Unimed Feeder Services A/S

Tangen 6
DK-8200 Aarhus N

CVR no. 36 96 13 92

Annual report 2023

The annual report was presented and approved at the Company's annual general meeting

on _____ 20 ____

_____
chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board 2

Independent auditor's report 3

Management's review 5
Company details 5
Financial highlights 6
Operating review 7

Financial statements 1 January – 31 December 13
Income statement 13
Balance sheet 14
Statement of changes in equity 16
Notes 17

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Unimed Feeder Services A/S for the financial year 1 January – 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2023.

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

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

Aarhus, 22 May 2024
Executive Board:

Jesper Kristensen

Board of Directors:

Martin Gaard Christiansen Chairman	Jesper Kristensen	Jørgen Gylling Poulsen

Independent auditor's report

To the shareholders of Unimed Feeder Services A/S

Opinion

We have audited the financial statements of Unimed Feeder Services A/S for the financial year 1 January – 31 December 2023 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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

Independent auditor's report

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 22 May 2024
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised

Katrine Gybel
State Authorised

Public Accountant
mne32737

Public Accountant
mne45848

Management's review

Company details

Unimed Feeder Services A/S
Tangen 6
DK-8200 Aarhus N

CVR no.	36 96 13 92
Registered office:	Aarhus
Financial year:	1 January – 31 December

Board of Directors

Martin Gaard Christiansen, Chairman
Jesper Kristensen
Jørgen Gylling Poulsen

Executive Board

Jesper Kristensen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Frederiks Plads 42, 7.
DK-8000 Aarhus C

Management's review

Financial highlights

DKK'000	2023	2022	2021	2020	2019
Revenue *)	784,440	631,231			
EBITDA	231,661	171,329			
EBITDA adjusted for special items **)	233,040	174,058			
Operating profit	231,483	171,091	44,633	62,241	79,967
Profit before financial income and expenses	231,547	171,183	44,806	63,363	81,320
Net financials	21,882	-1,164	-3,005	9,075	1,209
Profit before tax	253,429	170,019	41,801	72,438	82,529
Profit for the year	247,490	168,029	41,795	73,591	81,621
Equity	456,837	220,837	53,878	53,294	105,994
Investments in property, plant and equipment	38	22	517	198	141
Current assets	567,903	319,998	119,792	135,670	192,419
Current liabilities	112,048	100,109	66,945	82,965	86,905
Balance sheet total	568,885	320,946	120,823	136,259	192,899
Return on assets	40.7%	53.3%	37.1%	46.5%	42.3%
Solvency ratio	80.3%	68.8%	44.6%	39.1%	55.1%
Return on equity	73.0%	122.3%	78.0%	92.4%	105.9%
Liquidity ratio	506.8%	319.7%	178.9%	164.2%	221.4%
Average number of full-time employees	23	30	31	38	40

*) Revenue: Annual reports for the years 2019 – 2021 were prepared in accordance with the provisions applying to reporting class C medium entities under the Danish Financial Statements Act. Comparison numbers for Revenue and EBITDA have not been disclosed in accordance with section 32 of the Danish Financial Statements Act.

**) EBITDA adjusted for special items: EBITDA being adjusted for restructuring costs, non-recurring items and delays in bunker adjustment mechanisms.

The financial ratios have been calculated as follows:

Return on assets $\frac{\text{Profit before financials x 100}}{\text{Total assets}}$

Solvency ratio $\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$

Return on equity $\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$

Liquidity ratio $\frac{\text{Current assets x 100}}{\text{Short term debt}}$

Management's review

Operating review

Principal activities

Unimed Feeder Service's principal activities are international container freight transport services. Unimed Feeder Service's asset light and agile business model has not changed during 2023.

Development in activities and financial position

During 2023 Unimed Feeder Services A/S had very strong volumes in main services contributing to high utilization of the network, high revenues and significant profitability which were further boosted by a number of short and medium term ad-hoc requirements and solutions we have offered to clients. With the exception of a short period at the beginning of the year we did not experience any significant level of port congestion or disruptions.

Full year reported EBITDA amounted to DKK 232 million driven by the above-mentioned factors. The result is impacted by non-performance related factors, stemming from timelag and delays in bunker adjustment mechanisms and one-off, non-recurring items. Excluding these items, adjusted EBITDA amounts to DKK 233 million.

Working capital and cash management continues to be a focus area for Unimed Feeder Service and a high cash conversion from operational results to liquidity remains a result of this.

Outlook

We expect 2024 to be a volatile and challenging year for the container shipping industry in general. The increasing imbalance between demand and capacity will lead to a high focus on costs and efficiencies. Although our feeder services are an integrated part of the industry and therefore will be under the same pressure, we believe Unimed Feeder Service is well positioned to deliver cost efficiencies with the well-known advantages of feeder outsourcing – also in situations like these. In addition to this, we will for some time experience unusual network patterns due to the situation in the Red Sea.

It is being considered to merge Unimed Feeder Service A/S and Unifeeder A/S with Unifeeder A/S as continuing entity. We expect that this merger is likely to happen in 2024.

We do expect lower market rates on average in 2024 and therefore a negative impact on margins. On the other hand, we also have ambitions and expectations to win new services in 2024 that can cover for the lower rates, so our budget for revenue in 2024 is at approximately same level as what we realized in 2023. Taking all known and anticipated parameters into consideration we estimate annual revenue in the range of DKK 750-850 million and profits of around DKK 130-150 million. This estimation might change considerably depending on the materialisation of a number of projects that are currently under negotiations.

Management's review

Operating review

Corporate social responsibility

(Statutory Report on Corporate Social Responsibility in accordance with section 99 a of the Danish Financial Statements Act)

As preparation for the implementation of the Corporate Sustainability Reporting Directive (CSRD) the Group has performed a Double Materiality Assessment and concluded that the material areas of relevance under the current business model is:

- Climate and environment (seen as one element as actions will be overlapping)
  - Focus on Carbon emissions
- Employee well-being and working conditions
  - Focus on Own workforce – Equal treatment and opportunities for all
- Ethical business conduct
  - Focus on Business conduct – Corporate culture

For the Group, our overall responsibility is a question of integrating environmental and social considerations in the decisions we make and in the actions we take.

Climate and environment

As a logistic provider we acknowledge having a significant impact on the climate and environment, especially through carbon emissions from the bunker consumption of the vessels operated by the Group, which contribute to approximately 90% of total carbon emissions.

We have set a target of becoming carbon neutral by 2040 and reach net-zero emissions by 2050. In order to achieve the long-term targets, new green fuels must be developed, which require a significant volume of renewable energy from e.g. wind or solar energy. The logistic industry is dependent on the development and scaling up of the carbon neutral fuels and infrastructure around these, and therefore we, e.g. as a member of Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping, are active in the support of the development as well as participating in the work of enabling green corridors.

Our baseline and ongoing emission is calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard.

As carbon neutral fuels are not available at a scale required for commercial use, we have separated our decarbonisation strategy into three stages; consequently, the Group's fuel and emission goals are:

- Short term:

  The most effective carbon reduction factor is by using less fuel per transported TEU-mile. We focus our efforts on designing effective networks, where utilisation of the vessels is high, digitalising operations, implementing efficiency enhancing modifications to the vessels and increasing the use of biofuel and securing the availability of vessels for later use of carbon-neutral fuels. We urge our customers to opt for outsourcing and thereby increase the scale and efficiencies of the transport work of their first and last mile feedering requirements.

- Medium term:

  Focus for this period will additionally be increased use of biofuels and use of carbon-neutral methanol, when we get an increasing number of green methanol capable vessels at our disposal

Management's review

Operating review

- Long term:

  Heading towards full use of green fuel, where we expect ammonia to be the dominant fuel of the future.

To execute the strategy, the Group must make a continuous investment in retrofits and new vessels, which primarily will be performed in partnership with the owners of tonnage and via the charter markets.Management's review

Employee well-being and working conditions

The Group has focused its efforts on three fronts integral to employee well-being:

- Sense of belonging and a meaningful work life to drive direction

  We employ digital, comprehensive ‘onboarding journeys’ to ensure our employees feel seamlessly integrated into the organisation and online facilitated courses to ensure understanding of business context and our environment. We introduced comprehensive performance processes to facilitate direction and behaviour including setting goals and objectives for all our employees that are aligned to our business strategy and desired workplace behaviour.

- Leadership as a key performance driver

  We see leadership as a key performance driver and reshaped our Unifeeder Academy courses in fall 2023 to center even more around enhancing leadership skills and competencies. We are also sending a number of our senior employees onto DPW Group wide courses.

- Employee Engagement to drive efficiency

  We run end year employee engagement surveys to gage engagement, comittment and motivation. Outcome of the surveys will be the backdrop of planning initiatives in 2024 to further enhance our workplace environment and employee engagement.

Lastly, the Group remains committed to fostering equal opportunities for all and remain focussed on implement Directive (EU) 2023/970 on strengthening the principle of equal pay for equal work or work of equal value.

Ethical business conduct

It is important for the Group to be a trustworthy and professional partner in all circumstances and towards all stakeholders. The Group therefore strives to be a responsible and positive contributor to both the local and the international community. Relevant laws and regulations, including applicable environmental conventions, anti-bribery laws must be adhered to, and employees, customers and suppliers must be treated with respect. The Group respects human rights and the cultural, religious and political traditions and systems of the countries that are served, just as the Group distances itself from all forms of discrimination based on geographical origin, religion, gender, age, sexual orientation or the like.

The Group wants to ensure compliance with applicable ethical business conducts and regulatory requirements in all geographies where we provide our services.

To guide the employees in dealing with ethical business practices, the Group has a standing Code of Conduct, which sets out how employees are expected to act in relation to customers, suppliers, competitors and the world in general. The Code of Conduct is distributed to all employees, and any new employees receive thorough training in the principles of the Code of Conduct. As in previous years, an external version

Management's review

Operating review

was distributed to the Group's business partners in 2023 and is available to all interested parties on the individual companies' website.

The Group will work within the laws and regulations of each country. All employees including managers, sales staff and other relevant staff are trained in competition law and by completing mandatory training, they prove that they:

- understand the rules and the consequences for the Group if the rules are not complied with
- confirmed that they will comply with the rules at all times.

The Group has a fraud policy in place for all employees which creates awareness of fraud risks and how to deal with them.

The Group also has a whistleblowing hotline in place for employees and business partners should they suspect a breach of the guidelines. No issues were submitted in 2023.

The Group maintains a strict anti-corruption programme obligating all employees of the Group to keep a firm focus on minimising the risks and also supporting the suppliers of the Group in saying no to bribery with the overall aim of improving the social and economic development in the affected geographies. In 2023 we also made a specific awareness campaign for all senior levels of the Group.

The Group participates in international organisations such as MACN to assist in fighting corruption on a global scale as well as taking part in national anti-corruption networks under the Danish Shipping Association. Going forward we will be taking part in the MACN campaigns when relevant and if applicable use the tools applied by MACN to counter the corruption attempts in ports around the world.

The activities performed via MACN and the Danish Shipping Association are aimed at eliminating corruption and thereby improving the living conditions of the weakest and poorest parts of the population. The Group Code of Conduct also supports the same goals.

The Group has implemented a full Legal Compliance Programme. The programme includes policies regarding Anti-Trust, Anti-Bribery and Corruption, Trade Sanctions, Whistleblowing, Fraud, Data Protection Policy and enhanced Code of Conduct – one internal and one external. The internal Code of Conduct covers the Group, and the external covers any business partners of the Group and both include compliance with human rights, cultural differences, anti-bribery laws, etc. In 2024 we will be rolling out an even more detailed Code of Conduct and Code of Ethics which will increase the level of understanding and demands to our external as well as internal stakeholders. The anti-trust programme is frequently revisited when needed whereby e.g. new projects are controlled. In addition, there is a project specific anti-trust policy in place incl. stakeholder management.

All employees must complete a mandatory training in the full compliance program, including among others, procedures for "Anti-Bribery, "Sanctions and Export Control". The training is mandatory during on-boarding and awareness training and campaigns are made annually on relevant topics.

The Group's compliance organisation is led by the Group Chief Legal Officer, who is in charge of running and developing the procedures and processes within this area.

The Group wants to ensure compliance with applicable regulatory requirements in all geographies where we provide our services. The compliance programme addresses relevant issues for the Group. Where possible we use automated, well-proven compliance tools, and any incident is handled immediately and reported to Management according to internal procedures.

With regards to anti-bribery, we have a no tolerance policy in the Group. We will in the future continue to push this agenda. By increasing the awareness of all employees as well as continuing to audit all procedures and tightening the internal controls, we believe we will be able to hinder the existence of bribery.

The screening of trade sanctions has been outsourced to an external service provider who guarantees that screenings are always done against the latest updated sanction's lists and thereby ensuring the highest

Management's review

Operating review

quality of our screenings and minimizing the risk of breaches which can lead to inequality of or harm to the civil population.Management's review

Main achievements in 2023

In the beginning of 2023, the decarbonization strategy was approved, stating our clear goal of becoming Net Zero in 2050 and reducing the emissions by 25% in 2030 (compared to 2019 emissions). The strategy outlines the activities required through efficiency enhancing efforts for the existing fleet to a renewal program for the vessels increasing the efficiency and shifting to use of carbon neutral fuels. It is clear that the limiting factor for decarbonization is availability of carbon neutral fuels and the Group must secure that the transition of vessels and fuel availability is developed in tandem.

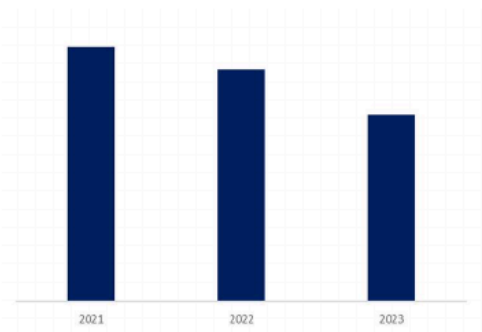
The efficiency enhancing activities include modifications to vessels and optimized engine control while at the same time optimizing the day-to-day operation of the network. We see significant improvements being implemented, which has contributed to the lower emissions in 2023. This has been accomplished in close collaboration with progressive vessel owner, whereas some owners have still not realized the urgency for change.

In the transition period up to carbon neutral fuels, the Group will increase the use of biofuel to fertilize a continued reduction from current levels.

As a result of the strategy, the Group has made agreements for initially four methanol capable vessels. With the introduction of the vessels and availability of green methanol, the emissions will significantly be lowered as of 2027. The renewal program will be continued, including chartering of newer conventional vessels.

Over the last years, the development in emissions has been positive due to the above-mentioned optimization of operations.

The lower emission shows the commitment for the Group to drive real decarbonization short-term and at the same time build solid long-term plans for arriving at net-zero.



Actual emissions measured in CO2-equivalents.

The Group appreciates the cooperation with the partners within decarbonization – it is area where extensive co-creation is required.

The Group acknowledges the need for further detailed demands to our business partners in order to secure a higher level of ethical business conduct. This is the reason behind the development of a new Code of Conduct and Code of Ethics, which we have prepared throughout 2023. In 2024 we will be presenting the new framework to our partners. In 2023 we have also achieved a higher level of understanding of the mechanisms behind anti-trust and how to counter it in the organization on all levels.

Data ethics

Data ethics is an ethical dimension of the relationship between technology and the citizen as to fundamental rights, legal certainty and fundamental social values that technological development gives rise to.

The Group has not implemented a policy for data ethics due to the limited-to-no usage of data towards citizens. Data in the Group is of a public nature and manipulated towards thriving a more efficient operating, commercial and financial business, which is in accordance with the Group's ethical business conduct and compliance programmes (see section "Ethical business conduct" above).

Management's review

Operating review

Goals and policies for the underrepresented gender

(Report mandated under section 99 b of the Danish Financial Statements Act).

The Group acknowledges the significance of equal opportunities in driving attraction and cultivating a diverse, inclusive workplace environment.

Diversity and inclusion stand as key focal points for further enhancement within the Group's policies, while our Talent Management procedures ensure that avenues for personal growth and career advancement remain open to all employees who exhibit the requisite skills and aspirations.

Presently, the Group has no female board members, including in any of the Danish subsidiaries governed by the Danish Financial Statements Act § 99 b. The board acknowledges this under-representation and aims to contribute to the elevation of female representation, mindful of the historical under-representation of women in board and senior management roles within the logistics sector.

Board members are appointed by the Group's shareholders during the general assembly. Whenever the board proposes new candidates, gender diversity is factored into the decision-making process. The Group aspires to appoint at least one female board member. It remains paramount that board members possess experience and professional competencies relevant to the Group's activities within feeder and short sea operations, with qualifications superseding gender considerations in the selection process. The Group has a target that women should represent at least 33% of board members by 2027.

Number of employees in Unimed Feeder Service A/S is below the threshold of 50 employees. Consequently, the company has no policy for the underrepresented gender and has neither formulated a target for share of underrepresented gender.

	2023
Board of Directors	
Members	3
Under-represented gender in %	0
Target in %	33
Target year	2027
Other management levels	
Number of executives	1

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2023	2022
Revenue	2	784,440	631,231
Cost of sales		-535,107	-442,080
Gross profit		249,333	189,151
Administrative expenses	3	-17,850	-18,060
Operating profit		231,483	171,091
Other operating income		64	92
Profit before financial income and expenses		231,547	171,183
Financial income	4	21,893	2,715
Financial expenses	5	-11	-3,879
Profit before tax		253,429	170,019
Tax on profit for the year	6	-5,939	-1,990
Profit for the year	7	247,490	168,029

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2023	2022
ASSETS			
Fixed assets			
Intangible assets	8		
IT software		0	2
Property, plant and equipment	9		
Fixtures and fittings, tools and equipment		546	634
Investments			
Deposits	10	436	312
Total fixed assets		982	948
Current assets			
Inventories		13,294	12,485
Receivables			
Trade receivables		80,003	80,155
Receivables from group entities		430,498	196,227
Other receivables		29	2
Prepayments	11	8,465	6,970
		518,995	283,354
Cash at bank and in hand		35,614	24,159
Total current assets		567,903	319,998
TOTAL ASSETS		568,885	320,946

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2023	2022
EQUITY AND LIABILITIES			
Equity	12		
Contributed capital		5,000	5,000
Retained earnings		451,837	215,837
Total equity		456,837	220,837
Liabilities			
Current liabilities			
Trade payables		59,958	42,567
Payables to group entities		23,228	37,243
Corporation tax		8,788	3,053
Other payables		20,074	17,246
		112,048	100,109
Total liabilities		112,048	100,109
TOTAL EQUITY AND LIABILITIES		568,885	320,946

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends	Total equity
Equity at 1 January 2023	5,000	215,837	0	220,837
Other equity movements	0	-11,490	0	-11,490
Net profit for the year	0	247,490	0	247,490
Equity at 31 December 2023	5,000	451,837	0	456,837

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Unimed Feeder Services A/S for 2023 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

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

Information concerning fees to auditor appointed at the general meeting has been left out according to section 96 (3) of the Danish Financial Statements act.

The financial statements for 2023 are presented in DKK thousand.

Change in financial reporting class

The annual report of Unimed Feeder Services A/S for 2023 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The transition compared to the previous financial year from the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act has not resulted in any changes to recognition and measurement.

Omission of cash flow statements

No cash flow statement has been prepared for the Company with reference to section 86 (4) of the Danish Financial Statements Act, as the Company cash flows are included in the consolidated cash flow statement of Holdingselskabet af 10. Januar 2013 II A/S, Tangen 6 DK-8200 Aarhus N, CVR no. 35 20 59 18.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Exchange adjustments arising on the translation of the opening equity of foreign enterprises and exchange adjustments arising from the translation of the income statements of foreign enterprises at average exchange rates are recognised directly in equity.

Income statement

Revenue

The Company's revenue comprises revenue from transport activities for the period as well as the revenue invoiced by the Company's agents where revenue is on the Company's account.

Revenue is recognised in the income statement as earned. The decision as to whether revenue is considered earned is based on the following criteria:

- A binding sales agreement has been made;

Notes

1 Accounting policies (continued)

Revenue (continued)

- The sales price has been determined;Financial statements 1 January – 31 December
- Delivery of the service has been made before year end; and
- Payment has been received or may with reasonable certainty be expected to be received.

Based thereon, revenue is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value 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.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises variable costs by the way of costs related to vessels and containers as well as other transport costs.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

Other operating income

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

Financial income and expenses

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

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profi for the year is recognised in the income statement at the amount attributable to the profit for the year and directly in equity at the amount attributable to entries directly in equity.

The Company's current tax for the year comprises tax calculated under the rules of the Danish Tonnage Taxation Act as regards the part of the activity governed by the Danish Tonnage Taxation Act, and tax calculated under the ordinary tax rules as regards other activities.

The Company is registered under the tonnage taxation scheme as of 2015. Based on the planned use of chartered vessels, the tonnage taxation scheme does not imply any liability; therefore, deferred tax is not recognised in the balance sheet on assets and liabilities relating to the activity subject to tonnage taxation.

The Company is jointly taxed with its Danish Parent Company. The tax effect of the joint taxation with the Parent Company is allocated in proportion to the taxable income (full allocation with credit for tax losses).

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

Software

Software etc., are measured at cost less accumulated amortisation or at a lower recoverable amount. Software licences, including development costs in connection with major implementation projects, are recognised in the balance sheet and amortised on a straight-line basis over the useful life, estimated at 3- 5 years.

Software costing less than DKK 50,000 is expensed in the year of acquisition.

Property, plant and equipment

Property, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	5 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

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

Leases

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

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Notes

1 Accounting policies (continued)

Investments

Deposits are recognised at amortised cost.

Bunker inventories

Bunker inventories comprise inventories for use on chartered vessels. The inventories are measured at average prices.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

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

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

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

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at amortised cost, which usually corresponds to nominal value.

Financial statements 1 January – 31 December

Notes

2 Revenue

The Group's activity comprises international goods transports within the business activity Feeder Service. Geographically, the Group's activities only take place in Mediterranean Sea. This applies for 2022 and 2023.

3 Administrative expenses

DKK'000	2023	2022
Wages and salaries	9,731	9,132
Pensions	533	560
Other social security expenses	1,230	1,243
	11,494	10,935
Average number of full-time employees	23	30

Remuneration of the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

DKK'000	2023	2022
4 Financial income		
Interest income from group entities	10,704	2,714
Interest income from cash and cash equivalents	452	0
Exchange rate adjustments	10,737	0
Other financial income	0	1
	21,893	2,715
5 Financial expenses		
Exchange rate adjustments	0	3,798
Interest expense from cash and cash equivalents	11	81
	11	3,879
6 Tax on profit for the year		
Current tax for the year	-5,821	-3,103
Adjustment tax previous years	-118	1,113
	-5,939	-1,990
7 Profit appropriation		
Retained earnings	247,490	168,029

Financial statements 1 January – 31 December

Notes

8 Intangible assets

DKK'000	IT software
Cost at 1 January 2023	7
Cost at 31 December 2023	7
Amortisation and impairment losses at 1 January 2023	-5
Depreciation	-2
Amortisation and impairment losses at 31 December 2023	-7
Carrying amount at 31 December 2023	0

9 Property, plant and equipment

DKK'000	Fixtures and fittings, tools and equip-ment
Cost at 1 January 2023	1,766
Additions	38
Disposals	-34
Cost at 31 December 2023	1,770
Depreciation and impairment losses at 1 January 2023	-1,132
Depreciation	-115
Depreciation and impairment losses on assets sold for the year	23
Depreciation and impairment losses at 31 December 2023	-1,224
Carrying amount at 31 December 2023	546

Financial statements 1 January – 31 December

Notes

10 Deposits

DKK'000	Deposits
Cost at 1 January 2023	312
Additions for the year	124
Cost at 31 December 2023	436
Carrying amount at 31 December 2023	436

11 Prepayments

Prepayments consist of costs in relation to the charter of ships and other transportation costs.

12 Equity

Contributed capital consists of 5,000,000 shares of a nominal value of DKK 1 thousand. No shares carry any special rights.

13 Contractual obligations, contingencies, etc.

The Company is currently a party to contracts for the charter of vessels for periods of up to 5 years.

The charter obligation amounted to DKK 135 million at 31 December 2023 (DKK 224 million at 31 December 2022).

At the balance sheet date, the Company's rent obligations represented DKK 2.4 million (DKK 3.5 million at 31 December 2022).

The Company's leasing obligation for other leased assets at the balance sheet date totalled DKK 1,696 thousand (DKK 1,646 thousand at 31 December 2022).

Financial statements 1 January – 31 December

Notes

14 Related party disclosures

Unimed Feeder Services A/S' related parties comprise the following:

Control

C.M. Contempora Ltd., 17 Ifigeneias, 2007 Strovolos, Nicosia, Cyprus

C.M. Contempora Ltd. holds the majority of the contributed capital in the Company.

Unimed Feeder Services A/S is part of the consolidated financial statements of Holdingselskabet af 10. Januar 2013 II A/S, Tangen 6 DK-8200 Aarhus N, CVR no. 35 20 59 18 and the consolidated financial statements of DP World PLC, United Arab Emirates, which are the smallest and largest groups, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Holdingselskabet af 10. Januar 2013 II A/S and the consolidated financial statements of DP World PLC can be obtained by contacting the companies at the above addresses.

Related party transactions

DKK'000	2023	2022
Sale of services to a related party	70,663	43,300
Purchase of services from a related party	-61,884	-72,582
Total	8,779	-29,282

Receivables from and payables to Group entities are disclosed in the balance sheet, and interest income from related parties is disclosed in notes 4 and 5.