepare consolidated financial statements in accordance with Hong Kong International Financial Reporting Standards, which are considered to be equivalent to the EC 7th Directive.

## **OOCL Logistics (Europe) Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **2. Critical accounting judgements and estimation uncertainty**

Estimates and judgements 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.

##### **Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates 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 addressed below.

##### **(i) Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 7 for the carrying amount of the property plant and equipment and note 1 for the useful economic lives for each class of assets.

##### **(ii) Impairment of debtors**

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 9 for the net carrying amount of the debtors and associated impairment provision.

##### **(iii) Defined benefit pension plan**

The Company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the pension obligation. The assumptions reflect historical experience and current trends. See note 12 for the disclosures relating to the defined benefit pension scheme.

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 3. Turnover

The directors consider that the Company operates in one class of business, that of provision of international logistics cargo consolidation and forwarding services. The directors consider that the disclosure of a geographical analysis of turnover and profit would be seriously prejudicial to the Company.

#### 4. Operating profit / (loss)

Operating profit / (loss) is stated after charging/(crediting):

	Note	2022 £'000	2021 £'000
Wages and salaries		7,525	6,529
Social security costs		671	864
Other pension costs		166	126
<b>Total staff costs charges to the profit and loss</b>		<b>8,362</b>	<b>7,519</b>
Exchange (gain) / loss		(4,632)	1,031
Depreciation	7	25	20
(Reversal of impairment) / Impairment of trade receivables		(167)	114
<b>Services provided by the Company's auditors:</b>			
- Audit of the Company financial statements		103	119
Non audit services – fees payable to the Company's auditors			
- fees payable to the Company's auditors for tax compliance services		22	16
<b>Total amount payable to the Company's auditors</b>		<b>125</b>	<b>135</b>

#### 5. Employees and directors

##### Employees

The Company employs staff directly in the United Kingdom and in its Netherlands, Belgium and Sweden branches. Staff costs relating to the German branch are recharged having been borne by the employing entities, fellow group undertaking Orient Overseas Container Line Ltd. Zweigniederlassung Deutschland, as appropriate based on the proportion of time spent on OOCL Logistics (Europe) Limited's business.

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 5. Employees and directors (continued)

The average monthly number of persons (including executive directors) employed by the company during the year was:

	2022	2021
By activity	No.	No.
Sales and marketing	9	9
Management and administration	45	35
<b>Total</b>	<b>54</b>	<b>44</b>

#### Directors

Emoluments of the directors of the Company and highest paid director's emoluments:

	2022	2021
	£'000	£'000
Aggregate emoluments and highest paid director's emoluments	336	353

Three directors did not receive remuneration for their services to the company. Their costs are borne by another group company and are not recharged as their services are regarded as incidental due to wider roles in the group (2021: Three).

No directors were members of a defined benefit scheme (2021: Nil).

One director was a member of a defined contribution scheme (2021: One).

#### 6. Tax on profit / (loss)

(a) Tax charge included in profit or loss	2022	2021
	£'000	£'000
Current tax		
- Current year	56	94
- Adjustment in respect of prior periods	33	11
- Short-term timing difference	(5)	-
<b>Tax on loss</b>	<b>84</b>	<b>105</b>

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 6. Tax on profit / (loss) (continued)

##### (b) Reconciliation of tax charge

Tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2022 of 19% (2021: 19%). The differences are explained below.

	2022 £'000	2021 £'000
<b>Profit / (loss) before taxation</b>	<b>1,186</b>	<b>(4,284)</b>
UK corporation tax at 19% (2021: 19%)	225	(814)
Effect of:		
Timing differences	(5)	-
Expenses not deductible for tax purposes	15	8
Carried forward tax losses not recognised	167	805
Utilisation of tax losses brought forward	(407)	-
Adjustments in respect to prior years	33	11
Current year tax	56	94
<b>Total tax charge for the year</b>	<b>84</b>	<b>104</b>

##### (c) Factors affecting the future taxation charge

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. In the Autumn Statement in November 2022, the government confirmed the increase in corporation tax to 25% from April 2023. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

The Company has losses of £15,814,000 (2021: losses of £16,962,000) available to offset against future taxable profits.

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 6. Tax on profit / (loss) (continued)

##### (d) Deferred taxation

The analysis of the deferred taxation asset is as follows:

Deferred taxation movement:	£'000
As at 1 January 2022	9
Credited to the income statement	5
As at 31 December 2022	14

The Company has an unprovided deferred tax asset of £3,953,500 (2021: £4,240,438) relating to trading losses which the Directors do not consider to be currently recoverable.

#### 7. Tangible assets

	Computer equipment £'000	Fixtures and fittings £'000	Leasehold Improvement £'000	Total £'000
<b>Cost</b>				
At 1 January 2022	95	100	-	195
Additions	13	6	2	21
Disposals	(1)	-	-	(1)
Foreign exchange translation	4	5	-	9
At 31 December 2022	111	111	2	224
<b>Accumulated depreciation</b>				
At 1 January 2022	59	73	-	132
Charge for the year	19	6	-	25
Depreciation on disposal	(1)	-	-	(1)
Foreign exchange translation	2	4	-	6
At 31 December 2022	79	83	-	162
<b>Net book amount</b>				
At 31 December 2022	32	28	2	62
At 31 December 2021	36	27	-	63

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 8. Investments

	£'000
<b>Cost and net book value</b>	
At 31 December 2021	153
<b>At 31 December 2022</b>	<b>153</b>

The Directors believe that the carrying value of the investments is supported by their underlying net assets.  
The Company's subsidiary undertakings are shown below:

Company	Registered address	Shareholding	Class of shares held	Principal activity
OOCL Logistics (Russia) Limited *	4th Floor, Stachek Prospect, 48, Building 2, Saint Petersburg, 198097, Russia	100%	Ordinary	Logistics, cargo consolidation and forwarding
OOCL Lojistik Hizmetleri ve Ticaret Anonim Şirketi *	Esentepe Mahallesi Büyükdere Cad. Astoria Sit. No: 127 A/55 Şişli/İstanbul	100%	Ordinary	Logistics and forwarding

\*Shares directly held by the company.

#### 9. Debtors

	2022 £'000	2021 £'000
Trade debtors	19,270	15,201
Amounts owed by group undertakings	3,333	22,654
Other debtors	1,954	1,062
Prepayments and accrued income	4,055	5,419
	<b>28,612</b>	<b>44,336</b>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade debtors are stated after provisions for impairment of £935,846 (2021: £1,059,340).

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 10. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	1,073	5,948
Amounts owed to group undertakings	38,179	53,514
Corporation tax	172	108
Other creditors	718	735
Other taxation and social security	139	305
Accruals and deferred income	11,859	7,481
	<b>52,140</b>	<b>68,091</b>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment, and are repayable on demand.

#### 11. Contingent liabilities

At 31 December 2022 the company had no contingent liabilities (2021: Nil).

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 12. Pensions and similar obligations

##### Defined benefit scheme

The Company is a participating member of the Kenwake Pension Scheme, formerly the Furness Pension Scheme, which is a funded defined benefit scheme. The assets of the scheme are held independently of the Company. The directors consider that the funding arrangements are satisfactory and adequate to meet the future liabilities of these funds. The scheme is closed to new members.

An actuarial valuation using the projected unit basis was carried out at 31 December 2022 by an independent actuary. The major financial assumptions used by the actuary are:

	2022 %	2021 %
Discount rate	4.8	1.8
Inflation	3.45	3.65
Increases to deferred pensions in payment	2.60	2.75

The mortality assumptions used were as follows:

	2022 years	2021 Years
Longevity at age 62 for current pensioners:		
- Men	85.8	86.2
- Women	90.2	90.1
Longevity at age 62 for future pensioners:		
- Men	87.1	87.6
- Women	91.5	91.4

The fair value of the plan assets and present value of scheme liabilities were:

	Value at 31 December 2022	Value at 31 December 2021
	£'000	£'000
Equities	188	76
Bonds	357	144
Other	54	22
Total market value of scheme assets	599	242
Present value of scheme liabilities	(556)	(229)
Pension asset	43	13

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 12. Pensions and similar obligations (continued)

Reconciliation of scheme assets and liabilities	Assets £'000	Liabilities £'000	Total £'000
At 1 January 2022	242	(229)	13
Interest income / (expense)	5	(4)	1
Contributions by scheme participants	3	(3)	-
Company contributions	29	-	29
Benefits paid (including administration expenses)	(1)	1	-
Current service cost	-	(36)	(36)
Remeasurement gains / (losses)			
- Actuarial gains / (losses) on assets	321	(942)	(621)
- Experience gains on liabilities	-	-	-
- Gains from changes to demographic assumptions	-	40	40
- Gains from changes to financial assumptions	-	617	617
<b>At 31 December 2022</b>	<b>599</b>	<b>(556)</b>	<b>43</b>

#### Analysis of amount charged to operating loss:

	2022 £'000	2021 £'000
Current service cost	36	9
<b>Total operating charge</b>	<b>36</b>	<b>9</b>

#### Analysis of amount charged to other finance charge:

	2022 £'000	2021 £'000
Interest income on scheme assets	5	3
Interest cost on scheme liabilities	(4)	(3)
<b>Net cost to other finance charge</b>	<b>1</b>	<b>-</b>

#### Analysis of amount recognised in statement of comprehensive income (SOI):

	2022 £'000	2021 £'000
Experience gains arising on the scheme assets	321	9
Experience (losses) / gains arising on the scheme liabilities	(285)	15
<b>Actuarial gain recognised in SOI</b>	<b>36</b>	<b>24</b>

## OOCL Logistics (Europe) Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 12. Pensions and similar obligations (continued)

The return on the plan assets was:

	2022 £'000	2021 £'000
Interest income	5	3
<b>Total return on plan assets</b>	<b>5</b>	<b>3</b>

#### Defined contribution scheme

The company provides a defined contribution schemes for its employees.

The amount recognised as an expense for the defined contribution scheme was:

	2022 £'000	2021 £'000
Current year contributions	131	117

#### 13. Called up share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid:</b>		
2 ordinary £1 shares (2021: 2 ordinary £1 shares)	2	2

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

## **OOCL Logistics (Europe) Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **14. Parent undertakings**

The Company's immediate parent undertaking is OOCL (Europe) Limited which beneficially holds 100% of the share capital.

The Company is a non-wholly owned subsidiary of COSCO SHIPPING Holdings Co., Ltd. ("COSCO SHIPPING Holdings"), a joint stock limited liability company incorporated in the People's Republic of China ("PRC") and listed on the stock exchange of both Hong Kong and Shanghai, PRC. COSCO SHIPPING Holdings is ultimately controlled by China COSCO SHIPPING Corporation Limited which is a state-owned enterprise established in the PRC.

COSCO SHIPPING Holdings is the parent undertaking of the largest group for which group financial statements are prepared and of which the Company is a member. Orient Overseas (International) Limited ("OOIL") is an intermediate parent undertaking of the smallest group for which group financial statements are prepared and of which the Company is a member.

Copies of the financial statements of COSCO SHIPPING Holdings and OOIL may be obtained from their respective websites at <http://cn.hold.coscoshipping.com/col/col11756/index.html> and [www.ooilgroup.com](http://www.ooilgroup.com).