

Consolidated Interim Report Q2 2024 – NTG Nordic Transport Group A/S



Q2 2024 highlights

- Net revenue growth totalled 8.7%, comprising 6.2% organic growth, 2.2% acquisition growth, and currency translation effects of 0.3%.
- Both the Road & Logistics and Air & Ocean divisions experienced positive net revenue growth.
- Gross margin decreased by 2.1 p.p. to 20.6%, affected by squeezed yields from intense competition.
- Operating margin increased by 0.2 p.p. to 7.2%, including a positive effect of DKK 35 million by settlement of the AGL earn-out agreement.
- 2024 guidance announced on 29 February 2024 maintained: Adj. EBIT of DKK 500 – 580 million.

Selected financial information

For the periods 1 April to 30 June (Q2) and 1 January to 30 June (YTD)

(DKKm)	Q2 2024	Q2 2023	Change	YTD 2024	YTD 2023	Change
Net revenue	2,305	2,120	185	4,463	4,374	89
Gross profit	475	482	-7	938	959	-21
Adj. EBIT	165	148	17	279	298	-19
Profit for the period	116	88	28	194	193	1
Gross margin	20.6%	22.7%	-2.1 p.p.	21.0%	21.9%	-0.9 p.p.
Operating margin	7.2%	7.0%	0.2 p.p.	6.3%	6.8%	-0.5 p.p.
Conversion ratio	34.7%	30.7%	4.0 p.p.	29.7%	31.1%	-1.4 p.p.

NTG Nordic Transport Group A/S

Hammerholmen 47
DK-2650 Hvidovre
+45 7634 0900

www.ntg.com
CVR no. 12546106

Forward looking statement

This document contains forward looking statements which are subject to risk factors associated with, amongst others, the economic and business circumstances occurring from time to time in the countries and markets in which NTG Nordic Transport Group and its subsidiaries operate.

It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a wide range of variables, which could cause actual results to differ materially from those currently anticipated. For a description of significant risks and uncertainties identified by the Group, reference is made to the 2023 Annual Report. Any subsequent developments are reflected in this report.

Contacts

Investor relations and press
Christian D. Jakobsen,
Group CFO
+45 4212 8099
ir@ntg.com | press@ntg.com

Financial highlights

Income statement (DKKm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net revenue	2,305	2,120	4,463	4,374
Gross profit	475	482	938	959
Operating profit before amortisations, depreciations, and special items (adj. EBITDA)	225	202	401	409
Operating profit before special items (adj. EBIT)	165	148	279	298
Special items, net	-1	-6	-2	-6
Net financial items	-20	-32	-28	-51
Profit for the period	116	88	194	193
Earnings per share (DKK) for the period	4.93	3.74	8.18	8.08
Earnings per share (DKK) last 12 months	17.51	18.89	17.51	18.89

Cash flow statement (DKKm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Operating activities	112	73	60	179
Investing activities	-1	1	-25	-10
Free cash flow	111	74	35	169
Adjusted free cash flow	56	28	-54	73
Financing activities	-231	-240	-291	-356
Cash flow for the period	-120	-166	-256	-187

Balance sheet (DKKm)	30/06/2024	30/06/2023
Additions to property, plant, and equipment (excl. IFRS 16)	4	13
Balance sheet total	4,301	4,202
Net working capital	18	-73
Net interest-bearing debt	1,092	1,252
Net interest-bearing debt (excl. IFRS 16)	213	361
Invested capital	2,265	2,146
Total equity	1,253	982
NTG Nordic Transport Group A/S' shareholders' share of equity	1,183	902
Non-controlling interests	70	80

Financial ratios	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Gross margin	20.6%	22.7%	21.0%	21.9%
Operating margin	7.2%	7.0%	6.3%	6.8%
Conversion ratio	34.7%	30.7%	29.7%	31.1%
ROIC before tax*			27.7%	31.5%
Return on equity*			36.5%	48.1%
Solvency ratio			29.1%	23.4%
Leverage ratio*			1.29	1.38

Employees	YTD 2024	YTD 2023
Average number of employees	2,011	2,009

Reference is made to NTG's 2023 Annual Report, page 79, for definition of key figures and ratios.
* Ratio is based on last 12 months' figures.

Management report

The second quarter of 2024 was characterised by an uptick in net revenue, driven by a proactive market approach to secure new business, while gross margin in both the Road & Logistics and Air & Ocean divisions were negatively affected by increased competition and demanding market conditions.

In the Road & Logistics division, gross margin in Q2 2024 was negatively affected by revenue related to agreements from previous quarters with overcapacity. Capacity reductions and increasing spot prices in May and June led to higher haulier costs, compounded by competitive and varying demand conditions in certain geographies.

In the Air & Ocean division, higher freight rates and a shift from sea to air shipments were observed in Q2 2024. Total shipments remained stable compared to Q2 2023 but showed a positive trajectory from the previous quarter. Gross profit yields continued to be affected negatively by competitive market conditions.

Net revenue in Q2 2024 increased 8.7%, compared to Q2 2023, to DKK 2,305 million.

Organic growth totalled 6.2% in Q2 2024, driven by the start-up in the US, effects from new business, and by higher freight rates.

Acquired growth totalled 2.2% in Q2 2024, driven by the acquisition of RTC Transport A/S (RTC) completed in February 2024.

Currency translation effects had a positive impact on growth of 0.3 percentage points in Q2 2024.

Gross profit decreased 1.5% to DKK 475 million in Q2 2024, compared to DKK 482 million in Q2 2023, corresponding to a gross margin of 20.6% and 22.7%, respectively.

Adj. EBIT increased 11.5% to DKK 165 million in Q2 2024, compared to DKK 148 million in Q2 2023, positively impacted by DKK 35 million provision release from the AGL earn-out settlement.

The operating margin was 7.2% in Q2 2024, compared to 7.0% in Q2 2023. Adjusted for the AGL earn-out provision release, the deterioration in margin was affected by lower gross profit in both divisions and costs related to restructuring activities.

Adj. EBIT in the Road & Logistics division decreased 12.9% to DKK 108 million in Q2 2024, compared to Q2 2023.

Adj. EBIT in the Air & Ocean division increased 133.3% to DKK 56 million in Q2 2024, compared to Q2 2023, affected by the AGL earn-out provision release.

Special item expenses totalled DKK 1 million in Q2 2024, compared to DKK 6 million in Q2 2023.

Minorities' share of adj. EBIT was 8.3% in Q2 2024, compared to 7.1% in Q2 2023.

Net working capital was DKK 18 million as of 30 June 2024, compared to negative DKK 73 million as of 30

June 2023, temporarily driven by the US and an uptick in other companies. Initiatives have been launched aiming to secure a normalised level.

NTG Nordic Transport Group

(DKKm)	Q2 2024	Q2 2023	Growth
Net revenue	2,305	2,120	8.7%
Gross profit	475	482	-1.5%
Adj. EBIT	165	148	11.5%

Road & Logistics

(DKKm)	Q2 2024	Q2 2023	Growth
Net revenue	1,662	1,575	5.5%
Gross profit	357	360	-0.8%
Adj. EBIT	108	124	-12.9%

Air & Ocean

(DKKm)	Q2 2024	Q2 2023	Growth
Net revenue	664	546	17.9%
Gross profit	118	122	-3.3%
Adj. EBIT	56	24	133.3%

Management report, continued

Adjusted free cash flow totalled DKK 56 million in Q2 2024, compared to DKK 28 million in Q2 2023.

As of 30 June 2024, NTG had a net interest-bearing debt position of DKK 213 million excluding IFRS 16 lease liabilities.

Update on recent acquisitions

On 2 August 2024, NTG Germany GmbH, a subsidiary of NTG Nordic Transport Group A/S, signed an agreement to acquire 100% of the shares in German-based SCHMALZ+SCHÖN Holding GmbH ("SSH"). For the financial year ended 31 December 2023, SSH reported revenue of DKK 1,142 million, with approximately 85% from Road & Logistics services and 15% from Air & Ocean services, and an EBIT of DKK 77 million. The transaction is subject to merger control. Closing of the transaction is expected within three months. Further details on SSH and the agreement are specified in [Company announcement no. 06 - 24](#).

On 30 July 2024, NTG Transport S.r.l, a subsidiary of NTG Nordic Transport Group A/S, entered into an asset purchase agreement for the land-based furniture logistics activities of Schenker Italiana S.p.A ("Schenker Italiana"). For the financial year ended 31 December 2023, Schenker Italiana furniture logistics activities reported revenue of DKK 91 million and stand-alone EBIT of approximately DKK 4 million. The closing of the transaction is subject to further approval procedures, with the transfer of the activities on the same day as the closing. Closing is expected within three months.

On 19 July 2024, NTG Nordic Transport Group A/S signed an agreement to acquire 60% of the shares in Asia-based Freightzen Logistics Ltd., Inc. ("Freightzen"), through the newly established company, NTG APAC Holding Pte. Ltd ("NTG APAC"). Following the expected closing of the transaction within two months, NTG's existing subsidiaries in Japan, China, and Hong Kong will be transferred to NTG APAC. The acquisition and the transfer of subsidiaries will strengthen the Air & Ocean division's position in Asia. For the financial year ending 31 December 2024, Freightzen is expected to report revenue of DKK 78 million.

The integration of RTC is progressing as planned. Since RTC adds complementary services to NTG's existing furniture activities, it is not planned to integrate RTC into NTG's standard Transport Management System.

M&A remains a strong strategic priority for NTG, and we experience an increase in M&A-related activity. We are continuing to search for and evaluate new and interesting opportunities in our efforts towards making value-adding acquisitions.

Outlook

We maintain the guidance provided on 29 February 2024, and for the full year 2024, we expect to achieve:

- Adj. EBIT of DKK 500 – 580 million.

The outlook assumes an expected overall flat market environment with soft macroeconomics and continued muted consumer confidence.

Road & Logistics

The Road & Logistics division was challenged by lower volumes in certain geographies due to competitive and demanding market conditions amidst a market transitioning from one environment to another.

The supply side has been affected by overcapacity in previous quarters. In May and June, certain markets experienced capacity reductions and increasing spot prices, indicating a shift towards a more balanced capacity level, which led to higher haulier costs in Q2 2024.

Revenue related to agreements from previous quarters with overcapacity had a low gross margin due to increasing haulier costs in Q2 2024. Gross margin is expected to recover in the coming quarters as sales price adjustments come with a time lag.

The quarter was further challenged by some lost volumes in Sweden.

Demand for warehousing remained high. Although some customers are still focused on reducing inventory levels, the division is experiencing consistent demand for warehousing capacity from both new and existing customers.

As a result, the Road & Logistics division faced decreased momentum, leading to lower operating profit compared to Q2 2023. Financial results are expected to improve in the second half of the year, considering the changing market conditions.

Given the market conditions, the focus has been on maintaining and gaining market share, as well as integrating the recent merger of three Danish companies.



Selected quarterly financial information

(DKKm)	YTD 2023	Organic	%	Acquisitions	%	Currency	%	YTD 2024	%
Net external revenue	3,223	-42	-1.3%	78	2.4%	7	0.2%	3,266	1.3%
Gross profit	708	-28	-3.9%	23	3.2%	1	0.1%	704	-0.6%
Adj. EBIT	241	-37	-15.3%	7	2.9%	-	-	211	-12.4%
Gross margin	22.0%							21.6%	-0.4 p.p.
Operating margin	7.5%							6.5%	-1.0 p.p.
Conversion ratio	34.0%							30.0%	-4.0 p.p.

Road & Logistics, continued

Net revenue

Net revenue for the division totalled DKK 1,662 million in Q2 2024, compared to DKK 1,575 million in Q2 2023.

Total growth was 5.5%, composed of organic growth of 2.4%, acquisition growth of 3.0% from RTC and currency translation effects of 0.1%.

The organic growth was positively affected by new business in the main markets, somewhat offset by a decline in volumes in Sweden.

Gross profit

Gross profit decreased by 0.8% to DKK 357 million in Q2 2024, compared to DKK 360 million in Q2 2023.

Gross margin decreased to 21.5% in Q2 2024, compared to 22.9% in Q2 2023, driven by increasing haulier costs, partially offset by the RTC acquisition.

Operating profit before special items (adj. EBIT)

Adj. EBIT for Q2 2024 totalled DKK 108 million, a decrease of DKK 16 million compared to Q2 2023.

The operating margin was 6.5% in Q2 2024, compared to 7.9% in Q2 2023.

The development was driven by a conversion ratio deterioration of 4.1 p.p. to 30.3% due to the gross profit development.

Mitigating actions have been initiated to reduce costs, but investments in the sales organisation and group functions to support future growth, coupled with challenging spot market conditions, have resulted in a lower conversion ratio compared to Q2 2023.

The acquisition of RTC contributed with an adj. EBIT of DKK 4 million in Q2 2024.

Selected quarterly financial information

(DKKm)	Q2 2023	Organic	%	Acquisitions	%	Currency	%	Q2 2024	%
Net external revenue	1,575	38	2.4%	47	3.0%	2	0.1%	1,662	5.5%
Gross profit	360	-17	-4.7%	14	3.9%	-	-	357	-0.8%
Adj. EBIT	124	-20	-16.1%	4	3.2%	-	-	108	-12.9%
Gross margin	22.9%							21.5%	-1.4 p.p.
Operating margin	7.9%							6.5%	-1.4 p.p.
Conversion ratio	34.4%							30.3%	-4.1 p.p.

Air & Ocean

The Air & Ocean division secured net revenue growth from intensified efforts to win new business. Market developments indicate stabilisation and that the destocking cycle has ended.

Increased competition and muted gross profit yields affected the division, especially in the US, and were key factors in decreasing gross margin, however, improvements were registered over the course of the second quarter. The division was also affected by a shift from sea to air shipments in Q2 2024.

In Germany and the Netherlands, the companies experienced operating losses, leading to restructuring activities executed in June. As a result, one-off costs amounted to DKK 2 million in Q2 2024.

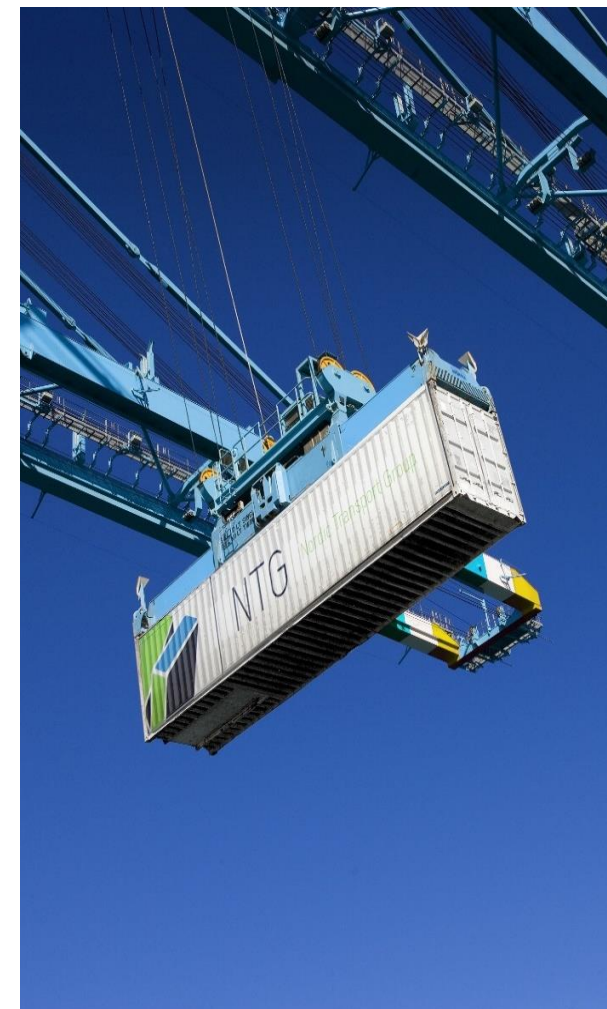
The division continued its investments in the sales organisation. The start-up NTG Supply Chain Solutions, established in December 2023, is expected to gradually contribute to the division's operating profit in the coming quarters. The start-up incurred a loss of DKK 1 million in Q2 2024.

Based on developments in the second quarter, the Air & Ocean market is expected to increasingly stabilise in the second half of the year.

Organisational restructuring activities are ongoing, as well as the search process to appoint a new divisional CEO.

Selected quarterly financial information

(DKKm)	YTD 2023	Organic	%	Acquisitions	%	Currency	%	YTD 2024	%
Net external revenue	1,151	43	3.7%	-	-	3	0.3%	1,197	4.0%
Gross profit	251	-17	-6.8%	-	-	-	-	234	-6.8%
Adj. EBIT	56	12	21.4%	-	-	-	-	68	21.4%
Gross margin	21.8%							19.5%	-2.3 p.p.
Operating margin	4.9%							5.7%	0.8 p.p.
Conversion ratio	22.3%							29.1%	6.8 p.p.



Air & Ocean, continued

Net revenue

Net revenue for the division totalled DKK 644 million in Q2 2024, compared to DKK 546 million in Q2 2023.

Total growth was 17.9%, composed of organic growth of 17.0% and currency translation effects of 0.9%.

The organic growth was positively affected by the start-up in the US, higher freight rates and a proactive market approach squeezing yields.

Gross profit

Gross profit decreased by 3.3% to DKK 118 million in Q2 2024, compared to DKK 122 million in Q2 2023.

Gross margin decreased to 18.3% in Q2 2024, compared to 22.3% in Q2 2023, mainly due to the pass-through effect on revenue from higher freight rates, as well as pressure on the yields.

Operating profit before special items (adj. EBIT)

Adj. EBIT for Q2 2024 totalled DKK 56 million, compared to DKK 24 million in Q2 2023. The AGL earn-out settlement led to a DKK 35 million provision release.

The operating margin was 8.7% in Q2 2024, compared to 4.4% in Q2 2023.

Adjusted for the AGL earn-out provision release, the development in the conversion ratio was negatively impacted by the pressure on gross profit yields from challenging market conditions and by the one-off costs.

Selected quarterly financial information

(DKKm)	Q2 2023	Organic	% Acquisitions	%	Currency	%	Q2 2024	%	
Net external revenue	546	93	17.0%	-	-	5	0.9%	644	17.9%
Gross profit	122	-5	-4.1%	-	-	1	0.8%	118	-3.3%
Adj. EBIT	24	32	133.3%	-	-	-	-	56	133.3%
Gross margin	22.3%							18.3%	-4.0 p.p.
Operating margin	4.4%							8.7%	4.3 p.p.
Conversion ratio	19.7%							47.5%	27.8 p.p.

Interim Financial Statements

INCOME STATEMENT

(DKKm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net revenue	2,305	2,120	4,463	4,374
Direct costs	-1,830	-1,638	-3,525	-3,415
Gross profit	475	482	938	959
Other external expenses	-27	-57	-88	-115
Staff costs	-223	-223	-449	-435
Operating profit before amortisations, depreciations and special items	225	202	401	409
Amortisation and depreciation of intangible and tangible fixed assets	-60	-54	-122	-111
Operating profit before special items	165	148	279	298
Special items, net	-1	-6	-2	-6
Financial income	4	4	17	8
Financial costs	-24	-36	-45	-59
Profit before tax	144	110	249	241
Tax on profit for the period	-28	-22	-55	-48
Profit for the period	116	88	194	193
Attributable to:				
Shareholders in NTG A/S	105	81	174	175
Non-controlling interests	11	7	20	18
Earnings per share				
Earnings per share (DKK)	4.93	3.74	8.18	8.08
Diluted earnings per share (DKK) for the period	4.88	3.70	8.10	7.99

STATEMENT OF OTHER COMPREHENSIVE INCOME

(DKKm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Profit for the period	116	88	194	193
<i>Items that may be reclassified to the income statement:</i>				
Foreign exchange adjustments of subsidiaries	10	10	22	2
<i>Items will not be reclassified to the income statement:</i>				
Actuarial adjustments on retirement benefit obligations	-	-3	1	-6
Other comprehensive income	10	7	23	-4
Total comprehensive income	126	95	217	189
Attributable to:				
Shareholders in NTG A/S	115	89	195	174
Non-controlling interests	11	6	22	15



CASH FLOW STATEMENT

(DKKm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Operating profit before special items	165	148	279	298
Depreciation and amortisation etc.	60	54	122	111
Share-based payments	4	-45	7	-44
Change in working capital etc.	-14	-1	-197	-57
Change in provisions	-35	-13	-38	-13
Financial income received	4	4	17	8
Interest paid on leasing contracts	-7	-9	-14	-18
Other financial expenses paid	-17	-27	-31	-41
Corporation taxes paid	-47	-32	-83	-59
Special items	-1	-6	-2	-6
Cash flow from operating activities	112	73	60	179
Purchase of property, plant, and equipment	-1	-4	-4	-13
Disposal of tangible assets	-	2	-	2
Acquisition of business activities	-	-	-21	-2
Changes in other financial assets	-	3	-	3
Cash flow from investing activities	-1	1	-25	-10
Free cash flow	111	74	35	169

CASH FLOW STATEMENT, continued

(DKKm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Repayment of lease liabilities	-56	-52	-112	-104
Proceeds and repayments of other financial liabilities	-108	-15	-111	-19
<i>Shareholders and non-controlling interests:</i>				
Purchase of treasury shares	-	-143	-	-202
Dividends paid to non-controlling interests	-25	-26	-26	-27
Acquisition of shares from non-controlling interests	-45	-4	-45	-6
Disposal of shares to non-controlling interests	3	-	3	2
Cash flow from financing activities	-231	-240	-291	-356
Cash flow for the period	-120	-166	-256	-187
Cash and cash equivalents at beginning of period*	145	230	276	253
Cash flow for the period	-120	-166	-256	-187
Currency translation adjustments	1	8	6	6
Cash and cash equivalents at 30 June*	26	72	26	72

Statement of adjusted free cash flow

(DKKm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Free cash flow	111	74	35	169
Special items reversed	1	6	2	6
Acquisition of business activities reversed	-	-	21	2
Repayment of lease liabilities	-56	-52	-112	-104
Adjusted free cash flow	56	28	-54	73

* Cash and cash equivalents are presented in the balance sheet less bank overdrafts of DKK 139 million on 30 June 2024, DKK 0 million on 1 January 2024, and 318 million on 30 June 2023.

BALANCE SHEET, assets

(DKKm)	30/06/2024	31/12/2023	30/06/2023
Intangible assets	1,427	1,377	1,383
Property, plant and equipment	75	74	74
Right-of-use assets	823	817	843
Other receivables	61	62	62
Deferred tax assets	36	36	36
Total non-current assets	2,422	2,366	2,398
Trade receivables	1,592	1,115	1,318
Other receivables	90	88	94
Cash and cash equivalents	165	276	390
Corporation tax	32	3	2
Total current assets	1,879	1,482	1,804
Total assets	4,301	3,848	4,202

BALANCE SHEET, equity and liabilities

(DKKm)	30/06/2024	31/12/2023	30/06/2023
Share capital	453	453	453
Reserves and retained earnings	730	566	449
NTG A/S shareholders' share of equity	1,183	1,019	902
Non-controlling interests	70	78	80
Total equity	1,253	1,097	982
Deferred tax liabilities	17	13	10
Pensions and similar obligations	77	79	78
Provisions	1	1	3
Financial liabilities	227	228	228
Lease liabilities	675	668	703
Total non-current liabilities	997	989	1,022
Provisions	35	29	39
Financial liabilities	151	151	523
Lease liabilities	204	196	188
Trade payables	1,383	1,114	1,174
Other payables	217	208	237
Corporation tax	61	64	37
Total current liabilities	2,051	1,762	2,198
Total liabilities	3,048	2,751	3,220
Total equity and liabilities	4,301	3,848	4,202

STATEMENT OF CHANGES IN EQUITY

(DKKm)	Share capital	Treasury share reserve	Translation reserve	Retained earnings	NTG A/S shareholders' share of equity	Non-controlling interests	Total equity
Equity at 1 January 2024	453	-28	-6	600	1,019	78	1,097
Profit for the period	-	-	-	174	174	20	194
Net exchange differences recognised in OCI	-	-	20	-	20	2	22
Actuarial gains/(losses)	-	-	-	1	1	-	1
Other comprehensive income, net of tax	-	-	20	1	21	2	23
Total comprehensive income for the period	-	-	20	175	195	22	217
<i>Transactions with shareholders:</i>							
Share-based payments	-	-	-	7	7	-	7
Dividends distributed	-	-	-	-	-	-26	-26
Acquisition of shares from non-controlling interests	-	-	-	-40	-40	-5	-45
Disposal of shares to non-controlling interests	-	-	-	2	2	1	3
Total transactions with shareholders	-	-	-	-31	-31	-30	-61
Equity at 30 June 2024	453	-28	14	744	1,183	70	1,253

STATEMENT OF CHANGES IN EQUITY

(DKKm)	Share capital	Treasury share reserve	Translation reserve	Retained earnings	NTG A/S shareholders' share of equity	Non-controlling interests	Total equity
Equity at 1 January 2023	453	-16	-9	539	967	97	1,064
Profit for the period	-	-	-	175	175	18	193
Net exchange differences recognised in OCI	-	-	5	-	5	-3	2
Actuarial gains/(losses)	-	-	-	-6	-6	-	-6
Other comprehensive income, net of tax	-	-	5	-6	-1	-3	-4
Total comprehensive income for the period	-	-	5	169	174	15	189
<i>Transactions with shareholders:</i>							
Share-based payments	-	-	-	-44	-44	-	-44
Tax on share-based payments	-	-	-	8	8	-	8
Dividends distributed	-	-	-	-	-	-27	-27
Purchase of treasury shares	-	-11	-	-193	-204	-	-204
Acquisition of shares from non-controlling interests	-	2	-	-2	-	-5	-5
Disposal of shares to non-controlling interests	-	-	-	1	1	-	1
Total transactions with shareholders	-	-9	-	-230	-239	-32	-271
Equity at 30 June 2023	453	-25	-4	478	902	80	982

Notes

Note 1 – Accounting policies

The Interim Financial Report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Accounting policies, judgements and significant estimates applied in preparation of the Interim Financial Report are consistent with those applied in the consolidated financial statements for 2023. Reference is made to note 1.1 of NTG Nordic Transport Group's 2023 Annual Report for a description of accounting policies. For a definition of financial key figures and financial ratios, please see page 79 of NTG Nordic Transport Group's 2023 Annual Report.

NTG Nordic Transport Group has implemented all new EU-approved standards and interpretations effective as of 1 January 2024. None of these standards and interpretations have had a material impact on NTG Nordic Transport Group's Financial Statements.

Note 2 – Segment information and net revenue

NTG Nordic Transport Group mainly derives revenue from freight forwarding services related to transport of goods throughout Europe and worldwide by road, air, and ocean.

(DKKm)	Road & Logistics		Air & Ocean		Eliminations etc.		Total	
	Q2 2024	Q2 2023	Q2 2024	Q2 2023	Q2 2024	Q2 2023	Q2 2024	Q2 2023
Segment net revenue	1,668	1,581	645	549	-	-1	2,313	2,129
Net revenue (between segments)	-6	-6	-1	-3	-1	-	-8	-9
Net revenue (external)	1,662	1,575	644	546	-1	-1	2,305	2,120
Gross profit	357	360	118	122	-	-	475	482
Amortisation and depreciation	-55	-49	-5	-5	-	-	-60	-54
Operating profit before special items (adj. EBIT)	108	124	56	24	1	-	165	148

(DKKm)	Road & Logistics		Air & Ocean		Eliminations etc.		Total	
	YTD 2024	YTD 2023	YTD 2024	YTD 2023	YTD 2024	YTD 2023	YTD 2024	YTD 2023
Segment net revenue	3,277	3,237	1,200	1,156	-	-	4,477	4,393
Net revenue (between segments)	-11	-14	-3	-5	-	-	-14	-19
Net revenue (external)	3,266	3,223	1,197	1,151	-	-	4,463	4,374
Gross profit	704	708	234	251	-	-	938	959
Amortisation and depreciation	-111	-100	-11	-11	-	-	-122	-111
Operating profit before special items (adj. EBIT)	211	241	68	56	-	1	279	298

*Total assets and liabilities for each segment are not reported because such amounts are not regularly provided to the CODM (Chief Operating Decisions Maker)

Net revenue per country (DKKkm)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Denmark	884	717	1,722	1,473
Sweden	326	377	658	753
USA	332	296	594	606
Finland	165	157	316	329
Germany	102	130	202	285
Other	498	443	971	928
Total	2,305	2,120	4,463	4,374

Note 3 – Leases

Contracts are assessed at inception to determine whether NTG Nordic Transport Group is entering a lease. If a lease is identified, a right-of-use asset and a corresponding lease liability are recognised in the balance sheet at the contract's commencement date.

Lease liabilities are initially measured at the present value of future leasing payments under the contract, discounted using either the interest rate implicit in the contract, or (if the implicit interest rate is not available) an incremental borrowing rate appropriate for NTG Nordic Transport Group.

Right-of-use assets are initially measured at cost, equivalent to the relevant recognised lease liability adjusted for any leasing payments made on or before the commencement date, any initial costs associated to the lease and other directly related costs including dismantling and restoration costs.

Subsequent to recognition, lease liabilities are measured at amortised cost using the effective interest method, adjusted for any remeasurements or contract modifications. Lease payments are allocated between reduction of the liability and interest expenses. Interest expenses are charged to the income statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Subsequent to recognition, right-of-use assets are depreciated on a straight-line basis over the shorter of each asset's useful life and the relevant lease term and adjusted for any remeasurements of the lease liability.

(DKK)m	2024			2023		
	Land & buildings	Other plant and equipment	Total	Land & buildings	Other plant and equipment	Total
Carrying amount at 1 January	515	302	817	471	265	736
Additions from business combinations	23	1	24	-	-	-
Additions during the period	33	76	109	104	161	265
Disposals during the period	-	-13	-13	-4	-43	-47
Depreciations	-56	-58	-114	-50	-55	-105
Currency translation adjustments	-2	2	-	-5	-1	-6
Carrying amount at 30 June	513	310	823	516	327	843

Note 4 – Acquisition and disposal of entities

RTC Transport A/S

On 14 February 2024, NTG completed the acquisition of 75% of the shares in RTC Transport A/S (RTC). RTC was founded in 2006 in Brøndby, Denmark, and specialises in home deliveries of furniture and domestic appliances as well as value added services including carry-ins, installations, and return handling. RTC has a strong presence in the Danish market, from where it also serves customers with home deliveries in the southern part of Sweden.

Consideration transferred

The total consideration consists of a cash payment of DKK 26 million in addition to a contingent consideration. The contingent consideration is determined based on the performance of RTC in 2024. A sustained level of financial performance will result in earn-out payments of maximum DKK 11 million. On 30 June 2024, the maximum earn-out consideration of DKK 11 million was recognised.

Adjusted for the fair value of acquired cash and cash equivalents of DKK 5 million, the net cash flow amounted to DKK 21 million (outflow).

Earnings impact

During the period after the acquisition, RTC contributed with DKK 78 million to the Group's net revenue, DKK 7 million to the Group's adj. EBIT and DKK 5 million to the result after tax. If the acquisition had taken place 1 January 2024 the Group's net revenue would have amounted to DKK 4,479 million and result after tax would have amounted to DKK 195 million.

Transaction costs

Transaction costs relating to the RTC acquisition amount to DKK 1 million. Transactions costs are accounted for in the income statements as special items.

Fair value of acquired net assets and recognised goodwill

Provisional fair values of acquired assets and liabilities at the acquisition date are given in the table to the right. Fair value of acquired trade receivables and other receivables amounts to DKK 23 million. Collectability of receivables has been assessed based on Group credit assessment policies.

Goodwill is primarily related to synergy effects from integration with NTG's existing infrastructure and network.

Integration of RTC is still ongoing, and consequently net assets, including goodwill and other intangible assets, may be adjusted, and off-balance sheet items may be recognised for up to 12 months after the acquisition date.

(DKKm)	Fair values at date of acquisition
Property, plant and equipment	5
Right-of-use assets	24
Trade receivables	21
Other receivables	2
Cash and cash equivalents	5
Total assets	57
Provisions	2
Lease liabilities	31
Trade payables	10
Other payables	9
Corporation tax	1
Total liabilities	53
Non-controlling interests' share of acquired net assets	1
Acquired net assets	3
Fair value of total consideration	37
Goodwill and intangible assets arising from the acquisition	34

Note 5 – Treasury shares

Treasury shares are bought back to meet obligations relating to acquisition of minority shareholders' shares in NTG subsidiaries under the "Ring-the-Bell" concept and to cover obligations arising under share-based incentive programs and potentially for other purposes such as payment in relation to M&A transactions.

	Number of shares	Nominal value (DKKm)	Part of share capital	Market value (DKKm)
Treasury shares 1 January	1,387,472	28	6.1%	408
Disposals	-43,639	-1	-0.2%	-13
Value adjustment				14
Treasury shares 30 June	1,343,833	27	5.9%	409

Disposals of treasury shares are related to share-based incentive programs and other transactions.

Note 6 – Events after the reporting period

NTG Nordic Transport Group signed agreements related to three acquisitions, as detailed on page 4.

Statement of the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Interim Report of NTG Nordic Transport Group A/S for the period 1 January 2024 to 30 June 2024.

The interim consolidated financial statements of NTG Nordic Transport Group A/S, which have not been audited or reviewed by the Company's auditor, have been prepared in accordance with IAS 34 Interim

Financial Reporting as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies. In our opinion, the interim consolidated financial statements give a true and fair view of NTG Nordic Transport Group A/S' consolidated assets, liabilities and financial position at 30 June 2024 and of the results of NTG Nordic Transport Group A/S' consolidated operations and cash flows for the period 1 January 2024 to 30 June 2024.

Furthermore, in our opinion the Management report includes a fair review of the development in NTG Nordic Transport Group A/S' operations and financial conditions, the results for the period, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that NTG Nordic Transport Group A/S faces.

Hvidovre, 6 August 2024

Executive Board

Mathias Jensen-Vinstrup
Group CEO

Christian D. Jakobsen
Group CFO

Board of Directors

Eivind Kolding
Chairman of the board

Jørgen Hansen
Deputy chairman of the board

Finn Skovbo Pedersen
Board member

Carsten Krogsgaard Thomsen
Board member

Jesper Præstengaard
Board member

Karen-Marie Katholm
Board member

Louise Knauer
Board member