Logwin AG

Annual Financial Report 2023

Key Figures 1 January – 31 December 2023

Earnings position In thousand EUR	2023	2022
Revenues		
Group	1,257,518	2,259,027
Change on 2022	*-44.3%*	
Air + Ocean	917,243	1,795,995
Change on 2022	*-48.9%*	
Solutions	341,852	466,313
Change on 2022	*-26.7%*	
Operating Result (EBITA)		
Group	91,747	120,121
Margin	*7.3%*	5.3%
Air + Ocean	86,598	140,578
Margin	*9.4%*	7.8%
Solutions	18,915	-3,596
Margin	*5.5%*	-0.8%
Net result		
Group	80,158	73,945

Financial position In thousand EUR	2023	2022
Operating cash flows	107,894	169,556
Free cash flow	64,640	132,948

Net asset position	31 Dec 2023	31 Dec 2022
Equity ratio	48.1%	41.6%
Net liquidity (in thousand EUR)	280,406	281,716

	31 Dec 2023	31 Dec 2022
Number of employees	3,790	4,116

This document is a translation of the German original annual financial report of Logwin AG for the year ended 31 December 2023 as well as the audit report thereon. In case of any deviation between the German original version and the translated version the German version is prevail.

Group Management Report

General information on the Logwin Group

Business model

Logwin Group In its business segments Air + Ocean and Solutions, the Logwin Group offers logistics and transport solutions to its customers. In doing so, Logwin combines the advantages of a globally present logistics group with those of a flexible, medium-sized company.

Air + Ocean business segment The Air + Ocean business segment provides worldwide logistics and transport solutions with a focus on intercontinental air and ocean freight and in many cases supplements these with upstream and downstream value added services. With its global network of group subsidiaries and long-term partners, Logwin is present at the customer's locations and aims to ensure the highest possible standards of reliability, quality and security for logistics chains worldwide.

Solutions business segment As a specialist in contract logistics, the Solutions business segment offers individual customer and industry-oriented solutions, particularly in in the consumer goods, retail and fashion sectors along with industrial contract logistics, including chemical and hazardous goods. Holistic supply chain management, transportation and logistics solutions, warehousing and value-added services as well as complete outsourcing projects are all part of the portfolio of the activities in this business segment.

With customer-specific combinations of individual logistics services, the Logwin Group manages the supply chains between suppliers and consumers, either partially or as a whole. Comprehensive supply chain management, warehousing, value added services and transportation by road, rail, air or ocean freight are the key elements of the services provided by the various entities of the Logwin Group. A worldwide uniform IT infrastructure with its own data centers in Europe and Asia supports globally harmonized processes and simple customer and service provider connections in addition to ensuring compliance with steadily rising quality, security and compliance requirements.

Logwin AG is listed on the Frankfurt Stock Exchange. The majority shareholder is DELTON Logistics S.à r.l., Grevenmacher (Luxembourg).

Financial performance management

The Logwin Group controls its financial situation by means of various key performance indicators (KPI) that management believes are relevant for measuring performance of the operations, the financial position and cash flows as well as in decision making. Basically the KPIs are intended to preserve a balance between profitability, an effective use of resources and sufficient liquidity. The monthly, quarterly and annual changes in these indicators are compared with the prior year and the forecast/ budget data to assist in making management decisions. Furthermore, several KPIs are also particularly relevant for calculating management remuneration.

Unless defined in the relevant accounting standards, the methods of their calculation are described below in line with the European Securities and Markets Authority's (ESMA) Guidelines on Alternative Performance Measures (APM) dated 5 October 2015:

Profitability Revenues – as defined by the applicable standards – are in general a key financial earnings figure and thus also an important measure for the Logwin Group as it reflects the ability of selling products and services on the market. This measurement defined in IFRS is suitable especially in Logwin's transaction-based logistics businesses as well as its use as a starting point for further volume and quantity-analysis. In addition, revenues are an indicator for corporate development (growth) and with some limitations a suitable cash-flow-oriented success factor (pay-sensitivity of revenues).

The operating result before goodwill impairment – EBITA (earnings before interest, taxes and amortization) – measures the operating profitability of the Group and of the individual business segments and is the key performance indicator of profitability of the Logwin Group. EBITA is derived from revenues less cost of sales as well as selling, general and administrative costs. It also includes other operating expenses and income as well as impairments on financial assets and contract assets measured at amortized cost that are shown separately. In the management's opinion EBITA is most suitable to make Logwin Group's performance illustratable and comparable as it presents the advantage to consistently include the consumption of fixed assets as depreciation is recognized whereas volatile goodwill impairment is excluded.

The net result is another key performance indicator for the Logwin Group and provides a comprehensive measure of the Group's overall performance after interest and income taxes and a transparent basis for comparing overall performance, particularly over time. The net result is calculated based on the income statement and thus is defined by the relevant accounting standards (referred to as "profit or loss" in IAS 1.7).

In addition, gross profit and gross profit margin are further performance measures for assessing Logwin Group's performance. Gross profit is defined as revenues less cost of sales whereas gross profit margin is calculated by dividing gross profit by revenues. Both figures are used to assess the financial strength of the business model as well as the operating profitability over time.

Financial performance Free cash flow is the central key performance indicator for liquidity management in the Logwin Group and its business units. This figure is defined as the sum of the operating cash flows and investing cash flows as determined by the applicable cash flow standard IAS 7 less the repayment of lease liabilities (for the method of calculation we refer to the subtotals in the statement of cash flows). It is targeted at maintaining sufficient liquidity to cover all of the Group's financial obligations from possible debt repayments and dividends, in addition to operating payment commitments and investments. In particular, free cash flow is regarded as an indicator of how much cash is available at the end of a reporting period for paying dividends or, if necessary, repaying loans and other financial liabilities.

Operating cash flow – a financial indicator of the applicable IAS 7 (referred to as "net cash flow from operating activities" in IAS 7.20) and therefore calculated directly based on the cash flow statement – includes all items that are related directly to operating value creation. It reflects the amount of operating profit converted into cash available for investing and financing activities. Its purpose is to manage and supervise operating liquidity as well as to ensure the generation of cash oriented operational value.

Net asset position The net liquidity and the equity ratio are further key figures applied by the Logwin Group to assess its net asset position. Both measures aim at promoting good financial standing on behalf of good capital market conditions as well as ensuring liquidity. This ensures continued access to the capital market at favorable conditions for the purpose of liquidity management. Net liquidity is calculated as cash and cash equivalents less liabilities from leases and other financial liabilities. Its target is to show how much of the liquid funds would be left if all current liabilities are redeemed.

The equity ratio is calculated by comparing a company's total equity to its total assets and thus provides information regarding the capital structure of a company. The equity ratio shows the proportion of the total assets owned outright by the investors as well as how the company is leveraged with debt.

Non-financial performance indicators, non-financial statement and diversity concept

In addition to the aforementioned financial performance indicators, the number of employees as of the reporting date (absolute headcount, employees includes all persons directly employed by the Logwin Group, who are active for Logwin in Germany or abroad, full or part-time) represents a key non-financial performance indicator. Looking at the number of staff makes it possible to further analyze costs and productivity and provides insights into the use of resources and capacity. In addition, the number of employees provides benchmarks for other quantitative and qualitative personnel metrics.

Please refer to the CSR report and diversity report for information on the non-financial statement, which is to be issued in 2024 for 2023, and the diversity concept to be applied within the Logwin Group. The documents can be downloaded from www.logwin-logistics.com/company/overview/corporate-social-responsibility.

Research and development

Development activities in the Logwin Group concentrate on service and process innovations. These innovations to improve operational and administrative processes are generally developed in close collaboration with customers. The specialists in the Tender Management/ Logistics Engineering, Process Management and respective IT departments of the Solutions business segment in particular are entrusted with this type of work for complex contract logistics projects.

Corporate Governance

Members of the Board of Directors and the Executive Committee

Dr. Antonius Wagner (* 1961)
Chairman of the Board of Directors and the Executive Committee
Bad Homburg v. d. Höhe (GER)

Sebastian Esser (* 1974)
Deputy Chairman of the Board of Directors and member of the Executive Committee
(Chief Financial Officer)
Großostheim (GER)

Ralf Hubert (* 1970)
Member of the Executive Committee
Großostheim (GER)
since 31 March 2023

Andreas Kurtze (* 1973)
Non-executive member of the Board of Directors
In-house lawyer
Frankfurt am Main (GER)

Christopher Müller (* 1986)
Member of the Executive Committee
Salzburg (AT)
since 31 March 2023

Hauke Müller (* 1964)
Member of the Executive Committee
Hamburg (GER)

Philippe Prussen (* 1977)
Non-executive member of the Board of Directors
Attorney
Luxembourg (LU)

Axel Steiner (* 1973)
Member of the Executive Committee
Großostheim (GER)

The Board of Directors of Logwin AG has adopted a Corporate Governance Charter, which is available on the internet at www.logwin-logistics.com/company/investors/coporate-governance.

Information in accordance with Article 11 of the Luxembourg Takeover Act dated 19 May 2006

Lit (a): Details on the equity structure of the Logwin Group are included in note 27 on page 79 of the notes to the consolidated financial statements. As of 31 December 2023, there were 2,884,395 fully paid up, no-par registered voting shares issued and admitted for trading on the Frankfurt Stock Exchange. Of these, 5,180 shares were held as treasury shares by Logwin AG as of 31 December 2023 and were therefore subject to the exclusion of voting rights and dividends.

Lit (b): There are no restrictions on the transfer of the shares.

Lit (c): The majority shareholder of Logwin AG is DELTON Logistics S.à r.l., Grevenmacher, Luxembourg. The sole shareholder of DELTON Logistics S.à r.l. is Stefan Quandt. For further details, please refer to notes 1 and 40 on pages 36 and 102 of the notes to the consolidated financial statements.

Lit (d): There are no shares that give the holders any special rights of control.

Lit (e): There are no employee stock ownership schemes in the Logwin Group.

Lit (f): There are no restrictions on voting rights in the Logwin Group.

Lit (g): As of 31 December 2023, Logwin AG is unaware of any understandings with shareholders that restrict the transfer of shares or voting rights in accordance with Directive 2004/109/EC.

Lit (h): Rules governing the appointment and replacement of members of the Board of Directors and changes to the Articles and Memorandum of Association are contained in Articles 8, 16 and 17 of the Articles and Memorandum of Association of Logwin AG and in chapter 8 of the Corporate Governance Charter. The documents can be downloaded from www.logwin-logistics.com/company/investors/coporate-governance.
In particular, the following applies:

- The members of the Board of Directors are appointed by the General Meeting of shareholders for a period not exceeding six years. They may be dismissed by the General Meeting at any time. The repeated appointment of a member of the Board of Directors is permitted.
- If a member of the Board of Directors (including executive members of the Board) retires prematurely, the remaining members may co-opt a new member to the Board in accordance with the legal provisions on a provisional basis. Final election will take place when the shareholders next meet for their General Meeting.
- The General Meeting may change the company's Articles and Memorandum of Association at any time, taking into account the legal provisions governing minimum attendance and majority voting.

Lit (i): The powers of the Board of Directors, in particular relating to the empowerment to issue or withdraw shares, are regulated in Articles 5, 8, 9, 10, 11, 18, 19 and 23 of the Articles and Memorandum of Association of Logwin AG and in chapter 3 of the Corporate Governance Charter. The documents are available at www.logwin-logistics.com/company/investors/coporate-governance.
In particular, the following applies:

- The Board of Directors is responsible for the management of the company.
- The Board of Directors is vested with the powers to perform all acts of administration and disposal in the interests of the company. The Board of Directors has appointed a committee of directors charged with performing the daily management of the company (hereinafter referred to as "Executive Committee").

- The Board of Directors defines the scope of activity of the Executive Committee and of the individual committees. It also authorizes the procedures that are to be used for the Executive Committee and the individual committees.
- The daily management of the company is performed by the Executive Committee under the supervision of the Board of Directors. The Board of Directors decides on the signatory powers of the members of the Executive Committee.
- The Board of Directors is authorized until 20 May 2024 to increase the company's registered capital by issuing on one or more occasions up to 1,509,105 new no par registered shares with or without an issue premium ("prime d'émission") in exchange for cash and/or non-cash capital contributions.
- The company may repurchase its own shares in accordance with the provisions of the law.

Lit (j): There are finance agreements containing clauses that grant lenders the right to terminate the agreement prematurely in the event that the number of shares held by the majority shareholder of Logwin AG falls below certain thresholds.

Lit (k): There are no agreements between Logwin AG and members of its Board of Directors or other employees that provide for compensation in the event of termination of employment without important reason or in the event of a takeover bid.

Economic report

Overall conditions

Global economy Due to high inflation rates and the resulting restrictive monetary policy, the global economy has shown a modest performance over the course of the fiscal year 2023, particularly in the euro zone and the USA. Overall, the global economy grew slightly in the reporting year, resisting not only the aforementioned influencing factors but also global geopolitical uncertainties. The supply bottlenecks for energy, raw materials and primary products eased compared to the prior year. As a result, there was a significant decline in raw material and energy prices over the course of the year 2023. However, the high level of uncertainty regarding economic conditions and the lack of fiscal stimulus prevented a noticeable economic recovery in the western economies. Despite falling inflation rates and the easing of the situation on the commodities and energy markets described above, economic growth in the euro zone was only modest, particularly due to the loss of purchasing power among private households and the lack of demand from outside Europe.

The most important Asian economies recorded an increase in overall economic production in the second half of 2023, partly due to the high demand for semiconductors. In China, production levels were able to rise again temporarily following the end of the public lockdowns, although falling investments, high unemployment and increased social uncertainty in particular impacted Chinese production and consumption. The economy in the Latin American countries remained gloomy. By contrast, Mexico recorded a pleasing economic expansion at the end of the year.

German (logistics) industry The German economy contracted slightly in the fiscal year 2023, significantly impacting the overall development of the rest of the euro zone. Declining capacity utilization and weak new business in the industrial sector until the end of the year clouded the mood among companies. The economic weakness is also attributable to declining consumption and a significant drop in foreign business. The German logistics industry experienced a recessionary trend as a result of the economy-related fall in demand for transport capacity and logistics services.

Competition and market The logistics industry declined significantly in the fiscal year 2023. The subdued overall development of the global economy led to a demand-driven reduction in air and ocean freight volumes. Global disruptions to global supply chains, including congestion at ocean freight ports, decreased over the course of the year. The dramatic decline in ocean freight rates and, in some cases, air freight rates led to a considerable intensification of competition over the course of the year 2023, resulting in significant declines in margins and earnings for the various market participants across the industry. The downward trend also increasingly affected the market situation in the European warehousing and transportation market following the very high demand in prior periods.

Both air and, in particular, ocean freight rates fell sharply over the course of the year due to weaker demand and were well below the prior year's historic high overall. However, the attack on Israel by the terrorist organization Hamas in October 2023 and the associated attacks on merchant ships in the Red Sea led to renewed noticeable disruptions to global supply chains. At the end of the financial year, this led to another sharp rise in ocean freight rates in particular and a short-term increase in demand for alternative transportation solutions for the global procurement and distribution activities of international customers.

Business performance

The Logwin Group achieved a satisfactory overall revenue and earnings performance in a challenging market environment. Group revenue in the financial year 2023 was significantly below the prior year's level, resulting from a decline in the two business segments Solutions and Air + Ocean, mainly due to freight rates.

In the Air + Ocean business segment, the decline in sales resulted from the massive drop in freight rates, particularly in ocean freight, as well as reduced air and ocean freight volumes in all modes of transport compared to the prior year. Against the backdrop of an increasingly challenging market environment and a considerably tougher competitive situation, the business segment generated a pleasing operating result. At the end of the reporting year, the organic development of the global air and ocean freight network was supplemented by the conclusion of contracts for the acquisition of majority shareholdings in companies in the Netherlands and New Zealand.

Revenue in the Solutions business segment also fell over the course of 2023 due to the significant overall decline in freight rates and a planned change in transport regions. In addition to these effects in the international transportation sector, the disposal of loss-making activities in the first quarter of 2023 led to a reduction in revenues. The earnings performance of the contract logistics activities in the Solutions business segment was very positive despite a partial decline in customer demand in almost all areas in the year 2023.

in million EUR	**2023**	**2022**	*Absolute change*
Revenue	1,257.5	2,259.0	-1,001.5
EBITA	91.7	120.1	-28.4
Net result	80.2	73.9	6.3
Free cash flow	64.6	133.0	-68.4
Net liquidity	280.4	281.7	-1.3

Earnings position

Revenues In the fiscal year 2023, the Logwin Group's revenue of EUR 1,257.5m was, as expected, below the prior year's revenue of EUR 2,259.0m. The significant decline in sales resulted from the considerable year-on-year drop in air and ocean freight rates as well as lower global volumes in the Air + Ocean business segment and in the international transportation activities of the Solutions business segment. The disposal of the German retail network and site closures in the prior year also resulted in a reduction in revenues in the Solutions business segment.

in million EUR	2023	2022	*Absolute change*
Logwin Group	1,257.5	2,259.0	-1,001.5
thereof Air + Ocean	*917.2*	*1,796.0*	*-878.8*
thereof Solutions	*341.9*	*466.3*	*-124.4*

In addition to the two operating business segments the Logwin Group's revenues also include the segment Other, which comprises real estate management, central internal services and holding companies.

Air + Ocean
In the fiscal year 2023, the Air + Ocean business segment recorded sales of EUR 917.2m, which was significantly below the prior year’s level of EUR 1,796.0m. The sales development is mainly attributable to the development of freight rates in air and ocean freight as well as declining volumes in almost all regions of the global network.

Solutions
At EUR 341.9m, sales of the Solutions business segment in 2023 were below the prior year's sales of EUR 446.3m. The disposal of the German retail network in March 2023 contributed significantly to the lower revenue. In addition, sales in the international transport business also declined due to significantly lower freight rates and reduced transport volumes in the Solutions business segment. In contract logistics, site closures in the prior year led to reduced revenues compared to the prior year.

Gross margin The Logwin Group's gross margin increased significantly from 8.2 % in the prior year to 13.1 % in the fiscal year 2023 despite a significant drop in revenue and a decline in gross profit. This positive development was driven by both the Air + Ocean and the Solutions business segment.

Selling, general and administrative costs Selling, general and administrative expenses fell slightly from EUR 72.7m in the prior year to EUR 71.1m in the fiscal year 2023, mainly due to lower impairments of assets.

Operating result (EBITA) In line with the general market trend, the Logwin Group generated a reduced operating result (EBITA) of EUR 91.7m in the fiscal year 2023, compared with the prior year (prior year: EUR 120.1m). The Group's operating margin amounted to 7.3% (prior year: 5.3%). The earnings performance reflects the considerably gloomier market environment, particularly in global ocean freight activities in the Air + Ocean business segment. By contrast, earnings in the Solutions business segment were significantly above the prior year's level in all activities. In the prior year, impairment losses on property, plant and equipment and intangible assets have had a negative impact of EUR -8.1m due to changes in the intended use. Income from an earlier customer insolvency had a positive effect in the prior year.

in million EUR	2023	2022	*Absolute change*
Logwin Group	91.7	120.1	-28.4
Margin	*7.3%*	*5.3%*	*2.0%*
Air + Ocean	86.6	140.6	-54.0
Margin	*9.4%*	*7.8%*	*1.6%*
Solutions	18.9	-3.6	22.5
Margin	*5.5%*	*-0.8%*	*6.3%*

In addition to the two operating business segments the Logwin Group's EBITA also includes the segment Other, which comprises real estate management, central internal services and holding companies.

Air + Ocean
At EUR 86.6m, the operating result (EBITA) for the Air + Ocean business segment in 2023 was below the prior year's result of EUR 140.6m. The significant decline reflects the development of the air and ocean freight market in the various regions of the global network.

Solutions
The Solutions business segment generated an operating result (EBITA) of EUR 18.9m in the fiscal year 2023, exceeding the prior year's result by EUR 22.5m (prior year: EUR -3.6m). The operating result (EBITA) in both the international and national transport showed a pleasing year-on-year increase. The discontinuation of the negative earnings impact from the disposal of the retail network also had a positive effect compared to the prior year. In contract logistics, measures taken to improve performance and the absence of one-off effects related to site closures in the prior year led to a significant improvement in earnings despite a considerable drop in demand and the associated decline in volumes in some areas.

Impairment of goodwill In the prior year, the goodwill impairment test of the Solutions business segment resulted in a goodwill impairment of EUR 11.7m.

Financial result and income taxes The financial result of EUR 4.9m was significantly higher than the prior year's result of EUR -3.8m due to the increase in interest rates. Income tax expenses fell from EUR 30.7m in the prior year to EUR 16.5m due to the lower operating result and a reassessment of the recognition of deferred tax assets at individual Group companies.

Net result The Logwin Group generated net income for the period of EUR 80.2m in fiscal year 2023, exceeding the prior year's result by EUR 6.3m (prior year: EUR 73.9m).

Financial position

Financial management in the Logwin Group The Logwin Group finances itself mainly from its own funds and leasing and can draw on additional funds from factoring receivables and credit lines as required. The Logwin Group's operating units are mainly financed from operating cash flows and, if necessary, from Group loans.

As of 31 December 2023, the Logwin Group's liabilities from financing activities of EUR 75.1m are slightly lower than in the prior year (prior year: EUR 82.1m) and are almost exclusively related to obligations under rental and lease agreements.

Operating cash flows In fiscal year 2023, the Logwin Group recorded cash inflows from operating activities of EUR 107.9m (prior year: EUR 169.6m). The decline is mainly due to the lower operating result and changes in working capital compared to prior year.

Investing cash flows The Logwin Group's cashs flow from investing activities amounted to EUR -16.8m in the reporting period (prior year: EUR -5.8m). This cash out mainly includes payments for the disposal of the loss-making German retail network as a result of a negative purchase price and payments for the acquisition of shares in a subsidiary in the Netherlands.

Free cash flow After taking into account the repayment of lease liabilities of EUR -26.4m (prior year: EUR -30.8m), the Logwin Group generated a decreased free cash flow of EUR 64.6m in 2023 (prior year: EUR 132.9m).

Financing cash flows The cash flow from financing activities for 2023 of EUR -98.0m (prior year: EUR -47.7m) mainly includes the increased distribution to Logwin AG shareholders of EUR -69.1m compared to the prior year (prior year: EUR -17.3m). In addition, the financing cash flows include the repayment of lease liabilities in the amount of EUR -26.4m (prior year: EUR -30.8m).

Net asset position

Total assets The Logwin Group's total assets decreased significantly from EUR 833.1m as of the prior year's reporting date to EUR 730.5m as of 31 December 2023. The decrease was mainly due to significantly lower trade receivables and trade payables as a result of lower freight rates and therefore lower sales volumes in the reporting year.

Non-current assets in the fiscal year 2023 amounted to EUR 181.4m and are almost unchanged (prior year: EUR 182.1m). A decrease in property, plant and equipment of EUR 12.4m resulting from the disposal of the German retail network was partially offset by an increase in deferred tax assets of EUR 7.1m. The increase resulted from a reassessment of deferred tax assets recognized from tax loss carryforwards. In addition, goodwill increased from EUR 45.7m as of 31 December 2022 to EUR 48.9m at the end of the reporting year due to a company acquisition in the Netherlands.

The current assets of the Logwin Group decreased from EUR 651.0m at the end of the prior year to EUR 549.0m as of 31 December 2023. Current assets include lower trade accounts receivable and receivables from factoring including contract assets of EUR 160.9m (prior year: EUR 248.6m) and a slight decrease in cash and cash equivalents of EUR 355.5m (prior year: EUR 363.8m).

Equity At the end of the reporting year 2023, the Logwin Group had slightly higher equity of EUR 351.7m compared to EUR 346.4m as of 31 December 2022. The distribution to the shareholders of Logwin AG in the reporting year reduced equity by EUR 69.1m (prior year: EUR 17.3m). The increase in equity reflects the net income for the period of EUR 80.2m in the fiscal year 2023 (prior year: EUR 73.9m). Actuarial losses from the measurement of pension provisions due to the lower discount rate reduced Group equity by EUR -1.2m (prior year: EUR 6.9m) and foreign currency effects by EUR -3.7m (prior year: EUR 1.0m). The equity ratio increased from 41.6% as of the prior year's reporting date to 48.1% as of 31 December 2023.

Liabilities Non-current liabilities decreased from EUR 82.2m at the end of the prior year to EUR 71.8m at 31 December 2023, mainly due to a decrease in liabilities from leases. Current liabilities decreased from EUR 404.6m to EUR 307.0m at 31 December 2023 and mainly include reduced trade accounts payable of EUR 214.4m (prior year: EUR 293.0m) and reduced other current liabilities of EUR 47.4m (prior year: EUR 65.9m).

Cash and net liquidity The Logwin Group's cash and cash equivalents decreased slightly to EUR 355.5m as of 31 December 2023 compared to EUR 363.8m at the end of the prior year. The Group's net liquidity decreased slightly from EUR 281.7m at the end of the prior year to EUR 280.4m as of 31 December 2023.

Employees

The Logwin Group had a global headcount of 3,790 employees as of 31 December 2023 compared to 4,116 employees at the end of the prior year. The Air + Ocean business segment had 10 less employees than in the prior year. The Solutions business segment had 301 less employees than in the prior year, mainly due to the disposal of the German retail network.

The number of Logwin Group employees in Germany decreased from 1,589 to 1,276.

	2023	**2022**	*Absolute change*
Logwin Group	3,790	4,116	-326
thereof Air + Ocean	*2,899*	*2,909*	*-10*
thereof Solutions	*686*	*987*	*-301*

Report on the Logwin share

The Logwin Share A total of 25,675 Logwin AG shares were traded on all German stock exchanges in the reporting year. This corresponded to a turnover of EUR 6.9m. The price of the Logwin share fell from 270.00 euros at the beginning of the year to a Xetra closing price of 258.00 euros at the end of the reporting period. The significance of this share price development is very limited due to the low trading volume.

Share buyback program On 10 April 2019, the Annual General Meeting authorized the Board of Directors to decide on the repurchase of treasury shares until 10 April 2024. The share buyback program began on 18 March 2020 and was limited in time until 28 February 2022. By the end of the buyback program, a total of 5,180 shares has been acquired, which were held as own shares as of 31 December 2023.

Authorization of capital measures On 10 April 2019, the Extraordinary General Meeting authorized the Board of Directors to increase the share capital by 1,509,105 shares on one or more occasions until 20 May 2024 by issuing new shares with no par value, with or without a premium, against cash and/or non-cash contributions. No use has been made of this authorization to date.

Key figures for the Logwin share

		31 Dec 2023	31 Dec 2022
Closing price (Xetra)	*in EUR*	258.00	270.00
High/low 52 weeks	*in EUR*	300,00/236,00	308,00/240,00
Number of shares	*Units*	2,884,395	2,884,395
– thereof outstanding	*Units*	2,879,215	2,879,215
Market capitalization	*in million EUR*	742.8	777.4

Shareholdings and own shares The majority shareholder of Logwin AG is DELTON Logistics S.à r.l., Grevenmacher, Luxembourg. 5,180 Logwin AG shares were held as own shares as of 31 December 2023.

The members of the Board of Directors and the Executive Committee held neither shares nor options to purchase shares in Logwin AG as of 31 December 2023.

Company rating The rating for the Logwin Group (corporate credit rating) by Standard & Poor's has been "BB+" with a stable outlook since April 2019.

Subsequent events report

No reportable events occurred between 31 December 2023 and the preparation of the consolidated financial statements by the Board of Directors of Logwin AG on 11 March 2024.

Overall presentation of risks and opportunities

Risk management system

Objectives and strategy The Logwin Group has established a Group-wide risk management system in order to ensure the proper management of the company and to implement a determined risk policy. This forms a key part of the planning and internal control system and is thus an essential element in managing and controlling the company. The aim of Logwin AG's risk policy is the timely and systematic identification of risks that can lead to a significant adverse deviation from forecasts or targets or may become a risk to the further existence of the company so that such risks can be avoided or their negative effects minimized by initiating prompt countermeasures. The systematic identification and analysis of opportunities is not a component of the Group-wide control and risk management system. Continuous close monitoring of business activities at various levels of management of the Logwin Group ensures that opportunities are identified and exploited.

Structure and process The risk management system is ensured by Group-wide policies and procedures that are set out in risk management guidelines. Risk owners in the business segments and holding companies identify and assess risks that can emerge in their areas. These are then systematically summarized depending on predetermined reporting threshold values and communicated to the relevant management levels in the business segments and to the Executive Committee and the Board of Directors of Logwin AG. Besides regular reporting at specified intervals, immediate reporting procedures for new significant risks play an essential part in the risk management system. Controlling and managing the risks is the responsibility of the risk owners, the relevant management levels in the business segments or the Executive Committee, depending on the degree of authority. These clearly defined processes and responsibilities do not just guarantee that all identified risks are duly addressed, but also ensure that the Executive Committee and the Board of Directors of Logwin AG are informed about all major risks

Control and risk management system for other processes and systems and for the financial reporting process The risk management system was deliberately established as an instrument independent of other processes and systems. However, findings from this system are incorporated into various other processes and systems:

- In particular, thanks to local risk tracking by risk owners, matters relevant to compliance can also be reported and are then monitored by the compliance management system of the Logwin Group.
- In the context of strategic planning, budgeting and forecasting, it is necessary to include existing or new identified risks and to define how to deal with certain risks within the planning horizon.

Conversely, the findings of other processes and systems must be taken into account in risk management, e.g. by entering issues that are reported through planning (strategic planning, budget or forecast). The internal audit department also performs audits. Depending on the matter at hand, audit findings can also be tracked as risks if necessary.

Besides the risk management guidelines, Group-wide accounting guidelines regulate the financial reporting process as a further feature of the internal control and risk management system. The financial reporting process in the Logwin Group reflects its decentralized organizational structure, i.e. at the business segment level, numerous in part system based reconciliation and plausibility checks are used to monitor the individual Group companies with regard to their reporting preparations (e.g. scheduling and assigning tasks, obtaining balance confirmations, assessing provisions) and also with regard to the preparation of the financial statements. Another element in the internal control system are the letters of representation presented by the management of each subsidiary regarding their annual financial statements. All input and work steps in the consolidation process are documented in the consolidation software, which is used Group-wide. Furthermore, the internal audit department is also involved in monitoring compliance with the accounting guidelines in selected cases.

Risks

Taking into consideration the measures taken or planned, the risks identified across the Group do not – either individually or in interaction with one another – affect the Logwin Group's ability to continue as a going concern. The partial changes in individual opportunities and risks do not have any material impact on the Logwin Group's overall risk profile for the financial year 2024, which in the opinion of management will not change significantly compared with the prior year despite the continuing uncertainties and the fact that some operating businesses will be affected by the continuing high level of inflation and other macroeconomic developments. The following sections first describe the risks and then the opportunities that could have a significant impact on the Logwin Group's net assets, financial situation and earnings position. Unless otherwise described, these apply to all business segments.

Overview As an international logistics company, the Logwin Group is exposed to macroeconomic or political risks as well as risks arising from its operating business activities, which also include the regulatory environment. Moreover, financial, legal and regulatory as well as other risks could conceivably also affect its business performance. The objective of the Logwin Group's comprehensive risk management system is to systematically identify and manage risks early on, which could negatively impact earnings or lead to deviations from the budget, or cast significant doubt on the Group's ability to continue as a going concern. The possibility cannot be excluded that the risk management system could prove to be inadequate or inefficient, and that unrecognized risks or negative developments could materialize in the Group's course of business activities or not be identified quickly enough in order to prevent them from materializing. As a result, the Logwin Group's net assets, financial situation and earnings position may be significantly affected.

Macroeconomic and political risks The performance of the global economy and of world trade is of crucial importance for the demand for logistics services and thus for the business performance of the Logwin Group.

Particularly in the context of the current war in the Red Sea region, a renewed intensification of the disruptions to global supply chains already observed in prior years and their impact on the Logwin Group's customers cannot be ruled out, leading to risks in relation to the supply of capacity to provide the Logwin Group's services in the areas of air and ocean freight as well as road transport and intermodal or rail transport. In the medium term, continuing disruptions to logistics chains may result in a decline in demand for logistics services, which could have an negative impact on the Logwin Group's net assets, financial situation and earnings position.

There are also significant risks associated with unexpectedly sluggish global economic development and in particular the economic situation in the euro zone and the Asian economies. In this context, there is a specific risk of significantly weaker short and medium-term economic development as a result of continued high inflation rates, energy shortages and geopolitical conflicts such as the Israel-Hamas war and the ongoing Russian war of aggression against Ukraine or an escalation of the conflict over Taiwan. The introduction of trade barriers in the short and medium term and efforts to restrict free trade for political reasons could also have a significant negative impact on our net assets, financial situation and earnings position.

A worse than forecast economic development in relevant economic regions and economies as well as in economic sectors such as the textile and fashion industry, automotive or certain segments of the wholesale and retail trade would lead to a negative impact on demand for logistics services from the Logwin Group's customers for individual or all of Logwin’s operating business segments, which could make it necessary for the Logwin Group to take adjustment measures. Similarly, in addition to freight rates, sustained changes in exchange rates can also have a significant impact on trade flows and thus on the market size for intercontinental air and ocean freight transportation.

The reintroduction of public measures to restrict contacts or freedom of movement in certain regions or countries due to pandemics or other causes that restrict freedom of movement, the isolation of individual countries, critical infrastructures, ordered closures or restrictions on economic exchange, as well as a possible resulting increase in customer insolvencies or changes in consumer behavior, could have a significant impact on the net assets, financial situation and earnings position of the Logwin Group.

The Logwin Group monitors the relevant macroeconomic developments with the aim of anticipating the effects of negative macroeconomic developments at an early stage and minimizing the impact on its net assets, financial situation and earnings position by managing the relevant exposure and, where possible, making adjustments to the affected business models.

Incidents with a terrorist background in many parts of the world are often also directed against important traffic and transshipment points in global trade flows. This can lead to short-term disruptions and also to medium-term changes in supply chains due to security considerations of the Logwin Group's customers or the involved transport carriers. The resulting changes in transport volumes on affected routes as well as the increasing importance of economic embargoes and sanctions in global international relations can have a significant negative impact on the net assets, financial situation and earnings position. The Logwin Group reduces its risks in this regard by diversifying its global activities and managing its customers' transport volumes on a daily basis in order to reduce risk.

Risks arising from operating business activities The business activities of the operating units of the Logwin Group are subject to a variety of risks worldwide. These are explained in more detail in the sections below.

Market and customer risks
The high price increases observed for energy and raw materials, among other things, combined with the significant rise in interest rates in recent years, are leading to increased cost awareness among all market participants. The consequences may also include a review of existing logistics contracts and new tenders. This applies in particular to the business segment Solutions, which is in part highly dependent on individual major customers. There is a risk for the Logwin Group that these customer-related measures could have a negative impact on its earnings situation. Thanks to the quality of its services and cost savings, the Logwin Group believes that it will continue to be in a position to meet the increasing requirements and to hold its own against its competitors.

In various customer contracts, liability or investment risks are transferred to the Logwin Group as a service provider or the agreement of contractual penalties for failure to provide services in accordance with the contract is made a precondition for entering into business relationships. This can give rise to risks that go well beyond statutory warranty risks and could have a significant negative impact on the Logwin Group's net assets, financial situation and earnings position. The Logwin Group minimizes these risks through comprehensive controlling at order and branch level. In addition, any risks are identified at an early stage as part of the risk management process and counteracted without delay.

In the current market situation, there is a risk in the Air + Ocean business segment that the rapid change in capacity bottlenecks will lead to a significant supply overhang, further intensifying competition for customer business and increasing pressure on margins. The Air + Ocean business segment is endeavoring to counter the erosion of margins by providing a high quality of service and making intensive efforts to win new customer business on an ongoing basis. Efforts by carriers and other market participants, particularly in ocean freight, to conclude direct transport contracts with smaller end customers are being observed with attention, which poses the risk of volume declines in the relevant submarket.

Procurement risks
Developments in industry-specific costs pose another considerable risk for the Logwin Group’s earnings situation. There is a general risk in this regard that cost increases cannot always be passed on to customers immediately and in full, which could lead to a considerable reduction in earnings. As far as possible, this risk is taken into account through careful contractual arrangements and sufficient diversification with regard to the service providers and suppliers engaged.

A large proportion of the Logwin Group's services are provided through the use of subcontractors. The local and global availability of a diversified supplier market is a prerequisite for providing forwarding and logistics services to the Logwin Group's customers at competitive prices. This means that renewed shortages in global air and ocean freight capacities cannot be ruled out in the future. In land transportation, the considerable shortage of drivers across Europe and the only partially shortage of vehicles and other transportation equipment remain significant in the reporting year and represent a relevant procurement risk. There is a risk that, due to the remaining shortage of transport capacity, it will no longer be possible to differentiate sufficiently between the services offered and that this will have a significant impact on the net assets, financial situation and earnings position of the Logwin Group.

Reduced order volumes as a result of economic developments entail the risk of underutilization of available transport capacities and freight space in both business segments.

If freight rates start to rise again at the turn of the year following the downward trend in the financial year 2023, this could also have a significant negative impact on the Logwin Group's earnings situation if higher rates cannot be fully passed on to customers in a timely manner. Furthermore, known or newly risks related to logistics real estate that is rented or otherwise held and remaining vacant could have a negative effect on the Logwin Group’s net assets, financial and earnings position. The Logwin Group limits these risks through appropriate contract design and the continuous monitoring of ongoing business activities and, if necessary, by recognizing balance sheet adjustments for assumed underutilization. Furthermore, established internal processes allow it to react quickly and flexibly to constantly changing circumstances.

There is an increased risk of further medium-term price increases for fuel and heating oil, particularly in connection with transportation services, but also in the maintenance of logistics properties, which can lead to an unforeseen and in some cases very short-term increase in manufacturing costs or procurement costs. The Logwin Group counters this risk with forward-looking purchasing behavior and price adjustment clauses.

It is also important for the Logwin Group when providing seamless transportation and logistics services at different locations to have properly qualified staff at competitively appropriate conditions. In the event that sufficient appropriate staff are not or only restrictedly available at the individual locations, the Logwin Group faces the risk of not being able to provide its services in accordance with the contract or only in a way that is economically unviable.

This also applies to skilled experts in logistics in addition to the workforce in the commercial area. This could have a negative effect on the Logwin Group’s business performance and profitability in the short, medium or long term. The Logwin Group mitigates this risk with intensive and systematic recruitment activities and various measures for the development and advancement of its employees. In addition, regular health and safety management courses are hosted to help avoid health risks and potential accidents.

Technical risks
The availability and functionality of the IT infrastructure and applications are of crucial importance for the economic performance of the Logwin Group. IT risks arise from the possible failure of operational and administrative IT systems, which could have a significant impact on business operations and pose a threat to the Logwin Group's existence in the event of prolonged interruptions or corresponding scope. To limit IT risks, existing and new threats to the Logwin Group's data security and IT infrastructure are continuously assessed and measures to limit them are implemented on an ongoing basis. As in prior periods, there was an increased risk in the area of data and cyber security in the financial year 2023. Security incidents that have become known worldwide, including in the area of logistics, show that the risk situation must also continue to be considered high for the Logwin Group. The Logwin Group continuously takes appropriate protective measures to ensure that IT services and functionalities are provided securely. All employees of the Logwin Group are sensitized to cyber security issues through regular training measures.

The failure of technical systems such as automated warehouse technology for high-bay warehouses, forklift trucks and systems or material flow computers can result in liability and warranty risks for the Logwin Group for damage and quality defects in addition to lost sales. The Logwin Group is able to counteract these risks through regular maintenance and continuous improvement of technical equipment and machinery as well as appropriate processes for monitoring them.

Financial risks

Liquidity risks

The business operations of the operating units of the Logwin Group as a logistics provider may require the use of loans, factoring and credit-related forms of finance, for example when renting or leasing infrastructure, transport equipment and other technical equipment and facilities over the short to medium term. Restricted access to finance and guaranteed credit lines, insufficient availability of suitable receivables that can be sold in the factoring process or a sustained increase in the cost of such financing instruments could lead to considerable risks for liquidity and earnings of the Logwin Group.

The Logwin Group manages liquidity risk by monitoring the current liquidity situation on a daily basis. Liquidity planning is used to determine future cash requirements and regular analysis is carried out to determine whether the Logwin Group is in a position to settle its financial liabilities within the agreed due dates. Furthermore, the Logwin Group limits its liquidity risk by means of strict working capital management and financing through various sources. As of 31 December 2023, the Logwin Group had unused credit lines of EUR 38.5m (prior year: EUR 38.8m). In addition, depending on the volume of receivables sold from factoring, the Logwin Group still has a contractually agreed maximum amount of EUR 60.0m available to claim in the financial year 2024.

Note 36 to the consolidated financial statements on page 98 provides a maturity analysis of the financial commitments.

Engaging in the transportation business on a global scale requires the possibility of guarantees and collateral being provided by generally recognized guarantors, for example to customs and tax authorities and in the process of handling air and ocean transports world-wide. The Logwin Group will be confronted with liquidity and earnings risks if such established financial instruments are no longer available to the Logwin Group to a sufficient extent, or if the customary mechanisms underlying international financial business transactions fail to work. The risk is reduced by diversification and contractual agreements with leading financial service providers selected according to defined criteria.

Credit risk

There are credit risks arising from relationships with customers and banks, which could have a negative impact on earnings if they were to materialize. The Logwin Group continues to limit the risks from bad debt losses from customer relationships by closely monitoring and restrictively granting payment terms and credit limits. Decisions on the granting of credit limits and payment terms are made on the basis of creditworthiness checks and further analyses. Furthermore, in nearly all countries trade credit insurance exists for the majority of customers. Credit risks resulting from relationships with banks (counterparty risk) are counteracted via diversification of banking relationships.

Both business segments are exposed to the risk of increased customer insolvencies due to the current economic situation and the significant price increases, particularly for raw materials, energy and other areas. In addition to the immediate effect of potential bad debt losses, this may have a longer-term negative effect on sales and earnings development due to the loss of existing business. The consistent hedging of default risks through credit insurance and the restrictive granting of payment terms and credit limits serve to reduce the potentially increased risks from this area.

Allowances are made for possible default risks on trade accounts receivable and other financial assets. Please refer to note 23 on page 74 of the notes to the consolidated financial statements for more information on the extent of loss provisions of trade accounts receivable.

Unless stated otherwise, the carrying amount of financial instruments is their maximum default risk.

Currency risk

The companies of the Logwin Group generate revenues in various currencies in the course of carrying out their worldwide activities and therefore also recognize their assets in non-euro currencies. As a result, the Group is subject to ongoing currency risks. Moreover, between the companies of the Logwin Group there are internal financing balances in foreign currencies.

As a result, a significant risk to earnings and liquidity from the negative effects of exchange rate movements cannot be excluded.

Wherever feasible, the Logwin Group reacts to potential foreign exchange risks affecting liquidity by using hedging instruments. Taking into account hedging activities, a change in the respective functional currency of the group companies by +/– 10% in relation to the US dollar, the main foreign currency of the Logwin Group, as of 31 December 2023 would have an effect on the Group's net result of –/+ EUR 0.6m (prior year: –/+ EUR 2.8m).

Note 35 on page 96 contains a list of forward exchange contracts as of the end of the reporting period.

Since the reporting currency of the Logwin Group is the euro, the company translates the financial statements of the companies with other functional currencies into euros in the consolidated financial statements. These translation-related foreign currency risks are typically not hedged in the Logwin Group. This can create a considerable impact on the presentation of the earnings position and net assets of the Logwin Group. The Logwin Group closely monitors the extent of the possible impact on an ongoing basis.

Interest rate risk

Following a long period of low interest rates, interest rates have continued to rise significantly worldwide due to extensive monetary policy measures. Various influencing factors may lead to a further increase in interest rates. As of 31 December 2023, the Group had financial liabilities subject to variable interest rates resulting from lease contracts. The interest rate risks resulting from these contracts are closely monitored on an ongoing basis and tolerated at the current level.

Legal and regulatory risks The Logwin Group performs various customs and VAT-related processes on behalf of its customers as part of its cross-border, international transportation activities. Risks are involved in performing these processes and making the required customs or tax declarations. This applies especially when the Logwin Group is liable for the completeness and accuracy of such declarations, for example, when bearing joint and several liability. Considerable risks to the financial situation and earnings position of the Logwin Group arise in particular in cases where a customer is unable to settle its payment obligations. To limit these risks, these proceedings are handled by appropriately qualified personnel. Furthermore, the internal control and risk management system in place helps to counter possible threats early on.

In an increasingly security-conscious environment, the possibility of the introduction of stricter security measures such as tighter import and export controls and controls in connection with air freight security cannot be excluded. It can be assumed that compliance with international security regulations will lead to increased costs and a growing need for investment in additional security measures, which could have a negative impact on the Logwin Group's financial and earnings situation.

Country-specific risks can result, for example, from inconsistent interpretation, application and abrupt changes to legal, tax and customs regulations. This is not only the case for various emerging countries where the legal system does not yet conform to international standards (or only to a limited extent). It also applies to locally adopted implementing regulations of EU law, whose transposition sometimes differs greatly from country to country. Through the close monitoring of the development of global safety regulations and other legal frameworks, the Logwin Group strives to respond to additional requirements early on and to mitigate or avert the impact of additional expenses by adjusting customer agreements.

In addition, tax law reforms such as, in particular, the OECD project on the international minimum taxation of all large companies ("Pillar 2") adopted by the Council of the EU in December 2022 may lead to an increase in tax rates and thus in the Logwin Group's tax burden in the future. The calculation of the future minimum tax follows detailed special regulations and requires correspondingly extensive data collection for implementation in compliance with the law. In this context, increased risks may arise for the Logwin Group from the interpretation and implementation of the new regulations as part of the implementation of necessary systems and methods.

Moreover, in providing its services and running its own facilities, the Logwin Group is subject to the laws, rules and regulations prevailing in the countries where it operates, such as transportation licenses and occupational health and safety. Conditions and licensing requirements may restrict transportation and logistics activities. For a number of customer projects, the companies of the Logwin Group are dependent upon retaining their current licenses and permits at all times. Losing such authorization could significantly threaten the profitability of the customer projects concerned. The risks arising from this are constantly monitored by the risk owners in order to directly counter potential threats.

The Logwin Group's ability to provide the services agreed in customer contracts is dependent on functioning public transportation systems and the accessibility of infrastructure, particularly in the transportation sector, but also at the locations where other logistics services are provided. If the use of such infrastructure is restricted or impossible due to strikes or other boycotts, the Logwin Group's financial situation, net assets and earnings position may be significantly impaired. The Logwin Group counteracts these potential risks through diversified logistics planning and corresponding alternative concepts as well as contractual risk shifting.

The contractually agreed acceptance of risks, principally warranties, indemnification and tax risks, remain in connection with winding up the business operations sold by the Logwin Group. If Logwin Group is held liable, this can have an considerably negative impact on the financial situation and earnings position of the Logwin Group. These risks are contractually limited as far as possible.

The Logwin Group is particularly affected by environmental regulations and requirements in areas where the provision of logistics services involves the handling of potentially hazardous substances. Hazardous goods are handled and stored at various logistics facilities. The logistics and transport sector will become the focus of environmental and climate protection-related directives and legislation in the coming years, at least in Germany and the EU. The EU Taxonomy Regulation to strengthen environmental targets and the Corporate Sustainability Reporting Directive oblige companies in the EU to significantly increase the scope of reporting on the sustainability of their business activities. The issue of environmental protection is also becoming increasingly relevant when it comes to awarding contracts on the customer side.

The German Supply Chain Due Diligence Act (LkSG), which came into force, also imposes special obligations on the Logwin Group. Among other things, human rights risks along the supply chain are to be identified, monitored and negative effects on employees minimized. The Logwin Group takes extensive measures to meet these requirements. There is a risk here that the net assets, financial situation and earnings position of the Logwin Group will be negatively affected if any fines are imposed for non-compliance with the obligations. The loss of customers or business partners who are unable to meet the human rights requirements of the newly introduced guidelines as a result of an extensive review process may also lead to additional burdens. Due to stricter EU legislation expected in 2025 ("EU Supply Chain Act"), supply chain protection is expected to become even more important in the future.

The increased legal and regulatory requirements pose the risk that the resulting cost increases can only be partially offset by efficiency improvements or can only be passed on to customers in the form of higher prices with a delay. This could have significant adverse effects on the Logwin Group's earnings and financial situation. Continuous monitoring and systematic reviews by the supervisory bodies and in particular by the Logwin Group's quality management officers ensure that these risks are identified and managed at an early stage.

Other risks The Logwin Group is exposed to the risk of claims for damages against the Logwin Group or Group companies resulting from breaches of duty by management. In addition, fraudulent acts such as theft, fraud, embezzlement, misappropriation of funds and corruption harbor a high risk potential and can lead to considerable material and reputational damage. The Logwin Group's internal control system helps to reduce risks in this context. Furthermore, the Logwin Group has defined a Code of Conduct with the aim of promoting the integrity of its employees' behavior and preventing situations that are incompatible with these principles. The Code of Conduct is publicly available on the Logwin Group's website and is also firmly anchored in employees' employment contracts. Information and training events on the Code of Conduct are held on a regular basis. To prevent corruption, the Logwin Group has established a mandatory global e-learning program with the modules Compliance and Corruption. Our employees in 35 countries have now completed 5,558 online training programs on corruption and compliance topics. In addition, workshops on compliance in webinar format are an integral part of management development in the Logwin Group.

The Logwin Group takes entrepreneurial risks in order to be able to exploit market opportunities. In the event that these risks materialize, this could have a significant impact on the Logwin Group's net assets, financial situation and earnings position. The capitalized goodwill of EUR 48.9m as of 31 December 2023 represents a significant individual item of the Logwin Group's non-current assets. As of the balance sheet date, it relates in full to the Air + Ocean business segment. In accordance with the requirements of IAS 36, goodwill is subject to an impairment test. In the event of a sustained significantly weaker than expected development of the business segment Air + Ocean, there is a risk with regard to the consolidated balance sheet that certain assets and also capitalized goodwill will have to be written down ("impairment risk"). Another influencing factor is the current and expected development of interest rates. A sustained weak or weaker than expected development of individual Logwin companies may also necessitate a write-down of deferred tax assets. A lack of recoverability of non-current assets including rights of use from IFRS 16 could have a negative impact on the Logwin Group's net assets, financial situation and earnings position.

Compliance The Logwin Group attaches great importance to Group-wide compliance with national and international legislation, contractual agreements and the Group’s internal policies. To firmly anchor this principle, the Logwin Group has formulated a Code of Conduct, which is binding for all employees in the Group. This code of conduct specifically defines general behavioral principles, requires employees to understand and comply with the relevant legislation, governs how to deal with business partners and public-sector institutions and sets out guidance on avoiding conflicts of interest. The Board of Directors of Logwin AG has also adopted a Corporate Governance Charter, which is based on the Corporate Governance regulations of the Luxembourg Stock Exchange and sets out requirements for the governance of the Logwin Group and for ensuring compliance with related legislation. The Corporate Governance Charter of Logwin AG has been published on the Logwin Group’s homepage. Please refer to the “Corporate governance” section of this management report.

To monitor compliance with compliance requirements, the Executive Committee of the Logwin Group, under the overall responsibility of the Compliance Officer, has created a compliance management system that forms the framework for the structured monitoring, assessment, management and tracking of compliance risks on the basis of defined risk fields. Comprehensive and recurring employee training in the form of classroom and online sessions complement the range of measures that is continuously being expanded.

Compliance activities are also supplemented by the work of the internal audit. The focus here is on monitoring compliance with legislation and internal rules in addition to contractual agreements. The internal audit function carries out audits of selected locations and companies worldwide, sometimes together with business segment representatives. If necessary, external specialists and lawyers are involved in monitoring compliance with national legislation, with a particular emphasis on anti-corruption, compliance with tax and customs legislation, data protection and labor law. Overall, these measures have systematically expanded the Logwin Group’s compliance organization in recent years. Nevertheless, the possibility of infringements against national or international regulations occurring, resulting in risks that could threaten the very existence of the Logwin Group, can never be excluded completely.

Opportunities

Macroeconomic and industry-related opportunities In addition to the risks described above, globalization also opens up potential opportunities for the Logwin Group. With global economic growth set to continue in the long term, the logistics sector will continue to grow in the future. This applies in particular to Asia, where trade flows with other regions and especially within the continent will continue to increase. Furthermore, market opportunities may arise from the growth impulses of other fast-growing countries in regions such as South America or the Middle East.

If the economic environment in the key industrial regions, particularly in China, the USA and Europe, develops better than currently forecast, this may also lead to additional growth impulses, as the economic development of our customers determines their demand for warehousing and transport services. As a result, increasing transport volumes in imports and exports can have a beneficial effect on the development of the Logwin Group.

In addition to the regional impact, growth impulses can also result from individual industries. In particular, positive developments in the automotive, consumer goods and chemical sectors or in plant and mechanical engineering can have a beneficial effect on the Logwin Group's business performance. The continuing international development of online trade is a further opportunity for the Logwin Group. It creates demand for the transportation of goods and thus opens up great growth potential for the national and international transportation business.

Opportunities from operating activities Potential opportunities arise from the use of the possibilities offered by technological progress. Digital transformation opens up new networking opportunities with the Logwin Group's customers and suppliers. In this way, market opportunities can be seized quickly and the competitiveness can be strengthened, especially in a challenging and dynamic environment. In addition, the increasing level of technology in operational processes offers various opportunities for optimization. The increased use of modern, networked IT systems, in which the Logwin Group has invested more in recent years, enables not only efficiency gains but also improved operational quality, increased cost efficiency and shorter response times to deviations. Opportunities continue to arise from the ongoing increase in productivity and cost transparency as well as the exploitation of synergy effects, which are therefore the focus of management's efforts within the Logwin Group.

The trend towards outsourcing logistics services continues. Global, regional and local supply chains are becoming more complex, more international, but also susceptible to disruption, as the crisis-related disruptions in global and local supply chains in recent years have shown. Customers therefore want stable and integrated logistics solutions and seek the support of specialized service providers. If the trend continues, this could result in further growth opportunities for the Logwin Group.

On the procurement side, there are opportunities primarily due to a positive price development contrary to underlying expectations, e.g. of purchased transport services, but also of fuel or heating oil prices.

Other opportunities Other opportunities may arise from acquisitions or the streamlining of activities. By constantly reviewing existing business and monitoring potential acquisition targets, the Logwin Group attempts to identify opportunities at an early stage and, after carefully weighing up the risks, to take advantage of such opportunities. Opportunities for the Logwin Group's earnings situation also arise from possible positive effects of foreign currency relations or changes in interest rates.

Outlook

All statements made in the outlook continue to be subject to a high degree of uncertainty due to the imponderability of further developments in various regions of the world and the continued possibility of disruptions in international supply chains worldwide.

Economic forecast In line with the leading economic forecasts for 2024, the Logwin Group expects global economic growth to be slightly lower or unchanged overall compared to the prior year. Declines in both China and the USA will contribute to this development. A weak growth is expected for the euro zone. The recession in Germany will end, but the German economy will lag behind the development of other European countries. The Logwin Group's planning assumptions do not take into account possible intensification of the effects of Russia's war against Ukraine or the negative impact of global escalations of international conflicts such as in the Red Sea or the further tightening of embargoes and other trade restrictions.

Inflation trends, stemming from the extent of price increases in the various economic sectors such as food, production, raw materials and energy as well as services, are of considerable importance for future overall economic development. The downward trend in growth rates is expected to continue. Interest rate measures by global central banks are not expected to have an impact on overall economic development over the course of 2024.

For the Logwin Group, the development of individual sub-sectors of the German consumer-related economic sectors, in particular the textile and clothing industry, as well as the development of economic sectors with a strong focus on imports and exports, such as the automotive industry, export-related economic sectors of the manufacturing industry and mechanical engineering, will be of major importance.

The possibility of significant overriding risk factors having a negative impact on business development is considered realistic and this is reflected in the Logwin Group's assessment of its future business development. These risk factors continue to include, in particular, uncertainty about the further development of military confrontation and armed conflicts. Additional risks for the Logwin Group's customers and the overall economic development continue to arise from a continued increase in inflation and the maintenance or tightening of restrictive monetary policy measures.

Revenue expectations For 2024, the Logwin Group expects revenue to remain at the prior year's level overall. This is based on the expectation that freight rates will recover in the course of the year in the main modes of transport compared to the prior year. For the market as a whole, the Logwin Group expects a subdued volume development. For its own development in air and ocean freight, the Logwin Group anticipates a recovery in customer volumes and growth in continuing operations, including contract logistics

Air + Ocean
In the Air + Ocean business segment, freight rates are expected to be above the prior year's level for 2024 as a whole and demand is expected to recover moderately overall. In line with this market assessment, revenue should increase over the course of the year. Market-related margin declines are expected over the course of the year despite the gradual increase in volumes. Acquiring new customers, expanding business with existing customers and securing existing business will continue to form the basis for the continued successful development of the business segment. In line with prior years, revenue in 2024 will depend both on the volume development of existing and new customers and to a large extent on the development of freight rates and foreign exchange rates.

Solutions
Revenue in the Solutions business segment is expected to fall noticeably in the financial year 2024. This development is due to the planned termination of customer projects in international transportation activities and contract logistics. This will only be partially offset by new activities and new customer acquisitions in this business segment.

Earnings expectations Under the conditions described, the Logwin Group expects a decline in operating result (EBITA) in the Air + Ocean business segment in 2024 compared to 2023 and subsequently also for the Logwin Group. The net result will be below the prior year's level in line with the development of operating result and in the absence of one-off tax effects in the prior period.

Air + Ocean
Following the exceptionally high earnings of the Air + Ocean business segment in prior periods, maintaining the prior earnings level may not be possible in the current very challenging market and competitive environment in the financial year 2024. Expansions in market capacities in the air and ocean freight market are likely to continue to put pressure on the business segment's operating margins and operating result in the longer term. In this respect, the forecast assumes that competition will continue to intensify over the course of the year and that the margin level will decline accordingly. The operating result (EBITA) will be down on the prior year.

Solutions
After a successful financial year 2023, a decline in the operating result (EBITA) is expected for the Solutions business segment. The development of the operating result will once again depend largely on the result in the area of international transport and contract logistics activities and the success of newly gained orders at existing locations reflected in the planning, particularly in Germany.

Liquidity development and financial situation The Logwin Group expects free cash flow to remain solid in 2024. Based on slightly negative effects due to earnings and working capital, free cash flow will reach the level of the prior period. The Logwin Group's net liquidity will remain stable.

Employees Due to the expected business developments in the Air + Ocean and Solutions business segments, the Logwin Group expects the number of employees to remain stable overall in the fiscal year 2024.

Consolidated Financial Statements

Income Statement

In thousand EUR	2023	2022 adjusted*	*Note/Page*
Revenues	1,257,518	2,259,027	*9/60*
Cost of sales	-1,092,629	-2,073,434	*10/61*
Gross profit	**164,889**	**185,593**	
Selling costs	-32,888	-32,636	*10/61*
General and administrative costs	-38,224	-40,091	*10/61*
Other operating income	9,775	25,139	*11/61*
Other operating expenses	-10,125	-16,805	*11/61*
Impairments on financial assets measured at amortized cost and contract assets	-1,680	-1,079	
Operating result before goodwill impairment (EBITA)	**91,747**	**120,121**	
Goodwill impairment	-	-11,665	*12/62*
Net result before interest and income taxes (EBIT)	**91,747**	**108,456**	
Finance income	9,703	1,454	*13/62*
Finance expenses	-4,821	-5,285	*13/62*
Net result before income taxes	**96,629**	**104,625**	
Income taxes	-16,471	-30,680	*14/63*
Net result	**80,158**	**73,945**	
Attributable to:			
Shareholders of Logwin AG	79,287	72,247	
Non-controlling interests	871	1,698	
Earnings per share – basic and diluted (in EUR):			
Net result attributable to the shareholders of Logwin AG	**27.54**	**25.09**	
Weighted average number of shares outstanding	2,879,215	2,879,264	

*The comparative information has been adjusted due to a change in presentation. For further information, please refer to Note 7 "Summary of key performance indicators and significant accounting policies" - "Impairment of assets"

Statement of Comprehensive Income

In thousand EUR	2023	2022	Note/page
Net result	**80,158**	**73,945**	
Losses / gains on currency translation of foreign operations	-3,714	1,012	
Other comprehensive income that may be reclassified into profit or loss in future periods	**-3,714**	**1,012**	
Remeasurement of the net defined benefit liability	-1,396	7,636	*29/80*
Deferred tax from remeasurement of the net defined benefit liability	188	-710	*26/77*
Other comprehensive income that will not be reclassified into profit or loss in future periods	**-1,208**	**6,926**	
Other comprehensive income	**-4,922**	**7,938**	
Total comprehensive income	**75,236**	**81,883**	
Attributable to:			
Shareholders of Logwin AG	74,437	80,092	
Non-controlling interests	799	1,791	

Statement of Cash Flows

In thousand EUR	2023	2022	*Note/page*
Net result before income taxes	96,629	104,625	
Financial result	-4,882	3,831	*13/62*
Net result before interest and income taxes	**91,747**	**108,456**	
Reconciliation adjustments to operating cash flows:			
Depreciation and amortization	36,388	39,973	*10/61*
Result from disposal of non-current assets	1,603	-143	*11/61*
Impairment of Goodwill	-	11,665	*12/62*
Impairment of property, plant and equipment and other intangible assets	1,444	8,134	*10/61*
Reversal of impairments of property, plant and equipment	-1,132	-	*10/61*
Other	-3,466	-1,188	
Income taxes paid	-28,323	-39,985	
Interest paid	-3,772	-5,095	
Interest received	9,702	1,454	
Changes in working capital, cash effective:			
Change in receivables and contract assets	92,341	59,574	
Change in payables	-89,292	-12,619	
Change in inventories	654	-670	
Operating cash flows	**107,894**	**169,556**	
Capital expenditures in property, plant and equipment and other intangible assets	-6,413	-6,609	
Payments for acquisitions of subsidiaries	-3,854	-	*15/64*
Payments for disposal of other business operations	-7,105	-	*16/64*
Proceeds from disposal of non-current assets	555	784	
Other cash flows from investing activities	-	-14	
Investing cash flows	**-16,817**	**-5,839**	
Net cash flow	**91,077**	**163,717**	
Repayment / Payment of current loans and borrowings	-966	1,027	*17/65*
Repayment of liabilities from leases	-26,437	-30,769	*17/65*
Distribution to shareholders of Logwin AG	-69,101	-17,275	*27/79*
Distribution to non-controlling interests	-1,474	-663	
Payments for acquisitions of own shares	-	-38	
Financing cash flows	**-97,978**	**-47,718**	
Free cash flow (= Net cash flow less repayment of liabilities from leases)	**64,640**	**132,948**	
Effects of exchange rate changes on cash and cash equivalents	-1,412	-234	
Changes in cash and cash equivalents	**-8,313**	**115,765**	
Cash and cash equivalents at the beginning of the year	363,778	248,013	
Change	-8,313	115,765	
Cash and cash equivalents at the end of the period	**355,465**	**363,778**	*25/77*

Balance Sheet

In thousand EUR	31 Dec 2023	31 Dec 2022	Note/page
Assets			
Goodwill	48,894	45,701	18/66
Other intangible assets	14,256	15,482	19/68
Property, plant and equipment	87,802	100,193	20/68
Investments	715	680	
Deferred tax assets	26,159	19,022	26/77
Other non-current assets	3,621	1,007	
Total non-current assets	**181,447**	**182,085**	
Inventories	1,213	2,086	22/74
Trade accounts receivable and receivables from factoring	146,839	232,388	23/74
Contract Assets	14,083	16,236	23/74
Income tax receivables	3,879	3,153	
Other receivables and current assets	27,559	33,393	24/76
Cash and cash equivalents	355,465	363,778	25/77
Total current assets	**549,038**	**651,034**	
Total assets	**730,485**	**833,119**	

In thousand EUR	31 Dec 2023	31 Dec 2022	Note/page
Liabilities			
Share capital	131,300	131,300	
Group reserves	219,238	213,483	
Treasury Shares	-838	-838	
Equity attributable to the shareholders of Logwin AG	**349,700**	**343,945**	
Non-controlling interests	1,964	2,447	
Shareholders‘ equity	**351,664**	**346,392**	27/79
Non-current liabilities from leases	44,022	54,354	21/70
Pensions provisions and similar obligations	23,379	23,021	29/80
Other non-current provisions	3,046	2,887	30/84
Deferred tax liabilities	1,377	1,893	26/77
Other non-current liabilities	10	18	33/86
Total non-current liabilities	**71,834**	**82,173**	
Trade accounts payable	214,428	292,992	
Current liabilities from leases	30,990	26,598	21/70
Current loans and borrowings	47	1,110	28/80
Current provisions	9,186	9,305	31/85
Income tax liabilities	4,984	8,641	32/85
Other current liabilities	47,352	65,908	33/86
Total current liabilities	**306,987**	**404,554**	
Total liabilities and shareholders‘ equity	**730,485**	**833,119**	

Statement of Changes in Equity

In thousand EUR	Equity attributable to the		
	Share capital	Additional paid-in capital	Retained earnings
1 January 2022	**131,300**	**214,641**	**-60,350**
Net result			72,247
Other comprehensive income			6,926
Total comprehensive income			**79,173**
Acquisition of own shares			
Distributions		-17,275	
31 December 2022	**131,300**	**197,366**	**18,823**
1 January 2023	**131,300**	**197,366**	**18,823**
Net result			79,287
Other comprehensive income			-1,208
Total comprehensive income			**78,079**
Changes in ownership interest without loss of control			419
Distributions		-69,101	
31 December 2023	**131,300**	**128,265**	**97,321**

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

shareholders of Logwin AG			Non-controlling interests	**Total shareholders' equity**
Accumulated other comprehensive income				
Currency translation reserve	Treasury shares	**Total**		
-3,625	**-800**	**281,166**	**1,319**	**282,485**
		72,247	1,698	73,945
919		7,845	93	7,938
919		**80,092**	**1,791**	**81,883**
	-38	-38		-38
		-17,275	-663	-17,938
-2,706	**-838**	**343,945**	**2,447**	**346,392**
-2,706	**-838**	**343,945**	**2,447**	**346,392**
		79,287	871	80,158
-3,642		-4,850	-72	-4,922
-3,642		**74,437**	**799**	**75,236**
		419	192	611
		-69,101	-1,474	-70,575
-6,348	**-838**	**349,700**	**1,964**	**351,664**

Notes to the Consolidated Financial Statements as of 31 December 2023

General Information

1 Corporate information

The consolidated financial statements of Logwin AG, Grevenmacher, Luxembourg, (“Logwin AG” or “Logwin”) for the financial year as of 31 December 2023, were authorized for issue by resolution of the Board of Directors on 11 March 2024, and under Luxembourg law are still subject to approval by the Annual General Meeting. Logwin AG, 5 an de Längten, L-6776 Grevenmacher, is a limited company incorporated and domiciled in Grevenmacher, Luxembourg, whose shares are publicly traded on the Frankfurt Stock Exchange. The Company belongs to the Prime Standard of Deutsche Börse AG. The majority shareholder is DELTON Logistics S.à r.l., with registered office in Grevenmacher, Luxembourg.

As an integrated logistics service provider, the Logwin Group has a long-standing experience, specialized infrastructure and expertise in various sectors of industry and trade and assumes responsibility for its customers’ supply chain management, warehousing, value added services and both local and global freight transportation by road, rail, air and ocean. The principal activities of the business segments Air + Ocean and Solutions are described in note 8 “Segment reporting”.

2 Statement of compliance with IFRS

The consolidated financial statements of Logwin AG and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. All standards of the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRS IC), formerly known as the International Financial Reporting Interpretation Committee (IFRIC) or Standing Interpretation Committee (SIC), whose application is mandatory for financial year 2023, have been applied.

3 Basis of preparation of the financial statements

The financial statements of the subsidiaries are prepared using uniform accounting policies and the same reporting date as the financial statements of the parent company.

The consolidated financial statements have been prepared on a historical cost basis. This excludes derivative financial instruments and other financial instruments that are assigned to the measurement category “financial instruments at fair value through profit or loss”. The financial year of the Group corresponds to the calendar year. The consolidated financial statements are presented in euros (EUR). Unless stated otherwise, all figures are shown in thousands of euros (thousand EUR or EUR k). Due to rounding differences, information included in these financial statements may differ slightly from the actual figures by +/– one unit (EUR, % etc.).

4 Consolidation principles

As of 31 December 2023, the number of consolidated companies includes two domestic and 53 foreign companies. They have developed as follows:

	31 Dec 2022	Additions	Disposals	31 Dec 2023
Luxembourg	2	-	-	2
Germany	12	-	-	12
Other countries	40	2	1	41
Total	**54**	**2**	**1**	**55**

The additions relate to the establishment of a new holding company in Thailand and the acquisition of a Netherlands company in the "Air + Ocean" business segment. The disposal relates to the liquidation of an Austrian company in the "Other" business segment.

Please refer to page 102 et seqq. for a list of shareholdings.

All intragroup balances, transactions, income, expenses, gains and losses are eliminated in full. Subsidiaries are fully consolidated from the time of acquisition, i.e., from the time at which the Group obtains control. They are no longer included in the consolidated financial statements when the parent company loses control over the subsidiary. Non-controlling interests represent the portion of net results and net assets of consolidated companies not held by the Group and are presented separately in the consolidated income statement, in the statement of comprehensive income, in the consolidated statement of changes in equity and within equity in the consolidated balance sheet – separately from the shares attributable to the shareholders of Logwin AG.

5 New accounting provisions

The International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRS IC) have published new accounting provisions in recent years. The table below contains the new standards and interpretations that had to be applied for the first time for financial year 2023:

Standard/interpretation			Mandatory adoption (in the EU) for the annual period beginning on or after	Endorsement
Amendment	IAS 1, Practice Statement 2	Disclosure of Accounting policies	1 January 2023	Yes
Amendment	IAS 8	Definition of Accounting Estimates	1 January 2023	Yes
Amendment	IAS 12	International Tax Reform - Pillar Two Model Rules	1 January 2023	Yes
Amendment	IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023	Yes
New Standard	IFRS 17	Insurance Contracts	1 January 2023	Yes
Amendment	IFRS 17	Initial Application of IFRS 17 and IFRS 19 - Comparative Information	1 January 2023	Yes

The new or amended accounting standards and interpretations mentioned above were applicable for the first time for the current reporting period.

Amendments to IAS 1 and Practice Statement 2 are part of the IASB's "Disclosure Initiative", which clarifies that disclosures are only to be made on material accounting policies and no longer on significant accounting policies. What is considered material depends on the usefulness of the information for the users of the financial statements.

The amendments to IAS 8 provide clarification on the distinction between accounting policies and accounting estimates in order to make it easier for companies to distinguish between them.

The amendments to IAS 12 include an exception to the provisions of this standard, according to which an entity does not recognize deferred tax assets and liabilities in connection with the OECD's second pillar of income taxes and does not make any disclosures in this regard. The other amendments to IAS 12 restrict the so-called "initial recognition exemption".

IFRS 17 governs the principles relating to the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is the provision of relevant information by the reporting companies and should therefore lead to a credible presentation of insurance contracts. This information serves as a basis for users of financial statements to assess the effects of insurance contracts on the net assets, financial situation, earnings position and cash flows of an entity.

The new accounting standards that became mandatory for the first time in the reporting year did not have any material impact on the consolidated financial statements of Logwin AG.

Standard / interpretation			Mandatory adoption (in the EU) for the annual period beginning on or after	En-dorse-ment
Amendment	IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024	Yes
Amendment	IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024	Yes
Amendment	IAS 7 and IFRS 7	Supplier Finance Arrangements	1 January 2024	No
Amendment	IAS 21	Lack of Exchangeability	1 January 2025	No

The amendment to IAS 1 clarifies that the classification of liabilities as current or non-current is based on the rights available to the company on the reporting date.

The amendments to IFRS 16 require a seller-lessee to subsequently measure lease liabilities arising from a sale and leaseback transaction so that it does not recognize any amount of gain or loss relating to the retained right of use asset. The new requirements do not prevent a seller-lessee from recognizing gains or losses in connection with the partial or complete termination of a lease in the income statement.

The amendments to IAS 7 and IFRS 7 were issued to add disclosure requirements and ''signposts'' within the existing disclosure requirements that require entities to provide qualitative and quantitative information about financing arrangements with suppliers.

The amendments to IAS 21 contain guidelines specifying when a currency is exchangeable and how the exchange rate is to be determined when it is not.

The new regulations explained and revised above are currently not expected to have any material effects on the future financial statements of the Logwin Group.

6 Significant accounting judgments and estimates

The preparation of the financial statements requires management to make certain estimates and assumptions and hence accounting judgments that affect the amounts of assets and liabilities recognized at the end of the reporting period and the income and expense items for the reporting period. Actual amounts may differ from these estimates, leading to a risk that an adjustment to the carrying amounts of assets or liabilities might be required in subsequent financial years.

Uncertainties exist in connection with the goodwill impairment test that has to be performed at least once a year, since expected future cash flows, sustainable growth rates and an appropriate weighted cost of capital (WACC) must be considered for the discounted cash flow method used for this purpose. The components of the WACC are the risk-free interest rate, the market risk premium, the so-called beta factors, country risk premiums, the spread for the credit risk and the debt ratio. The carrying amount of recognized goodwill as of 31 December 2023 amounted to EUR 48.9m (prior year: EUR 45.7m). Please refer to the explanations in note 18 “Goodwill.”

Additional estimates are required in actuarial calculations of the value of provisions for pensions and similar obligations with regard to the assumptions used. Their carrying amount as of 31 December 2023 is EUR 23.4m (prior year: EUR 23.0m). Please refer to note 29 “Provisions for pensions and similar obligations.”

Estimates also have to be made with regard to the recognition of current taxes and deferred taxes. When assessing tax uncertainties, no assurance can be given that the outcome of such tax uncertainties will be in line with the original estimate. If the actual results deviate from this assessment, this could have an impact on tax liabilities and deferred taxes in the period in which the matter is finally decided. In individual cases, possible risks from the non-recognition of tax assessments are already provided for before the final decision is made if the probability is predominantly given. The amount of deferred tax assets recognized could decrease if the estimates of planned taxable income or if changes to current tax legislation limit the extent to which future tax benefits can be realized. The capitalized amount of deferred tax assets at the end of the reporting period is EUR 26.2m (prior year: EUR 19.0m). Please refer to note 26 “Deferred taxes”.

Assumptions also have to be made with regard to the useful life of property, plant and equipment and other intangible assets and their recoverability has to be assessed for accounting purposes. The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If such indication exists, or annual impairment testing for an asset is required, the Group makes an estimate of the asset’s recoverable amount.

Management accounting judgments also include the decision as to whether development costs meet the conditions for capitalization as internally generated intangible assets, in particular software.

A test for the impairment of trade accounts receivable is also necessary. Management must assess to what extent the significant risks and rewards are transferred to the factoring company in order to report receivables sold in the course of factoring appropriately in the balance sheet. Please refer to note 7, “Summary of key performance indicators and significant accounting policies” – under “Factoring” – for information on the reporting of factoring in the consolidated financial statements.

Management considers the risk of changes in value in relation to the loan to AQTON SE to be insignificant. The loan is presented as a cash equivalent.

In accounting for leases, the determination of the lease term, the amount of the lease payments and the incremental borrowing rate used as the discount rate may be discretionary and are based on both assumptions and estimates. In particular, the assessment of renewal, termination and purchase options for property leases involves discretionary decisions by management.

In addition, with respect to the recognition of provisions, the Group has to make assumptions regarding the probability and amount of expected outflows of assets.

According to the provisions of IFRS 15, revenue is recognized when a customer obtains control of goods or services. The timing of the transfer of control – at a point of time or over a period of time – is subject to judgment.

7 Summary of key performance indicators and significant accounting policies

Foreign currency translation
The consolidated financial statements are presented in euros, which is Logwin AG's functional currency and the Group's presentation currency.

The assets and liabilities of group companies with a functional currency other than the euro are translated into euros using the mean exchange rate in effect at the reporting date and revenues and expenses are translated at the average rate. Exchange rate gains or losses on foreign currency translation are reported as a separate item under shareholders' equity. On disposal of a foreign operation previously included in the scope of consolidation, the cumulative amount reported in equity relating to that particular foreign operation is recognized in profit or loss for the period.

The following table shows the development of the exchange rates of the major currencies used in the consolidated financial statements:

		Average rate		Closing rate	
		2023	2022	31 Dec 2023	31 Dec 2022
1 EUR =					
Australian dollar	AUD	1.6283	1.5169	1.6263	1.5693
Brazilian real	BRL	5.4019	5.4420	5.3618	5.6386
Chinese renminbi	CNY	7.6591	7.0790	7.8509	7.3582
British pound	GBP	0.8699	0.8527	0.8691	0.8869
Hong Kong dollar	HKD	8.4671	8.2448	8.6314	8.3163
Polish zloty	PLN	4.5424	4.6864	4.3395	4.6808
Singapore dollar	SGD	1.4523	1.4511	1.4591	1.4300
Thailand baht	THB	37.6222	36.8576	37.9730	36.8350
US dollar	USD	1.0815	1.0530	1.1050	1.0666
South African rand	ZAR	19.9464	17.2141	20.3477	18.0986

Business combinations
If the Logwin Group has obtained control, the Group recognizes business combinations using the acquisition method. In accordance with IFRS 10 “Consolidated Financial Statements” control exists if a group is subject to changing yields from its involvement in an investee or has a right to these yields and has the ability to influence these yields using its control over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date at which the Group gains control. When it gains control of a subsidiary, the Logwin Group measures all identifiable assets, liabilities and contingent liabilities acquired at their fair values as of the acquisition date in accordance with IFRS 3.

The carrying amount of any non-controlling interests in the acquired company is calculated from the proportionate share held by the minority stakeholders in the fair value of the identifiable assets, liabilities and contingent liabilities. Acquiring additional interests in companies over which control was already achieved as a result of previous transactions (non-controlling interests) is deemed in terms of consolidation theory to be a transfer of equity between groups of shareholders. In this case, the acquisition costs for the additional shares are offset against the non-controlling interests to be derecognized. Any difference is offset against retained earnings without affecting profit or loss.

Goodwill acquired in a business combination is initially measured at cost, which is the excess of the purchase price of the business combination over the Group’s interest in the fair value of the identifiable assets, liabilities and contingent liabilities. Any gains resulting from a purchase at a price below fair value are directly recognized in profit or loss. Transaction costs are immediately recognized in profit or loss.

Revenue recognition
Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. The timing of the transfer of control – at a point of time or over a period of time – is subject to judgment.

Sales from transportation services in the business segments Air + Ocean and Solutions are recognized in accordance with IFRS 15.35 on a time-related basis, as it can be assumed that the customer receives the benefits from the company’s services on a continuous basis and receives and uses them at the same time while the services are performed. As a rule, the service obligation is fulfilled while the Logwin Group provides the transport services. As a measure of the degree to which a service has been rendered on a given reporting date, the transport duration already elapsed is used in relation to the expected total duration of the transport (input-oriented method), since it is not practicable to measure the actual distance travelled.

For the provision of transport services, some retroactive discounts are granted based on the sales generated with the customer or the achievement of certain volumes in a defined period, which is usually 12 months. Revenue from services is recognized in the amount of the consideration agreed upon in the contract less the estimated discounts. Revenue is recognized only to the extent that it is highly probable that a significant reversal of the revenue will not be necessary. A liability is recognized for the discounts expected to be granted in respect of the revenues generated up to the end of the respective reporting period. Provisions are recognized for the Group’s obligation to compensate for transport damage.

The transport services provided by the business segments Air + Ocean and Solutions generally represent a bundle of services, as the promised services are highly interdependent (IFRS 15.29c) and the Logwin Group provides a significant integration service (IFRS 15.29a), which represents a significant part of the bundle of services. For this reason, the transaction price is not allocated to the promised service components; rather, the transaction price is allocated to the identified service bundle.

Estimates of revenues, costs or contract progress are adjusted when circumstances change. Any resulting increases or decreases in estimated revenues or costs are recognized in profit or loss in the period in which management becomes aware of the circumstances that give rise to the adjustment.

In the case of fixed-price contracts, the customer pays an amount that may be fixed by means of a payment plan. If the services rendered by the Logwin Group exceed the payments received, a contract asset is recognized. If the payments received exceed the services rendered, a contractual liability is recognized.

In accordance with IFRS 15.35, sales of the Solutions business segment from distribution and warehousing must in principal also be recognized over a period of time, as the Logwin Group generally fulfils its performance obligation while the service is being rendered.

The contracts in the Solutions business segment in connection with warehousing and distribution generally contain several service components which are basically independent, i.e. the customer can use them alone or together with other available resources. However, the Logwin Group provides a significant integration service, so that a bundle of services can generally be assumed.

The payment obligations of the Logwin Group's customers are due in the short term. There are no contracts with customers where the period between the transfer of the promised service to the customer and payment by the customer is longer than one year. Accordingly, the promised consideration is not adjusted by the time value of the money.

Entities are required to classify revenue from contracts with customers into categories that reflect the effect of economic factors on the nature, amount, timing and uncertainty of revenue and cash flows. For the Logwin Group, a breakdown of sales by existing segments and geographical regions is considered appropriate for its circumstances.

In the case of business transactions that do not generate sales themselves but are incurred together with the main sales activities, all income and related expenses arising from the same business transaction are netted in accordance with IAS 1.34 if this presentation reflects the content of the business transaction or event; this includes, for example, customs duties passed on.

EBITA

A core measure of earnings for the Logwin Group is EBITA (earnings before interest, taxes and amortization). It is derived from revenues less cost of sales as well as selling, general and administrative costs. It also includes other operating expenses and income as well as impairments on financial assets and contract assets measured at amortized cost.

Earnings per share

Earnings per share are calculated as a ratio of the net result for the period attributable to shareholders of Logwin AG to the weighted average number of shares outstanding. There is no dilution as there are no option or conversion rights relating to the shares of Logwin AG.

Free cash flow

Another major control parameter for the Logwin Group is the free cash flow. The free cash flow in the Logwin Group is defined as the sum of the operating cash flows and investing cash flows less the repayment of lease liabilities.

Intangible assets

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is the fair value as of the date of acquisition. Internally generated intangible assets are capitalized provided they meet the criteria for capitalization and the costs incurred exceed the materiality threshold. Otherwise costs are recognized in income in the period in which they are incurred. Subsequent measurement is performed at cost less any accumulated amortization and any accumulated impairment losses.

Capitalized intangible assets with finite useful lives are amortized on a straight-line basis, based on an economic useful life of between three and ten years for capitalized software, concessions and other rights and six years for customer relationships. The amortization period and method and the residual value for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period as appropriate, and treated as changes in accounting estimates. Amortization of intangible assets with finite useful lives is recognized in the income statement in the expense category consistent with the function of the intangible asset.

Intangible assets with an indefinite useful life are tested for impairment at least once a year. This applies in particular to goodwill acquired as part of business combinations. In this regard, please refer to the section " Special aspects relating to the impairment of goodwill".

Gains and losses arising from the disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement under other operating income or other operating expenses when the asset is disposed of.

Property, plant and equipment

Property, plant and equipment are stated at the cost of acquisition, construction or production less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a straight-line basis, based on an economic useful life of between ten and 50 years for buildings, between three and 20 years for machinery, operating and office equipment and between one and eleven years for the vehicle fleet.

The depreciation period, the depreciation method and the residual value for an item of property, plant and equipment are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the depreciation period as appropriate, and treated as changes in accounting estimates. Depreciation of property, plant and equipment is recognized in the income statement in the expense category consistent with the function of the asset.

An item of property, plant and equipment is derecognized upon its disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset is calculated as the difference between the net disposal proceeds and the carrying amount and recognized in the period the item is derecognized under other operating income or other operating expenses.

Impairment of assets

The Group assesses at each reporting date and occasional whether there is an indication that an asset may be impaired (please see also note 6 “Significant accounting judgments and estimates”). An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s fair value less cost of disposal and its value in use. The recoverable amount is calculated for each individual asset unless the asset does not generate cash flows that are largely independent of those from other assets or groups of assets. In this case, the recoverable amount may be calculated for the cash-generating unit (CGU) to which the asset belongs.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. To determine the value in use, the estimated future cash flows from the continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market expectations of the time value of money and the risks specific to the asset. Impairment losses on property, plant and equipment and intangible assets are allocated to the respective functional areas in the income statement.

The presentation of recognized impairment losses and reversals of impairment losses on property, plant and equipment and intangible assets was adjusted for 2022 in order to present them in accordance with the principle of causation. Previously, impairment losses and reversals of impairment losses were reported separately in the income statement. As part of the adjustment, EUR 6.3m was reclassified to cost of sales and EUR 1.8m to administrative expenses.

Valuation allowances for trade receivables, contract assets and lease receivables are reported in a separate item in the income statement.

An assessment is made at each reporting date as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is determined. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. The increased carrying amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized immediately in profit or loss for the period. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Special aspects relating to the impairment of goodwill

Goodwill is tested on the level of the business segments Air + Ocean and Solutions for impairment at least once a year or as necessary. The Logwin Group selected 31 December as the date of its annual goodwill impairment test. An impairment test is performed at any time there is an indication of goodwill impairment.

For the purpose of impairment testing, any goodwill acquired in a business combination is allocated, from the acquisition date, to each of the Logwin Group's cash-generating units, or to the groups of cash-generating units, which are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units.

Each unit to which goodwill has been allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a business segment determined in accordance with IFRS 8 "Operating Segments".

Impairment is determined by assessing the recoverable amount of the CGU to which the goodwill relates. In the Logwin Group, the groups of cash-generating units are the business segments. An impairment loss is recognized in cases where the recoverable amount of the cash-generating unit is less than the carrying amount. Impairment losses on goodwill may not be reversed if the reasons for the impairments cease to exist.

Where part of a cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this way is measured based on the relative values of the fair value associated with the operation disposed of and the recoverable amount of the cash-generating unit retained.

Inventories

Inventories are stated at the lower of cost or net realizable value using the moving average method. Risks resulting from slow-moving items and from the obsolescence of inventories, as well as potential losses from pending supply agreements are reflected by writing down inventory items to their net realizable values.

Income taxes

Income tax receivables and liabilities are calculated in accordance with IAS 12. The sum of current tax receivable or liabilities is the best estimate of the tax amount expected that reflects uncertainty related to current income tax, if any. In addition, deferred tax assets and deferred tax liabilities are reported in the balance sheet. Deferred income taxes result from temporary differences between the carrying amounts stated in the consolidated balance sheet and the taxation base of assets and unused tax loss carryforwards. Any future tax savings or tax charges that are likely to result from these differences are reported as assets or liabilities taking into account uncertainties related to income taxes. Deferred tax assets are only stated to the extent that taxable earnings are likely against which the temporary difference or the loss carry forward can be offset. Where the savings or charges underlying the tax deferrals are recognized in equity, the creation or reversal of deferred taxes is also recognized in equity.

The relevant basis for assessment is valued at the rate of tax likely to be applicable at the time of realization. Country-specific tax rates are always applied for companies included in the consolidation. Thus a corporate tax rate of 15% plus the solidarity surcharge ("Solidaritätszuschlag") of 5.5% on corporate income tax is used to calculate deferred taxes for Germany as well as a local trade tax based on the local multiplier. When deferred tax assets exceed the amount of deferred tax liabilities, their recoverability is evaluated taking the probable development in earnings of the relevant group company into account.

Deferred tax assets and deferred tax liabilities are netted when they refer to income taxes that are then assessed by the same tax authority for the same taxable entity.

Assets held for sale
Non-current assets or disposal groups comprising assets and liabilities are classified as held for sale or held for distribution if it is highly probable that they will be realized primarily through sale or distribution rather than through continued use.

In general, these assets or the disposal group are recognized at the lower of their carrying amount and fair value less costs to sell.

Intangible assets and property, plant and equipment are then no longer amortized.

Financial instruments
A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or an equity instrument of another entity.

Recognition and derecognition
Financial instruments are recognized for the first time on the settlement date. A normal market purchase or sale of financial assets is recognized on the trade date, i.e. the date on which the Group undertakes to buy or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the contractual obligations have been fulfilled, cancelled or expired.

Valuation
On initial recognition, the Logwin Group measures a financial asset at its transaction price plus - in the case of a financial asset that is not subsequently measured at fair value through profit or loss - the transaction costs directly attributable to the acquisition of this asset. Transaction costs of financial assets measured at fair value are recognized as an expense in profit or loss.

The subsequent measurement of financial assets is based on their classification into one of the categories described below.

Classification of financial assets
The classification of financial assets is based on three categories, which result in different measures of value and different recognition of changes in value. The classification is based both on the contractual cash flows of the instrument and on the business model in which the instrument is held.

The Group determines the classification of its financial assets at initial recognition and reviews this classification at the end of each financial year, whereby a distinction is made between debt instruments and equity instruments as follows.

Debt instruments
The measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Logwin Group classifies its debt instruments into one of the following three measurement categories:

- At amortized cost (AC – Amortized Cost): Assets which are held to collect the contractual cash flows and for which these cash flows represent exclusively interest and principal payments are measured at amortized cost. Interest income from these financial assets is reported under financial income using the effective interest method. Gains or losses from derecognition are recognized directly in the income statement and - together with the foreign currency gains and losses - are reported under other operating income/expenses.
- FVTOCI (Fair value through other comprehensive income): Assets held to collect contractual cash flows and to sell financial assets, where the cash flows are exclusively interest and principal payments, are measured at fair value through other comprehensive income. Changes in the carrying amount are recognized in other comprehensive income, except for impairment gains or losses, interest income and foreign exchange gains or losses that are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to the income statement and reported in other operating income/expenses.
- FVTPL (Fair value through profit or loss): Assets that do not meet the criteria of the category "measured at amortized cost" or "FVTOCI" are classified as at fair value through profit or loss (FVTPL). Gains or losses on a debt instrument subsequently measured at FVTPL are netted against other operating income/expenses in the period in which they arise.

Equity instruments
The Logwin Group measures all equity instruments held at fair value through profit or loss in the category at fair value through profit or loss (FVTPL).

Changes in the fair value of financial assets at fair value through profit or loss (FVTPL) are recognized in the income statement under other operating income/expenses.

The following table provides an overview of the various categories:

Financial assets	Subsequent measurement	Changes in value
Financial instruments at fair value through profit or loss (FVTPL)	Fair Value	Realized and unrealized gains and losses are recognized in profit or loss.
Debt instruments at fair value through other comprehensive income (FVTOCI with recycling)	Fair Value	Impairment losses, currency translation and effective interest are recognized in profit or loss, other changes in value are recognized directly in equity, recognition or transfer from equity to profit or loss on disposal is recognized in profit or loss (recycling).
Equity instruments at fair value through profit or loss (FVTOCI option, without recycling)	Fair Value	Dividends recognized in profit or loss, other changes in value are recognized directly in equity, no recognition or reclassification from equity to profit or loss on disposal (without recycling)
Financial instruments measured at amortized cost (AC)	Amortized cost	Recognition of impairment losses, currency translation and effective interest in profit or loss

There were no reclassifications between the applicable measurement categories in accordance with IFRS 9 in the fiscal year 2023.

The assessment of the Group’s business model was performed for the first time at the date of initial application of IFRS 9 on 1 January 2018 and is reviewed regularly. The assessment as to whether the contractual cash flows from debt securities consist exclusively of principal and interest payments was based on the facts and circumstances at the time the assets were initially recognized.

Classification of financial liabilities

A financial liability is measured at fair value through profit or loss if it is held for trading or designated accordingly upon initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. Changes in fair value attributable to changes in the credit risk of the liability are recognized in other comprehensive income. The remaining change in fair value is recognized in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less directly attributable transaction costs. In subsequent measurement, these liabilities are measured at amortized cost using the effective interest method.

Financial liabilities	Subsequent measurement	Changes in value
Held for trading or designated as at fair value through profit or loss on initial recognition (FVTPL)	Fair Value	Realized and unrealized gains and losses are recognized in profit or loss
At amortized cost (AC)	Amortized cost	Changes in value are recognized in profit or loss immediately

The Group did not designate any financial assets or liabilities at fair value through profit or loss upon initial recognition. No reclassifications were effected between the categories in accordance with IFRS 9 during fiscal year 2023.

Categories of Financial Assets and Financial Liabilities - Disclosure
The Logwin Group holds the following financial instruments:

- Cash and cash equivalents
- Trade accounts receivable and receivables from factoring
- Other receivables and assets
- Financial assets
- Derivative financial instruments
- Trade accounts payable and other financial liabilities
- Leasing liabilities

Cash and cash equivalents
Cash and cash equivalents include bank balances, cash in hand, checks and short-term investments. Cash equivalents are short-term, highly liquid financial investments with an original term of three months or less that can be converted into cash at any time and are subject to an insignificant risk of changes in value. Cash and cash equivalents are measured at amortized cost.

Trade accounts receivable
Trade accounts receivable are amounts owed by the customer for services rendered in the ordinary course of business. They are generally payable within a few weeks, contain no significant financing components and are classified as current. The Group holds trade receivables to collect contractual cash flows and subsequently measures them at amortized cost. Due to the short-term nature of the receivables, their carrying amount corresponds to their fair value.

Factoring
The Logwin Group uses a factoring program for a German Group company. This is a flexible form of financing, i.e. the factoring company provides liquidity through the sale of trade accounts receivable, which Logwin can draw on in full or in part as required. Relevant risks for assessing the transfer of opportunities and risks of the receivables sold are essentially the credit risk and the payment time risk. Within the scope of the contract, all opportunities and risks associated with the receivables are neither transferred nor retained due to the retention of the payment date risk. The receivables are therefore recognized to the extent of their continuing involvement. As of 31 December 2023, receivables with a nominal value of EUR 23.6m (prior year: EUR 51.0m) had been transferred to the factor. The corresponding purchase price had not been paid as of 31 December 2023. The continuing involvement and the associated liability were recognized at EUR 0.0m (prior year: EUR 0.0m) as of 31 December 2023.

The receivables from the factoring company resulting from the sale of the receivables are shown in the balance sheet under trade receivables and receivables from factoring and recognized at amortized cost, insofar as the line is not or only partially drawn. Trade receivables that are potentially sold under a factoring agreement are subsequently measured at FVTPL, as the primary objective is not to generate contractual cash flows. The Logwin Group recognizes the utilization of the factoring line as a reduction in receivables, as essentially all risks and opportunities arising from the receivables are transferred to the factoring company. No material payment obligations are to be expected from the ongoing commitment. There are no obligations to repurchase receivables.

Investments
Under investments, the following equity and debt instruments with long-term use are measured at fair value through profit or loss (FVTPL):

- Financial investments in debt securities that are neither measured at amortized cost nor at fair value through other comprehensive income
- Financial instruments in equity instruments for which the entity has elected not to recognize changes in fair value in other comprehensive income.

Other receivables and assets
Other receivables and assets include loans granted, bonds and other receivables with repayment periods of less than one year. The Logwin Group measures its other financial assets at amortized cost if the financial asset is held as part of a business model whose objective is to hold financial assets to collect the contractual cash flows and the terms of the contract result in cash flows that represent only principal and interest payments on the outstanding principal amount. Due to their short-term nature, their carrying amount corresponds to their fair value.

Derivative financial instruments
The Logwin Group uses forward exchange contracts to hedge the risk of a change in the value of corresponding underlying transactions due to changes in market prices. Derivatives are used exclusively for economic hedging purposes and not as speculative investments. Since they do not meet the criteria for hedge accounting, they are classified as “held for trading” for accounting purposes and recognized at fair value through profit or loss, with changes in value recognized in profit or loss. Gains or losses are recognized in other operating income/expenses if they arise from hedging foreign currency risks in the operating business, and in financing income/expenses if they arise from hedging receivables or liabilities of Logwin AG from Group financing. Derivative financial instruments are presented as current assets or liabilities since they are expected to be settled within 12 months of the end of the reporting period.

Trade payables and other financial liabilities
Trade payables and other liabilities relate to outstanding liabilities for goods and services received by the Logwin Group before the end of the fiscal year. Other financial liabilities relate to borrowings and are initially recognized at fair value less transaction costs incurred and subsequently at amortized cost using the effective interest method. These liabilities are reported as current liabilities unless their settlement is not due within 12 months of the reporting period.

Valuation and recording of expected credit losses
The Logwin Group recognizes an allowance for expected credit losses on investments in debt instruments measured at amortized cost, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each balance sheet date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The general impairment model provides for three levels that determine the amount of losses to be recognized and the interest received in the future. Under this model, expected losses are recognized at the present value of the expected 12-month credit loss on initial recognition (Level 1). If there is a significant increase in the default risk, the allowance for losses on loans and advances must be increased to the amount of the expected losses for the entire remaining term (Level 2). If there is objective evidence of impairment, interest is recognized on the basis of the net carrying amount (carrying amount less allowance for losses) (Level 3).

For trade receivables and contract assets, the simplified approach of the impairment model is applied, according to which a provision for losses on loans and advances is recognized for all instruments, irrespective of their credit quality, in the amount of the expected losses over the remaining term. Credit risk within each group is segmented by common credit risk characteristics. This is usually based on an external credit risk assessment including expected credit losses. For receivables sold to a factoring company, the general impairment model described above is applied.

The estimated valuation allowances on cash and cash equivalents and on other financial instruments measured at amortized cost are calculated on the basis of expected losses within twelve months and reflect the short maturities. This is based on the assumption that cash and cash equivalents and other financial instruments measured at amortized cost have a low default risk based on their external rating. Cash and cash equivalents that are classified as investment grade (AAA to BBB-) by Standard & Poor’s within the framework of the rating are generally classified as being associated with a low default risk. Changes in default risk are monitored by observing published external credit ratings. The Logwin Group takes into account the probability of default at the time of the initial recognition of assets and the existence of a significant increase in the default risk during all reporting periods. In order to assess whether the default risk has increased significantly, Logwin compares the default risk with respect to the asset on the balance sheet date with the default risk at the time of initial recognition.

The Logwin Group regularly monitors the effectiveness of the criteria used to determine whether a significant increase in credit risk has occurred and revises them as necessary to ensure that the criteria are able to detect a significant increase in credit risk before the amount becomes overdue.

Macroeconomic information such as growth rates of gross domestic product or world trade are included as part of the valuation model.

Financial assets are written down if recoverability is no longer expected after an appropriate assessment. An external rating of D is generally used as an indication that the assets are no longer expected to be realizable. In the area of trade receivables, further indicators are overdue by more than 180 days, the initiation of insolvency proceedings or legal action. The amount of the write-down required for these receivables with impaired creditworthiness is determined on the basis of the expected lifetime credit loss.

Financial assets are derecognized when there are no longer reasonable expectations that legal recovery measures will be successful. A discretionary decision is made on a case-by-case basis as to the extent to which settlement of the contract is still probable.

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The Group must have access to the principal or most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Logwin Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Assets and liabilities recorded at fair value must be classified according to the valuation technique applied. The different levels are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Inputs for the assets or liability that are not based on observable market data

Transfers between levels of the fair value hierarchy take place at the end of the reporting period.

In the Logwin Group, recognition at fair value applies to financial instruments classified as fair value through profit or loss (FVTPL) and to non-financial assets if they were written down to their fair value less costs to sell after being tested for impairment or due to their classification as "held for sale".

Leases
For Contracts entered into by the Logwin Group, it is determined at the conclusion of the contract whether the contract constitutes a lease or contains such a lease. An agreement constitutes or contains a lease if the agreement entitles the holder to exercise control over the use of an identified asset for an agreed period in return for payment. The following criteria are used to assess whether a contract meets this requirement:

- The contract includes the use of an explicitly or implicitly specified, identified asset. The asset must be physically identifiable or substantially comprise the entire capacity of an identifiable asset.
- The Group has the right to exercise control over the use of the identified asset. This is the case when the Group has the power to govern the use of the identified asset and obtain substantially all the economic benefits from its use.

Both criteria must be met over the entire term of the contract. The Logwin Group does not separate the leasing and non-leasing components. The group exercises the option of not recognizing short-term leasing relationships and leasing relationships of low value.

At the inception of a lease, the Group recognizes a right of use asset in the identified asset and the corresponding lease liability.

The right of use is initially measured at cost. These include the value of the leasing liability on initial recognition, leasing payments less leasing incentives received, which were made at or before conclusion of the contract, as well as initial direct costs incurred by the Group and estimated costs of dismantling the leased asset, restoring its location or restoring the leased asset to a contractually agreed condition.

The right of use is subsequently depreciated on a straight-line basis over the lease term or the economic life of the leased asset, whichever is shorter. If it is sufficiently certain that a purchase option will be exercised at the inception of the lease or if the lease provides for a transfer of ownership to the lessee at the end of the lease term, the expected useful life of the leased asset is the useful life of the asset. In addition, the carrying amount of the leased asset is reduced by impairment losses in accordance with IAS 36.

The lease liability is recognized at the inception of the lease at the present value of the future lease payments. If determinable, the present value is calculated using the interest rate on which the lease is based. If this interest rate cannot be easily determined, the incremental borrowing rate of the respective Group company is used. As a rule, the Logwin Group uses the incremental borrowing rate to calculate the present value. The leasing installments included in the calculation of the present value comprise the following components:

- fixed lease payments less leasing incentives granted by the lessor for the conclusion of the contract;
- variable lease payments linked to an index or interest rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a call option and lease payments upon exercise of a lease extension option, if the option is already expected to be exercised at that time;
- contractual penalties for the termination of the leasing agreement if at the beginning of the leasing agreement it is already assumed that the lessee will terminate the agreement.

Lease liabilities are subsequently measured at amortized cost using the effective interest method. The lease liability is revalued if there is a change in future lease payments resulting from a change in an index or interest rate, or if there is a reassessment of the exercise of purchase, renewal or termination options, or if there is a change in the assessment of the amounts payable under a residual value guarantee and due to other modifications to the lease that do not result in a new lease. The revaluation results in a corresponding adjustment to the carrying amount of the right of use or, if this is reduced to zero, the excess adjustment amount is recognized in the income statement.

Provisions

Provisions are recognized in accordance with IAS 37 when an obligation is present as a result of a past event and can be reliably assessed and it is likely that an outflow of resources will be required to settle the obligation. They are recognized in the amount of the probable utilization. Provisions with an expected residual term of more than one year are recognized at their present value.

Provisions for pensions and similar obligations

The Logwin Group has both defined benefit and defined contribution plans to meet pension obligations.

Defined benefit plans are reported as a liability according to IAS 19 under "Provisions for pensions and similar obligations". Pension obligations relate primarily to employees of group companies in Germany and are mainly vested benefits in connection with benefit plans closed in the past. Furthermore, all Austrian employees are entitled under Austrian law prior to 31 December 2002 ("Abfertigung alt"), in the event of retirement or involuntary termination of employment to severance pay ranging from 2 to 12 months of the last monthly salary depending on the period of service.

Defined benefit obligations are measured by independent actuaries in accordance with the projected unit credit method prescribed in IAS 19. Consequently, the present value of the pension obligations expected in connection with possible future benefits becoming payable is recognized as the pension provision for benefit entitlements, if the respective obligation has vested fully or pro rata temporis as of the measurement date on the basis of the pensionable service rendered. Actuarial assumptions in connection with discount rates, mortality rates, future salary and pension trends as well as turnover rates are taken into account when measuring the obligations. The Aon Eurozone Yield Curve is used for the rate setting process. Where there are plan assets, the pension provisions are calculated by netting these assets and the present value of the defined benefit obligation ("funding status").

If the obligation exceeds the plan assets, the netted amount is referred to as the net liability from defined benefit plans. Remeasurements of the net defined benefit liability (asset) include actuarial gains or losses from the obligation as well as returns on plan assets not included in interest income. They result from differences between the actual development compared to the prior-year assumptions as well as changes in assumptions, and are recognized in equity. The service costs are reported under operating expenses and the amounts resulting from unwinding of the discount on the obligation netted with the interest income from plan assets are included in the financial result. Actuarial reports are prepared each year.

In addition to the defined benefit plans there are also defined contribution plans. These generally include the statutory pension insurance applicable in Germany and some other countries. Contributions paid into these defined contribution plans are recognized as expenses in the financial year.

8 Segment reporting

The classification of segments is made according to the business segments of the Logwin Group. The segment structure reflects the current organizational and management structure of the Logwin Group. This means that reporting is in line with the requirements of IFRS 8.

The Air + Ocean business segment provides worldwide transportation and logistics solutions with a focus on intercontinental air and ocen freight, frequently in connection with upstream and downstream value added services and draws on an international network that is divided into the three regions Europe Middle East Africa, Americas and Asia.

As a specialist in contract logistics, the Solutions business segment offers individual customer and industry-oriented solutions, particularly in the fashion, retail and consumer goods sector, in the industrial contract logistics including the automotive sector - the solutions range from supply chain management, transportation and warehousing to value added services and complete outsourcing projects.

Transactions between the segments are made at “arm’s length”, identical with transactions with third parties. The information on the business segments is reported after consolidation of intrasegment transactions. Transactions between the segments are eliminated in the column “Consolidation”. The result of each segment is measured by management based on operating result before goodwill impairment (EBITA). General expenses and income which cannot be directly allocated to the segments are shown in the “Other” column.

The tables below set forth segment information of the business segments for the periods from 1 January to 31 December 2023 and 2022.

2023 In thousand EUR	Air + Ocean	Solutions	Other	Conso-lidation	Group
External revenues	916,804	340,531	183	-	1,257,518
Intersegment revenues	439	1,321	1,374	-3,134	-
Revenues	**917,243**	**341,852**	**1,557**	**-3,134**	**1,257,518**
Operating result before goodwill impairment (EBITA)	**86,598**	**18,915**	**-13,766**	**-**	**91,747**
Goodwill impairment	-	-	-	-	-
Net result before interest and income taxes (EBIT)	**86,598**	**18,915**	**-13,766**	**-**	**91,747**
Financial result					4,882
Net result before income taxes					**96,629**
Income taxes					-16,471
Net result					**80,158**
Segment assets	234,897	75,779	33,303	-	343,979
Unallocated assets					386,506
Total consolidated assets					**730,485**
Segment liabilities	213,061	71,193	13,145	-	297,399
Unallocated liabilities					81,422
Total consolidated liabilities					**378,821**

2022 adjusted* In thousand EUR	Air + Ocean	Solutions	Other	Conso-lidation	Group
External revenues	1,794,259	464,580	188	-	2,259,027
Intersegment revenues	1,736	1,733	1,351	-4,820	-
Revenues	**1,795,995**	**466,313**	**1,539**	**-4,820**	**2,259,027**
Operating result before goodwill impairment (EBITA)	**140,578**	**-3,596**	**-16,861**	**-**	**120,121**
Goodwill impairment	-	-11,665	-	-	-11,665
Net result before interest and income taxes (EBIT)	**140,578**	**-15,261**	**-16,861**	**-**	**108,456**
Financial result					-3,831
Net result before income taxes					**104,625**
Income taxes					-30,680
Net result	**-**	**-**	**-**	**-**	**73,945**
Segment assets	306,296	103,207	36,906	-	446,409
Unallocated assets					386,710
Total consolidated assets					**833,119**
Segment liabilities	280,124	96,920	17,112	-	394,156
Unallocated liabilities					92,571
Total consolidated liabilities					**486,727**

*The comparative information has been adjusted due to a change in presentation. For further information, please refer to Note 7 "Summary of key performance indicators and significant accounting policies" - "Impairment of assets"

In thousand EUR	Depreciation and amortization		Additions to non-current assets	
	2023	**2022**	**2023**	**2022**
Air + Ocean	-17,301	-16,980	16,121	16,161
Solutions	-13,533	-16,911	11,501	16,431
Other	-5,554	-6,082	2,991	8,443
Total	**-36,388**	**-39,973**	**30,613**	**41,035**

Additions to non-current assets do not include additions to financial instruments and deferred tax assets.

Information according to geographical areas

The tables below present geographical information on revenues and specific items of non-current assets for financial years 2023 and 2022.

In thousand EUR	2023		2022	
Germany	470,964	37%	961,327	42%
Austria	285,896	23%	428,976	19%
Other EU	141,959	11%	263,029	12%
Asia/Pacific	276,265	22%	488,525	22%
Other	82,434	7%	117,170	5%
Total revenues	**1,257,518**	**100%**	**2,259,027**	**100%**

Revenues from external customers are allocated according to the geographical location of the billing entity. In 2023, 14.8% (prior year: 11.2%) or EUR 186.1m (prior year: EUR 253.9m) of the Logwin Group's total revenues accounts to a customer in the Solutions business segment.

In thousand EUR	31 Dec 2023		31 Dec 2022	
Germany	58,045	57%	74,972	65%
Austria	6,785	7%	8,397	7%
Luxenburg	3,343	3%	2,756	2%
Other EU	19,990	19%	16,540	14%
Asia/Pacific	10,978	11%	11,137	10%
Other	2,917	3%	1,873	2%
Total non-current assets	**102,058**	**100%**	**115,675**	**100%**

Non-current assets are reported by location of the respective assets. They comprise property, plant and equipment and other intangible assets including right of use assets from leases.

Notes to the Income Statement

9 Revenues from contracts with customers

Breakdown of revenues from contracts with customers

The Group primarily generates revenues from the transfer of services for which revenue is recognized on a period basis. Revenues are generated in the following segments and geographical regions:

2023 In thousand EUR	Air + Ocean	Solutions	Other	Group
Germany	356,181	114,600	183	470,964
Austria	82,117	203,779	-	285,896
Other EU	119,807	22,152	-	141,959
Asia/Pacific	276,265	-	-	276,265
Other	82,434	-	-	82,434
Total revenues	**916,804**	**340,531**	**183**	**1,257,518**

2022 In thousand EUR	Air + Ocean	Solutions	Other	Group
Germany	785,356	175,783	188	961,327
Austria	158,970	270,006	-	428,976
Other EU	244,238	18,791	-	263,029
Asia/Pacific	488,525	-	-	488,525
Other	117,170	-	-	117,170
Total revenues	**1,794,259**	**464,580**	**188**	**2,259,027**

Sales to customers in the Air + Ocean segment result from transportation and logistics solutions with a focus on intercontinental air and ocean freight, often in connection with upstream and downstream value added services. In the Solutions business segment, revenues result from individual customer and industry-oriented solutions, particularly in the fashion, retail and consumer goods sector, in the industrial contract logistics including the automotive sector - the solutions range from supply chain management, transportation and warehousing to value added services and complete outsourcing projects.

The Group makes use of the practical experience of IFRS 15.121 with regard to the disclosure of the transaction price allocated to the remaining service obligations, as Logwin either generally has a remuneration entitlement that directly corresponds to the value of the service already provided by the company to the customer, or the outstanding service obligation is part of a contract with an expected original term of a maximum of one year.

Income from performance obligations fulfilled in prior periods amounted to EUR 7.0m in the reporting period.

10 Expenses by nature

In thousand EUR	2023	2022 adjusted*
Purchased services	-877,934	-1,811,352
Materials and supplies	-4,104	-7,208
Personnel expenses	-203,273	-234,639
Depreciation and amortization	-36,379	-39,973
Impairment of property, plant and equipment and other intangible assets	-1,444	-8,134
Reversal of impairments of property, plant and equipment	1,132	-
Sundry expenses	-41,739	-44,855
Total cost of sales, selling, general and administrative costs	**-1,163,741**	**-2,146,161**

*The comparative information has been adjusted due to a change in presentation. For further information, please refer to Note 7 "Summary of key performance indicators and significant accounting policies" - "Impairment of assets"

Purchased services mostly comprise transportation services provided by third parties.

11 Other operating income and expense

In thousand EUR	2023	2022
Foreign exchange gains and gains from foreign exchange contracts	7,729	19,219
Gains from disposal of non-current assets	370	454
Sundry income	1,676	5,466
Other operating income	**9,775**	**25,139**

Sundry income includes payments from insolvency proceedings in the amount of EUR 140k (prior year: EUR 3,877k).

In thousand EUR	2023	2022
Foreign exchange losses and losses from foreign exchange contracts	-8,108	-16,404
Losses from disposal of non-current assets	-1,972	-311
Sundry expenses	-45	-90
Other operating expenses	**-10,125**	**-16,805**

Gains and losses from foreign exchange reflect the volume of business activities invoiced in foreign currencies. The net income/expense from foreign exchange gains and losses is as follows:

In thousand EUR	2023	2022
Foreign exchange gains and gains from foreign exchange contracts	7,729	19,219
Foreign exchange losses and losses from foreign exchange contracts	-8,108	-16,404
Foreign exchange effects, net	**-379**	**2,815**

12 Impairment of goodwill

As of 30 June 2022, the significant increase in interest rates compared with 31 December 2021 represented a so-called "triggering event" for an impairment test of the goodwill allocated to the Solutions business segment in the amount of EUR 11.7m. The result of the impairment test was a recoverable amount of EUR 30.9m, resulting in an impairment of the goodwill allocated to the Solutions business segment in the prior year. The impairment loss was EUR 11.7m. For further explanations please refer to Note 18 "Goodwill".

13 Financial result

The following table shows the composition of the financial result for the financial years 2023 and 2022:

In thousand EUR	2023	2022
Interest income from bank accounts	5,924	829
Interest income on Finance lease	250	-
Other interest income from third parties	3,529	625
Finance income	**9,703**	**1,454**
Interest expenses from bank accounts	-412	-345
Interest expenses from lease liabilities	-2,762	-2,054
Net interest expense from the unwinding of the discount on defined benefit obligations and from the return on plan assets	-732	-301
Other interest expenses	-768	-2,123
Foreign currency effects from intragroup financing and effects from the fair value measurement of forward exchange transactions	-147	-462
Finance expenses	**-4,821**	**-5,285**
Financial result	**4,882**	**-3,831**

14 Income taxes

Tax expenses for the Logwin Group are as follows:

In thousand EUR	2023	2022
Curent income taxes	-23,947	-34,884
Deferred income taxes	7,476	4,204
Total income taxes	**-16,471**	**-30,680**

Reconciliation of expected income tax expenses to the tax expenses in the income statement:

In thousand EUR	2023	2022
Net result before income taxes	**96,629**	**104,625**
Expected income taxes (tax rate 26.59%; prior year: 28.26%)	**-25,694**	**-29,567**
Non-deductible goodwill impairment	-	-3,297
Foreign tax rate differential	1,480	4,591
Expenses not deductible for tax purposes	-4,542	-3,475
Tax effects relating to prior periods	-976	-834
Changes in valuation allowances and effects from not recognizing deferred tax assets	12,879	3,610
Effects from the change of tax rates	150	-1,302
Other taxation effects	232	-406
Total income tax expenses	**-16,471**	**-30,680**

The weighted tax rate of 26.59% (prior year: 28.26%) used for 2023 corresponds to the tax rate of Logwin AG.

The position “Changes in valuation allowances and effects from not recognizing deferred tax assets” includes effects from deferred taxes not recognized in prior years in the amount of EUR 13,344k (prior year: EUR 5,832k) and opposite effects from the non-recognition of deferred tax assets in the amount of EUR –465k (prior year: EUR –2,222k).

The introduction of global minimum taxation under OECD rules ("Pillar 2") in 2024 is not expected to have any material impact on the Logwin Group's income tax expense. The Logwin Group uses the exemption in IAS 12 (rev.) from recognizing deferred taxes in connection with Pillar 2 income taxes.

Notes to the Statement of Cash Flows

15 Cash outflows for the acquisition of subsidiaries

The payments for the acquisition of subsidiaries in the fiscal year 2023 year result from the acquisition of the shares of ATL Logistics B.V., Amsterdam, NL as a new subsidiary, which is allocated to the Air + Ocean business segment. Please refer to note 34 "Business combinations" for more information.

In thousand EUR	31 Dec 2023
Cash outflow for the acquisition of subsidiaries	-4,226
Acquired Cash	372
Payments for the acquisition of subsidiaries	**-3,854**

16 Payments from disposals of other business operations

The payments from the disposal of other business units in the fiscal year 2023 result from the disposal of the German retail network as part of an asset deal, which was allocated to the Solutions business segment.

In thousand EUR	2023
Consideration paid	-7,105
Payments from disposals of other business operations	**-7,105**

The following assets and liabilities were disposed of in this context:

In thousand EUR	2023
Property, plant and equipment	648
Receivables and other assets	376
Assets disposed of	**1,024**
Other liabilities	294
Personnel provisions	1,024
Liabilities disposed of	**1,318**

17 Liabilities from financing activities

The following tables show the development of liabilities from financing activities of the Logwin Group which are included in financing cash flows:

In thousand EUR	Loans and borrowings	Liabilities from leases
1 Jan 2023	**1,110**	**80,952**
Cash effective	-966	-26,437
Non-cash effective:		
New and renewed lease agreements	-	23,946
Revaluation	-	-4,314
Additions from business combinations	-	555
Foreign exchange effects	-97	310
31 Dec 2023	**47**	**75,012**

In thousand EUR	Loans and borrowings	Liabilities from leases
1 Jan 2022	**135**	**79,515**
Cash effective	1,027	-30,769
Non-cash effective:		
New and renewed lease agreements	-	34,561
Revaluation	-	-2,215
Foreign exchange effects	-52	-140
31 Dec 2022	**1,110**	**80,952**

The asset additions of EUR 23,946k (prior year: EUR 34,561k) and the additions from business combinations of EUR 555k resulting from new and renewed lease agreements, as well as the associated liabilities, are non-cash effective and therefore not included in the investing cash flows. The revaluation includes the adjustments to existing leases due to an adjustment of the interest rate and are also non-cash transactions.

Interest paid on recognized lease obligations is shown in the operating cash flow. Please refer to Note 21 "Leases" – "Maturity analysis" for more information.

Notes to the Balance Sheet

18 Goodwill

Allocation of goodwill to cash-generating units

The business segments are taken to be groups of cash-generating units of the Logwin Group. The goodwill acquired in the course of business combinations has been allocated to the business segments as follows:

In thousand EUR	31 Dec 2023	31 Dec 2022
Air + Ocean	48,894	45,701
Solutions	-	-
Goodwill	**48,894**	**45,701**

In thousand EUR	Goodwill
Carrying amount as of 1 Jan 2022	**57,366**
Impairment	-11,665
Carrying amount as of 31 Dec 2022	**45,701**
Acquisition cost	220,076
Accumulated impairment	-174,375
Carrying amount as of 1 Jan 2023	**45,701**
Additions from business combinations	3,193
Carrying amount as of 31 Dec 2023	**48,894**
Acquisition cost	223,269
Accumulated impairment	-174,375

Goodwill impairment testing

The Logwin Group performed its annual goodwill impairment test as of 31 December 2023, as in the prior year. The Goodwill allocated to the Solutions business segment was fully impaired in the prior year.

For the purpose of the goodwill impairment test, the recoverable amount of the cash-generating unit was determined on the basis of the calculation of the value in use using cash flow forecasts that are based on a financial plan covering a period of four years. The financial plan is based on the business plans of the business segments.

The cash flow forecasts are based on the following underlying assumptions:

- Budgeted revenue growth rates: the anticipated growth rates of the industry, which is relevant for the respective business segment, are used to determine the budgeted revenue growth rates. Overall stable revenue growth was assumed over the coming years.
- Budgeted operating profit margins: the profit margins generated in the preceding years, increased for expected efficiency improvements, are used to determine the budgeted operating profit margins. Allowance was made here for the fact that developments in earnings will also depend on the economic situation. Deviations from planning were analyzed and taken into account where necessary in the form of discounts on the business plans presented. The amount of necessary discounts is reestablished in each case when the impairment test is performed.

The business plan for the Air + Ocean Solutions segment provides for an EBITA margin of 3.7% for the last planning year (prior year: 3.7%). After the detailed planning period, a growth rate of 1.5% was taken into account, unchanged from the prior year. The expected cash flows of the business segment were discounted using a discount rate of 10.1% after tax (prior year: 9.7%), which corresponds to an interest rate of 13.9% before tax (prior year: 12.7%).

The scheduled impairment test as of 31 December 2023 did not result in any impairment. No change in the key assumptions considered possible leads to an impairment. In the prior year, the result of the impairment test as of 31 December 2022 required the recognition of an impairment loss of EUR 11,665k for goodwill in the Solutions business segment.

19 Other intangible assets

Amortization of intangible assets of EUR 64k is included in cost of sales (prior year: EUR 50k). A further EUR 7k (prior year: EUR 4k) relates to selling costs and EUR 2,580k (prior year: EUR 2,920k) to general and administrative costs. The other intangible assets of the Logwin Group do not include any internally generated assets as of 31 December 2023.

In thousand EUR	Software, concessions and other licenses	Customer relations	Total
Acquisition cost	59,805	-	59,805
Accumulated impairment	-38,826	-	-38,826
Carrying amount as of 1 Jan 2022	**20,979**	**-**	**20,979**
Currency differences	-1	-	-1
Additions	769	-	769
Disposals	-1	-	-1
Amortization	-2,974	-	-2,974
Impairments	-3,290	-	-3,290
Carrying amount as of 31 Dec 2022	**15,482**	**-**	**15,482**
Acquisition cost	57,337	-	57,337
Accumulated amortization and impairment losses	-41,855	-	-41,855
Carrying amount as of 1 Jan 2023	**15,482**	**-**	**15,482**
Currency differences	-1	-	-1
Additions from business combinations	14	914	928
Additions	525	-	525
Disposals	-6	-	-6
Amortization	-2,651	-	-2,651
Impairments	-21	-	-21
Carrying amount as of 31 Dec 2023	**13,342**	**914**	**14,256**
Acquisition cost	56,880	914	57,794
Accumulated amortization and impairment losses	-43,538	-	-43,538

In 2023, customer relationships in the amount of EUR 914k were recognized. Please refer to note 34 "Business combinations" for more information.

In the reporting year, impairment losses on IT systems and software due to changes in the intended use amounting to EUR 21k (prior year: EUR 3,290k) were recognized in the Other business segment under administrative expenses.

20 Property, plant and equipment

Cost of sales includes depreciation of property, plant and equipment of EUR 29,051k (prior year: EUR 32,108k), while selling costs include depreciation of property, plant and equipment of EUR 905k (prior year: EUR 941k) and general and administrative costs include depreciation of property, plant and equipment of EUR 3,781k (prior year: EUR 3,949k).

In thousand EUR	Land and buildings	Machinery and equipment	Tools, fixtures, furniture and office equipment	Vehicle fleet	Construction in progress	Total
Acquisition cost	182,277	35,322	43,141	30,030	1,032	291,802
Accumulated depreciation and impairment losses	-105,106	-29,122	-35,186	-17,629	-	-187,043
Carrying amount as of 1 Jan 2022	**77,171**	**6,200**	**7,955**	**12,401**	**1,032**	**104,759**
Currency differences	-83	-8	-1	-21	-	-113
Additions	32,090	470	2,880	3,388	1,438	40,266
Transfers	618	179	30	2	-829	-
Disposals	-1,855	-41	-152	-828	-	-2,876
Depreciation	-26,746	-818	-3,707	-5,728	-	-36,999
Reversal of impairments	-4,727	-12	-105	-	-	-4,844
Carrying amount as of 31 Dec 2022	**76,468**	**5,970**	**6,900**	**9,214**	**1,641**	**100,193**
Thereof rights of use from leases	*65,048*	*164*	*1,112*	*5,886*	-	*72,210*
Acquisition cost	205,414	32,641	43,912	29,289	1,641	312,897
Accumulated depreciation and impairment losses	-128,946	-26,671	-37,012	-20,075	-	-212,704
Carrying amount as of 1 Jan 2023	**76,468**	**5,970**	**6,900**	**9,214**	**1,641**	**100,193**
Currency differences	154	2	27	-47	1	137
Additions from business combinations	555	68	2	-	-	625
Additions	19,703	1,091	3,469	5,054	771	30,088
Transfers	277	464	283	10	-1,034	-
Disposals	-7,116	-54	-211	-1,490	-342	-9,213
Depreciation	-24,270	-840	-3,431	-5,196	-	-33,737
Impairment	-771	-563	-89	-	-	-1,423
Reversal of impairments	1,132	-	-	-	-	1,132
Carrying amount as of 31 Dec 2023	**66,132**	**6,138**	**6,950**	**7,545**	**1,037**	**87,802**
Thereof rights of use from leases	*55,868*	*90*	*879*	*5,136*	-	*61,972*
Acquisition cost	199,879	34,083	42,578	21,473	1,037	299,050
Accumulated depreciation and impairment losses	-133,747	-27,945	-35,628	-13,928	-	-211,248

As of 31 December 2023 and 2022, no property, plant and equipment was mortgaged to secure loans.

Impairment losses of EUR 1,423k (prior year: EUR 4,844k) were recognized on property, plant and equipment in the reporting year. In the Solutions business segment, impairment losses on property amounting to EUR 1,379k were determined on the basis of impairment tests carried out. The impairment losses are included in the cost of sales. The calculation was carried out for a European logistics location on the basis of a value in use using the present value method and level 3 input factors of the measurement hierarchy. A discount rate of 9.7% was used. As a result of the impairment test, impairment losses of EUR 869k were recognized on a recoverable amount of EUR 475k. A fair value less costs to sell was determined for two logistics properties in Germany using level 2 input factors of the measurement hierarchy. As a result of the impairment tests, total impairment losses of EUR 501k were recognized on a recoverable amount of EUR 7,906k. In the Other business segment, impairment losses on IT hardware amounting to EUR 53k are included in administrative expenses.

In the fiscal year 2022, in connection with the planned termination of the network activities of the Solutions business segment, the net assets affected were subjected to an impairment test based on the determination of a fair value less cost of disposal for the "Network" cash-generating unit. A present value method using level 3 input factors of the measurement hierarchy was applied. The observation horizon corresponds to the maximum term of the rights of use from the lease agreements concerned. A term-specific discount rate of 8.5% was used. As a result of the impairment test, impairments of leased land and buildings and leasehold improvements of EUR 4,727k, tools, fixtures, furniture and office equipment of EUR 105k and machinery and technical equipment of EUR 12k to a recoverable amount of EUR -2,995k were recorded. EUR 3,000k of the impairments related to the Solutions business segment and are included in the cost of sales. In the Other business segment, impairment losses of EUR 1,844k are included in administrative expenses.

As the reasons for the impairment losses recognized on the leased properties remaining in the Group ceased to apply in part with the disposal of the retail network in March 2023, impairment losses of EUR 1,132k were reversed in this context in the fiscal year 2023. The reversals of impairment losses were attributable to the Solutions business segment and are included in the cost of sales.

21 Leasing

The Logwin Group leases significant parts of the logistics and office properties it uses. Contracts for logistics properties generally have a term of between three and five years and office properties generally have a term of between three and six years. To ensure operational flexibility, many of the contracts contain rental extension, purchase or termination options in favour of the Logwin Group.

For some of the properties, subleases exist that qualify as operating leases. In the reporting year, subleases were added that are classified as finance leases. The receivables from finance subleases were measured on the basis of their estimated recoverability.

In addition, a significant portion of the Logwin Group's vehicle fleet is leased. The leasing agreements have essentially terms of between three and six years and in some cases include rental extension or purchase options in the interest of the Logwin Group.

The right of use assets recognized in the balance sheet are included in property, plant and equipment as of 31 December 2023 and 2022 as follows:

In thousand EUR	31 Dec 2023	31 Dec 2022
Land and building	55,868	65,048
Machinery and equipment	90	164
Tools, fixtures, furniture and office equipment	879	1,112
Vehicle fleet	5,135	5,886
Total right of use assets	**61,972**	**72,210**

Additions to right of use assets amounted to EUR 23,946k in the financial year 2023 (prior year: EUR 34,561k).

As of 31 December 2023, liabilities from leases in the amount of EUR 75,012k were reported in the balance sheet (prior year: EUR 80,952k).

Maturity analysis of cash outflows

The following cash outflows to service the leasing liabilities are expected in the coming years:

In thousand EUR	31 Dec 2023	31 Dec 2022
Less than 1 year	32,054	28,827
1 to 5 years	38,751	49,414
More than 5 years	8,484	9,610
Total undiscounted lease payments	**79,289**	**87,851**
Present value of lease payments	**75,012**	**80,952**

The present value of lease payments is presented in the balance sheet in the amount of EUR 30,990k (prior year: EUR 26,598k) as current liabilities from leases and in the amount of EUR 44,022k (prior year: EUR 54,354k) as non-current liabilities from leases.

The following presentation was made in the income statement for the 2023 and 2022 financial year:

In thousand EUR	2023	2022
Depreciation on rights of use		
Land and buildings	-22,794	-25,164
Machinery and equipment	-65	-70
Tools, fixtures, furniture and office equipment	-626	-697
Vehicle fleet	-4,426	-4,710
Total depreciation on right of use assets	**-27,911**	**-30,641**
Impairment on rights of use		
Land and buildings	-311	-4,438
Machinery and equipment	-	-12
Total impairments on right of use assets	**-311**	**-4,450**
Interest expenses from leasing liabilities	**-2,762**	**-2,054**
Expenses relating to short-term leases	**-10**	**-77**
Expenses relating to leases of low-value assets	**-559**	**-685**
Income from subleasing	**5,798**	**3,416**

The following cash outflows resulted from leases recognized as financial liabilities in accordance with IFRS 16 in the reporting year and in the prior year:

In thousand EUR	2023	2022
Repayments of recognized lease liabilities	26,437	30,769
Interest payments on recognized lease liabilities	2,762	2,054
Payments for short-term leases and leases over low-value assets	569	762
Total cash outflows from leases	**29,768**	**33,585**

A variety of leases, particularly for real estate and vehicles, contain extension and termination options. When determining the term of leases, all facts and circumstances that provide an economic incentive to exercise extension options or not to exercise termination options are taken into account. Changes to the term are only included in the contract term if it is sufficiently certain that the extension or non-exercise of termination options will be exercised. The estimates and expectations made at the time of initial measurement of the lease liability and the right-of-use asset, which are not already finalized at the time of provision with regard to the payments to be made, are reviewed on an ongoing basis during the term of the lease. The original estimates are reassessed if there is better or changed knowledge about the expected payment profile over time. Extension options in the interest of the Logwin Group, not taken into account in the measurement of lease liabilities may result in future cash outflows of EUR 46,402k (prior year: EUR 52,361k). The prior year's figures were corrected with regard to the amount of future lease payments included for leased assets that were rent-free at the measurement date.

As in the prior year, leases in connection with real estate, which the Logwin Group has already entered into but which have not yet been accounted for as of 31 December 2023, will result in future cash outflows without taking into account extension or termination options.

The Logwin Group subleased logistics buildings in the financial year 2023, the right of use assets of which were recognized under property, plant and equipment. Interest income on lease receivables of EUR 250k (prior year: EUR 0k) was recognized for the subleased buildings.

Maturity analysis of lease receivables from subleases

The following table presents a maturity analysis of the finance lease receivables to be received after the reporting date.

In thousand EUR	31 Dec 2023	31 Dec 2022
Due in one year	2,123	-
Due in one to five years	5,859	-
Due in more than five years	516	-
Total undiscounted lease payments	**8,498**	**-**
Less: unrealised financial income	-722	-
Present value of lease payments receivable	**7,776**	**-**
Impairment loss allowance	-4,210	-
Net investments in the lease	**3,566**	**-**

The following table shows an analysis of the maturity of lease payments from operating leases:

In thousand EUR	31 Dec 2023	31 Dec 2022
Due in one year	2,323	3,173
Due in one to five years	3,253	5,207
Due in more than five years	347	369
Total undiscounted lease payments	**5,923**	**8,749**

22 Inventories

Inventories primarily include IT materials, packaging materials and loading equipment with a value of EUR 1,213k (prior year: EUR 2,086k). No inventories were pledged.

In the reporting period, inventories of EUR 4,104k were recognized as an expense (prior year: EUR 7,108k).

In 2023, impairment losses of EUR 155k were recognized in profit or loss as part of an impairment test of inventories. In the prior year, reversals of impairment losses in the amount of EUR 223k were recognized in profit or loss.

23 Trade accounts receivable, receivables from factoring and contract assets

In thousand EUR	31 Dec 2023	31 Dec 2022
Trade accounts receivable, gross	**125,593**	**184,352**
Valuation allowance due to the simplified approach	-310	-740
Trade accounts receivable	**125,283**	**183,612**
Less valuation allowance for receivables with impaired creditworthiness	-2,039	-2,176
Trade accounts receivable, net	**123,244**	**181,436**
Trade accounts receivable from factoring	23,595	50,952
Total trade accounts receivable, net including factoring	**146,839**	**232,388**

The Group has recognized the following contract assets:

In thousand EUR	31.12.2023	31.12.2022
Current contract assets from transportation services	14,245	16,323
Expected credit losses on contract assets due to the simplified approach	-162	-87
Contract assets, net	**14,083**	**16,236**

Contract liabilities in the amount of EUR 18,014k (prior year: EUR 22,308k) were offset against unconditional claims for consideration that had not yet fallen due on the balance sheet date due to contractual conditions. The decrease in contract liabilities is due to lower freight rates and volumes.

Revenues in the amount of EUR 22,308k were realized in the reporting period from contractual liabilities existing as of 31 December 2022 (prior year: EUR 37,549k).

The following table contains information on credit risk and expected credit losses for trade receivables and contract assets as of 31 December 2023 and 31 December 2022.

In thousand EUR	Corres-ponds to external rating	Gross book value	Estimated loss rate (weighted average)	Estimated value adjustment	Negative credit rating
Low risk	A to AAA	44,647	0.02%	14	no
Medium risk	B to BBB	83,577	0.44%	366	no
Below average	C to CCC	9,575	0.96%	92	no
Loss event	D	2,039	100.00%	2,039	yes
Total		**139,838**		**2,511**	

In thousand EUR	Corres-ponds to external rating	Gross book value	Estimated loss rate (weighted average)	Estimated value adjustment	Negative credit rating
Low risk	A to AAA	81,372	0.04%	56	no
Medium risk	B to BBB	102,219	0.55%	565	no
Below average	C to CCC	14,908	1.37%	206	no
Loss event	D	2,176	100.00%	2,176	yes
total		**200,675**		**3,003**	

The comparative information has been adjusted due to a change in presentation

The credit risk of the trade receivables sold has to be calculated and presented in accordance with the general approach. This is not material in the present case due to the factoring company's good credit risk.

The valuation allowances for trade receivables with impaired creditworthiness for which a loss event has occurred have developed as follows based on the expected loss over the entire remaining term:

In thousand EUR	2023	2022
1 January	**-2,176**	**-1,127**
Currency differences	1,948	35
Additions	-2,909	-1,759
Utilization	247	323
Reversals	851	352
31 December	**-2,039**	**-2,176**

The valuation allowances for trade receivables and contract assets with unimpaired creditworthiness under the simplified approach in accordance with IFRS 9 developed as follows:

In thousand EUR	2023	2022
1 January	**-827**	**-1,146**
Currency differences	88	82
Additions	-95	-163
Reversals	362	400
31 December	**-472**	**-827**

As of 31 December 2023, trade accounts receivable not sold to the factoring company in the amount of EUR 70.4m (prior year: EUR 113.9m) were secured by credit insurance. Secured receivables are generally subject to a deductible of 10% (prior year: 10%). The Group does not hold any other collateral or other credit enhancements to cover its credit risk related to its financial assets.

24 Other receivables and current assets

In thousand EUR	31 Dec 2023	31 Dec 2022
Input tax refund	6,340	6,368
Advance payments	17,976	22,201
Derivative financial instruments	1,071	3,325
Receivables from subleases	952	-
Miscellaneous receivables and assets	1,220	1,499
Total other receivables and current assets	**27,559**	**33,393**
Thereof financial assets	*6,135*	*9,208*

Other receivables and current assets are due within one year. In the reporting year, no material impairments of other receivables and current assets have occurred. With the exception of individual deposits required by operational business, other receivables and current assets were not subject to pledging.

For further information on financial assets, please refer to Note 35 “Additional information on financial instruments".

25 Cash and cash equivalents

In thousand EUR	31 Dec 2023	31 Dec 2022
Cash	133,773	263,124
Cash equivalents	221,692	100,654
Total cash and cash equivalents	**355,465**	**363,778**

Cash and cash equivalents comprise checks, cash in hand and bank balances as well as cash equivalents with a total maturity of up to three months from the date of acquisition. In addition to various short-term investments amounting to EUR 120.0m (prior year: EUR 0.0m), cash equivalents include short-term loans to AQTON SE amounting to EUR 100.0m (prior year: EUR 100.0m). For further explanations, please refer to Note 40 "Related party transactions".

As of 31 December 2023, cash and cash equivalents include an amount of EUR 2.5m (prior year: EUR 1.2m), which the Logwin Group had at its disposal only after approximately two working days as a result of a settlement agreement.

As of 31 December 2023, cash of EUR 560k served as deposits for bank guaranties and are therefore restricted cash (prior year: EUR 598k).

26 Deferred taxes

Deferred tax assets and liabilities consist of the following:

	31 Dec 2023		31 Dec 2022	
In thousand EUR	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	4,499	8	5,244	62
Property, plant and equipment	101	12,126	196	15,496
Investments	245	7	89	26
Current assets	2,430	1,393	7,510	930
Provisions	4,041	302	4,360	238
Liabilities	15,215	2,317	16,180	5,816
Tax loss carry forwards	20,460	-	12,251	-
Valuation allowances	-5,025	-	-5,001	-
Retained earnings of domestic and foreign subsidiaries	-	1,031	-	1,132
Net amounts	-15,807	-15,807	-21,807	-21,807
Total deferred taxes	**26,159**	**1,377**	**19,022**	**1,893**

In the fiscal year 2023 the recognized deferred taxes have changed as follows:

In thousand EUR	2023	2022
Deferred taxes, net as of 1 January	**17,129**	**13,682**
Change recognized in profit or loss	7,477	4,204
Change recognized in other comprehensive income	188	-710
Currency and other differences	-12	-47
Deferred taxes, net as of 31 December	**24,782**	**17,129**

The change recognized directly in equity relates to deferred tax effects on remeasurements of the net defined benefit liability in 2023 and in the prior year. In the reporting year, this includes effects from the impairment or reversal of impairments of deferred tax assets in the amount of EUR -0.2m (prior year: -1.5m) recognized directly in equity.

In the reporting year, deferred tax liabilities of EUR 1.0m (prior year: EUR 1.1m) were recognized on temporary differences from retained earnings of domestic and foreign subsidiaries amounting to EUR 39.4m (prior year: EUR 42.3m). No deferred tax liabilities were recognized for temporary differences from retained earnings of domestic and foreign subsidiaries amounting to EUR 12.2m (prior year: EUR 17.5m) as of 31 December 2023, as it is not probable that these will reverse in the foreseeable future. The tax effect on these differences would amount to EUR 1.2m (prior year: 1.4m).

Net deferred tax assets amounting to EUR 8.8m (prior year: EUR 4.6m) have been recognized despite tax losses in the reporting year or in the prior year, as there are substantial indications for their recognition due to non-recurring one-off effects. They were recognized on the basis of planning calculations for the taxable income of the respective companies, as sustained positive operating results are expected within the next years.

For the following temporary differences and unused tax losses no deferred tax assets have been recognized since it is not probable that future taxable profit will be available against which the deductible temporary differences or tax losses can be utilized:

In thousand EUR	31 Dec 2023	31 Dec 2022
Tax losses	330,578	408,075
Deductible temporary differences	7,696	6,794
Total	**338,274**	**414,869**

Insofar as a tax assessment has been made, loss carry forwards are reported in accordance with this assessment. If no assessment has yet been made, the calculated value, or the value reported to the tax authorities, is used.

27 Shareholders' equity

Issued capital and authorized capital

As of 31 December 2023, a total of 2,884,395 (prior year: 2,884,395) fully paid-up no-par value registered shares with voting rights had been issued. Of these, 2,879,215 shares were outstanding (prior year: 2,879,215). As of 31 December 2023, 5,180 shares were held as treasury stock by Logwin AG and were therefore subject to the exclusion of voting rights and dividends (prior year: 5,180 shares). Each share represents EUR 45.52 of the share capital (prior year: EUR 45.52). In addition, as of 31 December 2023 Logwin AG had authorized capital totaling EUR 68,700k (prior year: EUR 68,700k), divided into a further 1,509,105 new no-par value shares to be issued (prior year: 1,509,105).

Profit/loss appropriation and capital reserves

The Annual General Meeting of Logwin AG on 31 March 2023 resolved a loss of EUR 21,112k as of 31 December 2022. By resolution of the Annual General Meeting, a distribution of EUR 69,101k (prior year: EUR 17,275k) was distributed from the capital reserve. This corresponds to an amount of EUR 24.00 per share (prior year: EUR 6.00 per share).

Dividends

A potential distribution for the financial year 2023 must be approved by the shareholders at the Annual General Meeting on 16 April 2024 and was therefore not recognized as a liability in this financial statements.

Retained earnings

Non-distributable retained earnings

According to Luxembourg law, a company must allocate at least 5% of the net result for the period as stated in the financial statements to a legal reserve until the reserve equals 10% of issued capital of the company. As of 31 December 2023, this reserve in the amount of EUR 13,130k (prior year: EUR 13,130k) is presented in the statement of changes in equity of the Logwin Group as part of the retained earnings. The legal reserve cannot be distributed as a dividend.

Defined benefit plans

Remeasurements of the net defined benefit liability in the form of actuarial gains and losses as well as return on plan assets not included in interest income are recognized in equity and may not be reclassified to profit or loss in future periods. These amounts are recorded in retained earnings and amounted to EUR –9,292k as of 31 December 2023 (prior year: EUR –8,085k). The change of EUR -1,208k compared to the prior year relates completely to the remeasurement of the net defined benefit liability (prior year: EUR 6,926k) after deduction of the associated deferred taxes.

Accumulated other comprehensive income

Differences from the translation of the financial statements of subsidiaries with a functional currency other than the euro are reported under shareholders' equity as accumulated other comprehensive income. As of 31 December 2022, the accumulated other comprehensive income of EUR –6,345k (prior year: EUR -2,706k) primarily resulted from the translation of the financial statements of subsidiaries. The amounts recognized in equity may need to be reclassified under certain circumstances to profit or loss in future periods.

Treasury shares
Logwin AG held 5,180 shares as of 31 December 2023 (prior year: 5,180) with a value of EUR 838k (prior year: EUR 838k), which were acquired until 2022 as part of a share buyback program. Treasury shares are subject to the exclusion of voting rights and dividends.

28 Loans and borrowings

As of 31 December 2023, the Logwin Group had facilities (without guarantee facilities) amounting to EUR 38.5m (prior year: EUR 38.8m), of which EUR 0.0m had been utilized as of the reporting date (prior year: EUR 1.1m). Furthermore, depending on the amount of sold receivables, a contractual limit of EUR 60.0m (prior year: EUR 60.0m) was available to the Logwin Group from factoring at the reporting date. As of 31 December 2023 and 2022, the factoring facility was not utilized.

Loans and borrowings reported as of 31 December 2023 totaled EUR 47k (prior year: EUR 1,110k).

The interest rate on the current loans and borrowings were variable and therefore at market level.

29 Provisions for pensions and similar obligations

Provisions for pensions and similar obligations are recognized due to plans for commitments for retirement, invalidity and survivors' pensions. The Logwin Group has both defined benefit and defined contribution plans.

Defined contribution plans
Under the defined contribution plans of the Group, payments in a total amount of EUR 941k to private pension insurance schemes were recorded in financial year 2023 (prior year: EUR 780k). In addition, contribution payments of EUR 7,938k (prior year: EUR 8,365k) were made to public pension insurance schemes.

Defined benefit plans
Defined benefit obligations mainly result from (funded and unfunded) pension commitments to employees, mostly of German group companies. The Logwin Group's obligations relate primarily to obligations from vested benefits in connection with benefit plans closed in the past. The benefits payable are mostly lifetime pension payments. In addition, there are legal claims of Austrian employees to severance payments.

A characteristic of the defined benefit obligations is that the Logwin Group grants the promised benefit level and thus bears the financing and longevity risk. If the obligations are partially or fully funded, the financing risk is replaced by the general market risk. As the Logwin Group's plan assets are primarily employer's pension liability insurance policies, direct insurance policies and pension trusts, the volatility of which is comparatively low, the risk is also low.

The net defined benefit liability recognized in the balance sheet is as follows:

In thousand EUR	31 Dec 2023	31 Dec 2022
Present value of the obligation	25,203	24,763
Plan assets	-1,824	-1,742
Net defined benefit liability (funding status)	**23,379**	**23,021**

The development of the net defined benefit liability in the current financial year and in the prior year is described in the following table:

In thousand EUR	2023	2022
Net defined benefit liability as of 1 January	**23,021**	**31,616**
Expense recognized in profit or loss	1,190	812
Plan contributions and payments, net	-1,566	-1,659
Remeasurements recognized in other comprehensive income	1,396	-7,636
Settlements	-30	-177
Desinvestmens	-583	-
Other changes	-49	65
Net defined benefit liability as of 31 December	**23,379**	**23,021**

Other changes include primarily effects from the currency translation of the net defined benefit liability.

The change in the net defined benefit liability breaks down to the development of the present value of the obligation and the plan assets as follows:

In thousand EUR	2023	2022
Present value of the obligation as of 1 January	**24,763**	**33,330**
Current service cost	449	481
Past service cost	9	30
Interest expenses	785	316
Actuarial gains (-)/losses (+)		
due to changes in demographic assumptions	12	-23
due to changes in financial assumptions	918	-7,374
due to experience adjustments	454	-217
Contribution by participants	140	-
Payments from company assets	-1,555	-1,613
Payments from plan assets	-91	-36
Settlements	-30	-177
Desinvestments	-583	-
Other changes	-68	46
Present value of the obligation as of 31 December	**25,203**	**24,763**

In thousand EUR	2023	2022
Plan assets as of 1 January	**1,742**	**1,714**
Interest income on plan assets	53	15
Return on plan assets not included in interest income	-13	22
Contributions by the employer	11	46
Contribution by participants	140	-
Payments from plan assets	-91	-36
Other changes	-18	-19
Plan assets as of 31 December	**1,824**	**1,742**

As of 31 December 2023, the plan assets consisted of employer's pension liability insurance policies of EUR 741k (prior year: EUR 638k), pension trusts of EUR 341k (prior year: EUR 352k), direct insurance policies of EUR 253k (prior year: EUR 266k), and other forms of insurance of EUR 489k (prior year: EUR 486k). The expected contributions to plan assets amount to EUR 11k in the following year.

The expenses for defined benefit plans recognized in profit or loss are as follows:

In thousand EUR	2023	2022
Service costs	-458	-511
Net interest expense	-732	-301
Total pension expenses	**-1,190**	**-812**

In 2023, of the total amount of expenses for defined benefit plans, EUR 301k (prior year: EUR 444k) were included in cost of sales, EUR 86k (prior year: EUR 43k) in selling costs and EUR 71k (prior year: EUR 24k) in general and administrative costs. The net interest expense from unwinding of the discount on the obligation as well as from the return on plan assets of EUR 732k (prior year: EUR 301k) is included in finance expenses.

Actuarial assumptions

The following actuarial assumptions were used to calculate pension provisions and similar obligations:

	31 Dec 2023	31 Dec 2022
Discount rate	3.3%	3.7%
Wage and salary trend	2.7%	2.5%
Pension trend	2.20%	2.20%

As in the prior year, life expectancy in Germany is based on the 2018G mortality tables of Prof. Heubeck.

The wage and salary trends take into account inflation adjustments and career-related salary increases, and are based (similar to the turnover rates) on past experience and expectations for the future.

The pension trends either correspond to the contractually guaranteed pension adjustments or are based on the provisions in place for pension adjustments.

Changes in the principal actuarial assumptions would have had the following effects on defined benefit obligations:

	In thousand EUR	31 Dec 2023	31 Dec 2022
Discount rate	1 (prior year: 0.5) percentage points higher	-2,104	-1,103
	1 (prior year: 0.5) percentage points lower	2,537	1,210
Wage and salary trend	0.5 percentage points higher	221	107
	0.5 percentage points lower	-205	-101
Pension trend	0.5 percentage points higher	781	942
	0.5 percentage points lower	-721	-869
Life expectancy	Decrease in mortality rate by 10%	664	727

The sensitivity analyses presented take into account the change of one assumption, with the other assumptions remaining unchanged compared with the original calculation. This means possible correlations between the individual assumptions were not taken into account. The method used to calculate the sensitivities is the same method that is used to determine the present value of the defined benefit obligation.

In order to examine the sensitivity of the present value of the defined benefit obligation to changes in the assumed life expectancy, the mortality rates were lowered by 10% in a comparative calculation, which as in the prior year resulted in an increase in life expectancy of around one year (prior year: one year).

The weighted average duration of the defined benefit obligation based on the present values of the obligation is 10.47 years (prior year: 10.72 years).

The maturity profile of undiscounted payments of the defined benefit obligation is as follows:

In thousand EUR	31 Dec 2023	31 Dec 2022
Payments due within the next financial year	1,570	1,727
Payments due in 2 to 5 years	5,767	5,965
Payments due in 6 to 10 years	6,592	6,467
Payments due in 11 to 15 years	5,863	5,899
Payments due in 16 to 20 years	4,543	4,839
Payments due in more than 20 years	8,833	10,138

30 Other non-current provisions

In thousand EUR	Long-service bonus provisions
1 January 2023	**2,887**
Additions	415
Utilization	-156
Release	33
Currency differences	32
Desinvestments	-165
31 December 2023	**3,046**

In 2023, the interest portion from unwinding of the discount on the long-service bonus provisions amounted to EUR 69k (prior year: EUR 17k).

31 Current provisions

In thousand EUR	Lawsuits and litigations	Onerous contracts	Warranties	Other	Total current provisions
1 January 2023	**576**	**275**	**2,192**	**6,262**	**9,305**
Additions	353	430	1,534	2,095	4,412
Utilization	-331	-200	-408	-1,415	-2,354
Release	-241	0	-1,041	-853	-2,135
Currency differences	-6	-	1	-37	-42
31 December 2023	**351**	**505**	**2,278**	**6,052**	**9,186**

The provisions recognized for lawsuits and litigations as of 31 December 2023 comprise various litigation risks.

The provisions for warranties primarily include provisions for freight and liability damage from operating activities.

The other current provisions include, among other things, various provisions for various contractual and recourse risks as well as provisions for outstanding invoices and customer bonuses.

Current provisions are expected to be utilized within twelve months of the balance sheet date.

32 Income tax liabilities

The recognized liabilities are calculated from accrued income tax expenses for financial year 2023 and prior financial years amounting to EUR 32,474k (prior year: EUR 33,509k), less prepayments of EUR 27,490k (prior year: EUR 24,868k).

33 Other liabilities

In thousand EUR	31 Dec 2023	31 Dec 2022
Liabilities relating to personnel:		
Wages and salaries	22,805	38,210
Social security	1,857	1,627
Accrued vacation	3,445	3,734
Other taxes and levies	6,018	7,825
Advances received from customers	1,789	1,941
Derivative financial instruments	1,124	4,802
Other liabilities, accruals and deferred income	10,314	7,769
Total other current liabilities	**47,352**	**65,908**
Sundry other non-current liabilities	10	18
Total other non-current liabilities	**10**	**18**
Total other liabilities	**47,362**	**65,926**
thereof financial liabilities	*34,150*	*50,138*

The advances received from customers represent contract liabilities within the definition of IFRS 15. Further contract liabilities of EUR 18,014k were offset against trade receivables (prior year: EUR 22,308k).

The remaining maturities of the financial liabilities included in other liabilities are shown below:

In thousand EUR	Dec 31 2023	Dec 31 2022
Due within 1 year	34,150	50,120
Due 1 to 5 years	-	18
Other financial liabilities	**34,150**	**50,138**

Other Notes

34 Business combinations

On 1 December 2023, the Logwin Group acquired all shares in ATL Logistics B.V., Amsterdam, NL (hereinafter: "ATL Logistics"). At the same time, the previous shareholder acquired a minority interest in Logwin Air + Ocean The Netherlands B.V., which holds the shares in ATL Logistics B.V..

Logwin strengthens its existing organization of a global air and ocean freight network in the Netherlands with additional handling and storage capacities. In the period from 1 December 2023 to 31 December 2023, ATL Logistics BV generated revenue of EUR 664k and a net result of EUR 45k. If the acquisition had taken place on 1 January 2023, consolidated revenue for financial year 2023 would have increased by an estimated EUR 8,250k and consolidated profit by an estimated EUR 500k. This estimate is based on the assumption that the fair value determined at the time of acquisition would also have been appropriate in the event of an acquisition on 1 January 2023.

Details of the consideration transferred are as follows:

In thousand EUR	31 Dec 2023
Cash	4,225
Rollover Shares	611
Purchase Price	**4,836**

As part of the consideration, 10% of the shares in the acquiring company were transferred. This corresponds to a number of issued shares of 201,680. The fair value of the shares was confirmed using a multiple valuation based on normalized EBITDA.

The amounts recognized for the identifiable assets acquired and liabilities assumed are shown in the following table:

In thousand EUR	31 Dec 2023
Cash	372
Trade accounts receivable	906
Other assets	34
Property, plant and equipment	625
Customer Relationships	914
Intangible assets	15
Assets	**2,866**
Trade accounts payable	459
Lease obligations	555
Income tax liabilities	72
Other liabilities	137
Liabilities	**1,223**
Identifiable net assets	**1,643**
Fair value of consideration transferred	4,836
Goodwill arising from business combination	**3,193**

The resulting goodwill mainly results from the skills and professional qualifications of the employees as well as the expected synergies from the integration of ATL Logistics BV into the existing Air + Ocean business of the Logwin Group. Accordingly, the goodwill was allocated to the Air + Ocean cash-generating unit. As expected, the goodwill is not deductible for tax purposes.

To determine the fair value of the customer relationships, the present value of the expected net cash flows generated by the customer relationships was calculated. The fair value of customer relationships amounts to EUR 914k. The scheduled useful life is six years.

35 Additional information on financial instruments

The following tables provide additional information on the financial instruments held by the Logwin Group. They show the financial assets and liabilities by IFRS 9 measurement category as well as the balance sheet items containing financial instruments with the corresponding carrying amounts and the fair value.

Financial instruments by measurement category according to IFRS 9

In thousand EUR	Carrying amount 31.12.2023	Mandatory valuation at fair value in accordance with IFRS 9
Amortized cost	501,839	
Fair value through profit or loss (FVTPL)	7,918	7,918
Financial assets	**509,757**	**7,918**
Amortized cost	247,509	
Fair value through profit or loss (FVTPL)	1,124	1,124
Financial liabilities	**248,633**	**1,124**

In thousand EUR	Carrying amount 31.12.2022	Mandatory valuation at fair value in accordance with IFRS 9
Amortized cost	595,390	
Fair value through profit or loss (FVTPL)	11,057	11,057
Financial assets	**606,447**	**11,057**
Amortized cost	339,438	
Fair value through profit or loss (FVTPL)	4,802	4,802
Financial liabilities	**344,240**	**4,802**

Carrying amount and fair values of financial instruments by item of the balance sheet.
The following table reconciles the existing financial instruments to the corresponding items of the balance sheet and shows the respective measurement basis, carrying amount and the fair value as of the reporting date:

In thousand EUR	Measurement category in accordance with IFRS 9	**Carrying amount 31 Dec 2023**	Carrying amount in accordance with IFRS 16	**Fair Value 31 Dec 2023**
Assets				
	FVTPL	541		541
	non FI	174		
Investments	**Total**	**715**		
	AC	777		777
	n.a.	2,614	2,614	
	non FI	230		
Other non-current assets	**Total**	**3,621**		
	FVTPL	6,306		6,306
	AC	140,533		140,533
Trade accounts receivable and receivables from factoring	**Total**	**146,839**		**146,839**
	AC	5,064		5,064
	FVTPL	1,071		1,071
	n.a.	952	952	
	non FI	20,472		
Other receivables and current assets	**Total**	**27,559**		
Cash and cash equivalents	AC	**355,465**	-	**355,465**
Liabilities				
Non-current liabilities from leases	n.a.	**44,022**	**44,022**	-
Other non-current liabilities	AC	**10**	-	**10**
Trade accounts payable	AC	**214,428**	-	**214,428**
Current liabilities from leases	n.a.	**30,990**	**30,990**	-
Current loans and borrowings	AC	**47**	-	**47**
	AC	33,014	-	33,014
	FVTPL	1,124	-	1,124
	non FI	13,214	-	-
Other current liabilities	**Total**	**47,352**	-	-

Angaben in TEUR	Measurement category in accordance with IFRS 9	**Carrying amount 31 Dec 2022**	Carrying amount in accordance with IFRS 16	**Fair Value 31 Dec 2022**
Assets			-	
	FVTPL	506		506
	non FI	174		
Investments	**Total**	**680**	-	
	AC	566	-	566
	non FI	441	-	
Other non-current assets	**Total**	**1,007**	-	
	FVTPL	7,226	-	7,226
	AC	225,162	-	225,162
Trade accounts receivable and receivables from factoring	**Total**	**232,388**	-	**232,388**
	AC	5,883	-	4,548
	FVTPL	3,325	-	3,325
	non FI	24,185	-	
Other receivables and current assets	**Total**	**33,393**	-	
Cash and cash equivalents	AC	**363,778**	-	**363,778**
Liabilities				
Non-current liabilities from leases	n.a.	**54,354**	**54,354**	-
Other non-current liabilities	AC	**18**	-	**18**
Trade accounts payable	AC	**292,992**	-	**292,992**
Current liabilities from leases	n.a.	**26,598**	**26,598**	-
Current loans and borrowings	AC	**1,110**	-	**1,110**
	AC	45,318	-	45,318
	FVTPL	4,802	-	4,802
	non FI	15,788	-	-
Other current liabilities	**Total**	**65,908**	-	-

The fair values of financial instruments were determined based on the following methods and assumptions:

For listed securities, the fair value can be determined on the basis of market information available at the balance sheet date in accordance with Level 1. For publicly traded financial instruments, the market value on the balance sheet date represents the fair value of the instrument.

The fair values of derivative financial instruments were determined in accordance with Level 2 of the fair value hierarchy using the quoted prices of the contracting parties and valuation techniques such as the present value method based on currently observable market data. The fair values of the currency derivatives were calculated using the respective spot rate and the yield curves of the respective currency.

The fair values for other loans and borrowings with variable rates of interest were determined on the assumption that agreed rates of interest are equivalent to market interest rates. Consequently, their carrying amounts are deemed to match their fair values. Valuation models are used to calculate the fair values for loans and borrowings with fixed interest rates. The inputs (interest rates) are based on observable market data.

The fair values of trade accounts receivable and payable, other current assets and liabilities that were allocated to the "at amortized cost" category as well as cash and cash equivalents are deemed to match their carrying amounts owing to their short terms. Trade accounts receivable and receivables from factoring, for which the fair value is determined at level 3, are only subject to a default risk; therefore, if the credit risk were 1% higher or lower, the fair value would be 1% lower or higher.

The following table provides an overview of the classification of the financial assets and financial liabilities of the Logwin Group that were recognized at fair value, in accordance with the fair value hierarchy:

31 Dec 2023 In thousand EUR	Level 1	Level 2	Level 3	**Total**
Assets				
Investments	541	-	-	**541**
Trade accounts receivable and receivables from factoring	-	-	6,306	**6,306**
Other receivables and current assets	-	1,071	-	**1,071**
Total	**541**	**1,071**	**6,306**	**7,918**
Liabilities				
Other current liabilities	-	1,124	-	**1,124**

31 Dec 2022 In thousand EUR	Level 1	Level 2	Level 3	**Total**
Assets				
Investments	506	-	-	**506**
Trade accounts receivable and receivables from factoring	-	-	7,226	**7,226**
Other receivables and current assets	-	3,325	-	**3,325**
Total	**506**	**3,325**	**7,226**	**11,057**
Liabilities				
Other current liabilities	-	4,802	-	**4,802**

There were no transfers between Level 1, Level 2 and Level 3 in the reporting year and in the prior year.

Net results from financial instruments by measurement category

In thousand EUR	From interest	From subsequent measurement at Fair value	From subsequent measurement Impairment	Net result 2023
Assets at amortized cost	9,448	-	-776	**8,672**
Assets at FVTPL	-	1,682	-	**1,682**
Liabilities at amortized cost	-1,010	-	-	**-1,010**
Liabilities at FVTPL	-	-2,816	-	**-2,816**
Total	**8,438**	**-1,134**	**-776**	**6,528**

In thousand EUR	From interest	From subsequent measurement at Fair value	From subsequent measurement Impairment	Net result 2022
Assets at amortized cost	1,445	-	-1,080	**365**
Assets at FVTPL	-	1,434	-	**1,434**
Liabilities at amortized cost	-3,040	-	-	**-3,040**
Liabilities at FVTPL	-	-570	-	**-570**
Total	**-1,595**	**864**	**-1,080**	**-1,811**

Please refer to note 13 “Financial result” for information on interest income and expenses. Gains and losses from subsequent valuation at fair value relate primarily to the valuation of derivative financial instruments held to hedge currency risks. Impairment losses include impairments of receivables.

Financial risks

Liquidity risks

The business operations of the operating units of the Logwin Group as a logistics provider may require the use of loans, factoring and credit-related forms of finance, for example when renting or leasing infrastructure, transport equipment and other technical equipment and facilities over the short to medium term. Continuing restricted access to means of finance and guaranteed credit lines, insufficient availability of suitable receivables that can be sold in the factoring process or a sustained increase in the cost of such financing instruments could lead to considerable risks for liquidity and earnings at the Logwin Group.

The Logwin Group manages its liquidity risk by monitoring the current liquidity situation on a daily basis. Liquidity planning is used to determine future requirements and to analyze on a regular basis whether the Logwin Group is in a position to meet its financial liabilities by the agreed maturity dates. The Logwin Group also limits its liquidity risk through strict working capital management and financing from various sources. As of 31 December 2023, the Logwin Group had unused credit facilities of EUR 38.5m (prior year: EUR 37.7m). The Logwin Group can also utilize a contractually agreed maximum amount of EUR 60.0m (prior year: EUR 60.0m) from the factoring facility depending on the volume of receivables sold which was not used during the financial year 2023.

A maturity analysis of the financial obligations is presented in Note 36 "Financial commitments".

Engaging in the transportation business on a global scale requires the possibility of guarantees and collateral being provided by generally recognized guarantors, for example to customs and tax authorities and in the process of handling air and ocean transports worldwide. The Logwin Group will be faced with liquidity and earnings risks if such established financial instruments are no longer available to the Logwin Group to a sufficient extent, or if the customary mechanisms underlying international financial business transactions fail to work. The risk is reduced by diversification and contractual agreements with leading financial service providers selected according to defined criteria.

Credit risks

Credit risk is the risk that a counterparty will not meet its contractual obligations and that the Logwin Group will incur financial losses as a result. As of 31 December 2023, the Group's maximum credit risk, excluding collateral held or other credit enhancements, is derived from the carrying amounts of the respective financial assets reported in the consolidated balance sheet as of 31 December 2023. Value adjustments are made for impending default risks. Please refer to Note 23 "Trade accounts receivable, receivables from factoring and contract assets" for the scope of valuation allowances of trade receivables. In contrast, assets that are neither past due nor impaired are fully recoverable.

There are credit risks from customer and bank relationships that would have a negative impact on earnings if they were to materialize. The Logwin Group continues to limit the risks from bad debt losses from customer relationships by closely monitoring and restrictively granting payment terms and credit limits. Decisions on the granting of credit limits and payment terms are made on the basis of creditworthiness checks and further analyses. In addition, trade credit insurance is in place for the majority of customers in almost all countries. Credit risks from banking relationships (counterparty risk) are countered by diversifying banking relationships.

There is a risk of increased customer insolvencies in both business areas due to the current economic situation and significant price increases, particularly for raw materials, energy and other areas. In addition to the immediate effect of potential bad debt losses, this may have a longer-term negative effect on sales and earnings development due to the loss of existing business. The consistent hedging of default risks through credit insurance and the restrictive granting of payment terms and credit limits serve to reduce the potentially increased risks from this area.

In order to minimize the credit risk, the Logwin Group has developed credit risk classifications in order to categorize exposures according to their degree of default risk. The credit rating information is provided by independent rating agencies where available and, if not available, the Logwin Group uses other publicly available financial information and internally available information of the Group to evaluate its major customers and other debtors. The Group's exposure and the creditworthiness of the counterparties are continuously monitored and the total value of the transactions concluded is allocated to the eligible counterparties.

Currency risks

The companies of the Logwin Group generate revenues in various currencies in the course of carrying out their worldwide activities and therefore also recognize their assets in non- euro currencies. As a result, the Group is subject to ongoing currency risks. Moreover, between the companies of the Logwin Group there are internal financing balances in foreign currencies. As a result, a significant risk to earnings and liquidity from the negative effects of exchange rate movements cannot be excluded.

Wherever feasible, the Logwin Group reacts to potential foreign exchange risks affecting liquidity by using hedging instruments. Taking into account hedging activities, a change in the respective functional currency of the group companies by +/–10% in relation to the US dollar, the main foreign currency of the Logwin Group, as of 31 December 2023 would have an effect on the Group's net result of –/+ EUR 0.6m (prior year: –/+ EUR 2.8m).

As the euro is the reporting currency of the Logwin Group, the financial statements of the companies are translated into euro, which is the functional currency of the Group, for the purposes of the consolidated financial statements. These translation-related foreign currency risks are not typically hedged in the Logwin Group. This can create a considerable impact on the presentation of the earnings position and net assets of the Logwin Group.

Interest rate risks

Following a long period of low interest rates, interest rates increased significantly worldwide in the due to extensive monetary policy measures. Various influencing factors may lead to a further increase in interest rates. Increased interest rates can represent an earnings risk for the Logwin Group. As of 31 December 2022, the Group had floating-rate financial liabilities in the form of liabilities from lease agreements and loans. The interest rate risks arising from these contracts are closely monitored on an ongoing basis and tolerated to the current extent. For variable-interest financial instruments, a change in the reference interest rate of +/- 1% would lead to a change in net interest income of +/- EUR 1.0m (prior year: +/- EUR 1.0m).

Maturity analysis of financial liabilities

Next year, cash outflows for the servicing of financial liabilities are expected to amount to EUR 47k (prior year: EUR 1,110k).

Trade accounts payable and derivative financial liabilities existing on the reporting date are due within one year. Cash flows from derivative financial liabilities are settled within one year. Cash outflows of EUR 3.7m are offset by cash inflows of EUR 2.3m.

The maturity analysis of the leasing liabilities can be found in Note 21.

Forward exchange contracts

As of 31 December 2023, the Logwin Group had various forward exchange contracts to hedge the foreign exchange risk of the operating business and to secure Logwin AG's receivables or liabilities arising from group financing. The forward exchange contracts have a term of less than one year.

The following table shows the major transactions:

Angaben in Tausend	31 Dec 2023		31 Dec 2022	
	Nominal value in foreign currency	Nominal value in euros	Nominal value in foreign currency	Nominal value in euros
Forward exchange contracts to hedge receivables of Logwin AG arising from group financing and the operating activities of group companies				
Sell				
AED	15,530	3,872	11,740	3,098
AUD	8,077	4,882	18,754	12,319
CNY	79,900	10,154	99,700	14,065
CZK	20,700	848	1,700	70
GBP	2,866	3,299	3,900	4,514
HKD	143,200	17,049	208,400	26,389
HUF	95,500	2,416	510,000	1,200
MXN	56,500	2,913	85,545	3,926
PLN	13,502	2,979	3,150	665
RON	3,300	660	3,200	634
SGD	1,650	1,132	-	-
THB	8,240	214	-	-
TRY	15,400	464	22,120	1,111
USD	7,485	6,774	32,200	30,832
ZAR	24,900	1,222	12,150	667
Total	-	**58,878**	-	**99,490**
Forward exchange contracts to hedge receivables of Logwin AG arising from group financing and the operating activities of group companies				
Buy				
AED	26,930	6,727	21,500	5,661
AUD	8,284	5,002	17,813	11,523
CNY	161,930	20,717	213,080	30,410
CZK	29,500	1,217	16,800	692
GBP	4,541	5,263	4,850	5,607
HKD	245,550	28,761	422,850	52,790
HUF	1,085,000	2,709	1,030,000	2,476
MXN	2,600	138	28,000	1,313
PLN	30,302	6,804	-	-
RON	7,000	1,403	3,500	699
SGD	3,525	2,405	1,770	1,259
THB	2,000	53	4,100	112
TRY	24,600	760	30,200	1,522
TWD	17,000	508	17,000	538
USD	10,120	9,197	24,457	23,399
Total	-	**91,664**	-	**138,001**

The following table compares the fair values and the nominal amounts of the derivative financial instruments:

In thousand EUR	31 Dec 2023		31 Dec 2022	
	Nominal amount	Fair value	Nominal amount	Fair value
Assets				
Forward exchange contracts	51,475	1,071	102,757	3,325
Total	**51,475**	**1,071**	**102,757**	**3,325**
Liabilities				
Forward exchange contracts	99,067	1,124	134,733	4,802
Total	**99,067**	**1,124**	**134,733**	**4,802**

The assets are matched by liabilities from the valuation of the underlying financial transactions. Liabilities from forward exchange transactions are matched by assets from the valuation of the underlying internal financial transactions.

Netting agreements are set out in the master agreements in place with the banks through which derivative financial instruments are concluded. However, these netting agreements only take effect in the event of insolvency. The presentation of the net amount for accounting purposes is therefore not permitted, as there is only a theoretical right of set-off at the end of the reporting period. This would result in a total of EUR 1,071k being able to be offset against the reported liabilities of EUR 1,124k. In the prior year, a total of EUR 4,802k could have been offset against the reported assets of EUR 3,325k.

Capital management

The goal of the Logwin Group's capital management is to preserve its financial stability and maintain an adequate equity level for Logwin AG. It can react to negative changes in the capital structure by adjusting its equity or debt resources in particular through the utilization of existing credit facilities and the factoring facility.

Medium and long-term financial decisions are checked for their impact on the capital structure of the Logwin Group. In addition, short and medium-term changes in the capital structure are systematically monitored by analyzing working capital. In addition to changes in absolute values, a key aspect here is relative changes and changes relative to relevant figures such as revenues.

The following items are covered by capital management:

In thousand EUR	31 Dec 2023	31 Dec 2022
Liabilities from leases	-75,012	-80,952
Loans and borrowings	-47	-1,110
Gross financial debt	**-75,059**	**-82,062**
Cash and cash equivalents	355,465	363,778
Net liquidity	**280,406**	**281,716**
Trade accounts payable	-214,428	-292,992
Other liabilities and provisions	-59,594	-78,118
Trade accounts receivable and receivables from factoring	146,839	232,388
Contract assets	14,083	16,236
Income tax receivables/liabilities	-1,105	-5,488
Other non-current and current receivables and assets	31,180	34,400
Inventories	1,213	2,086
Working Capital	**-81,812**	**-91,488**
Shareholders' equity	**351,664**	**346,392**

36 Financial commitments

The following table shows all unrecognized financial commitments as of 31 December 2023 and 2022:

In thousand EUR	31 Dec 2023	31 Dec 2022
Due within 1 year	22,129	20,569
Due within 2 to 5 years	11,978	11,083
Due after 5 years	107	731
Total	**34,214**	**32,383**

The financial obligations in the financial year and the prior year consist mainly of obligations from service contracts.

37 Contingent liabilities and lawsuits

It can be assumed that the contingent liabilities in respect of bank, other guarantees and other liabilities arising in the ordinary course of business as of 31 December 2023 will not result in material obligations.

To the extent necessary, provisions are recognized for individual matters that could possibly lead to a claim. Beyond this, no claims are expected.

38 Auditor’s fees

The auditor’s fees for the financial and the prior year covered the following services (amounts excluding out-of-pocket expenses):

In thousand EUR	Auditors of Luxembourg companies		Auditor’s network abroad	
	2023	2022	2023	2022
Audit services	158	190	862	669
Other services	-	1	11	7
Total	**158**	**191**	**873**	**676**

In 2023, there was a change of auditor following a new invitation to tender for the audit of Logwin AG's financial statements. The prior year's figure relates to the predecessor auditor

39 Key management personnel compensation

For executive members of the Board of Directors who are directly employed by the company, the compensation consists of a basic and a variable component. The variable compensation is divided into a short-term and a long-term compensation component. The performance targets used as the basis for calculating the variable compensation consist of 80% key financial figures. In addition, 20% of the short-term variable compensation includes a personal component, which is based on personal targets. The long-term variable compensation is also based on the achievement of financial performance indicators and is determined for a multi-year period.

The compensation of non-executive members of the Board of Directors and of members of the Executive Committee includes all amounts received from group companies. The fixed portion of the regular compensation also includes other compensation components. In 2023, payments in the amount of EUR 76k (prior year: EUR 67k) were made to a defined contribution pension plan for members of the management.

In thousand EUR	2023	2022
Members of the Executive Committee	3,017	2,355
thereof fixed portion of regular compensation	*1,562*	*1,129*
thereof variable portion of regular compensation	*1,455*	*1,226*
Non-executive members of the Board of Directors (fixed compensation)	130	120

The compensation listed for members of the Executive Committee and the Board of Directors relates entirely to short-term benefits. At the end of the financial year, there were outstanding amounts due to members of the Executive Committee and the Board of Directors from variable and fixed compensation of EUR 1,585k (prior year: EUR 1,346k), which were reported under other liabilities. In addition, as of the reporting date, there were vacation commitments to members of the Executive Committee of EUR 142k (prior year: EUR 43k) reported under other liabilities.

40 Related party transactions

Entities and persons are regarded as related parties if one party has the ability to control the other party or has an interest in the entity that gives it significant influence over the entity, if the party is an associate or if the party is a member of the key personnel of the entity or its parent.

Mr. Stefan Quandt is considered to be a related party to Logwin AG, as he is the sole shareholder of DELTON Logistics S.à r.l., Grevenmacher, which holds a majority interest in Logwin AG. He is also the sole shareholder of DELTON Health AG and AQTON SE, both Bad Homburg, as well as a shareholder and Deputy Chairman of the Supervisory Board of BMW AG, Munich. He is a related party to these companies within the meaning of IAS 24 “Related Party Disclosures”.

The Logwin Group generated rental income of EUR 9k from DELTON Logistics S.à r.l. (prior year: EUR 8k). The Logwin Group purchased services from DELTON Logistics S.à r.l. in the amount of EUR 38k (prior year: EUR 63k). In addition, the following supply and service relationships existed with DELTON Health AG, Bad Homburg v.d.H. and its subsidiaries.

	DELTON Health AG and its subsidiaries	
In thousand EUR	2023	2022
Services provided	551	664
Services received	564	663
Receivables as of 31 December	9	35
Payables as of 31 December	224	213

Furthermore, Logwin AG had entered into a framework agreement with AQTON SE for money market transactions, which was cancelled with effect from 1 April 2022. The framework agreement on money market transactions was replaced by a loan agreement with a credit line of up to EUR 120.0m effective 1 April 2022. As of 31 December 2023, Logwin AG had short-term receivables from AQTON SE amounting to EUR100.0m (prior year: EUR 100.0m). The loans are subject to variable interest rates, applying a margin in line with the market, and can be withdrawn by Logwin AG at short notice. In the reporting period, expenses for custody fees of EUR 0k (prior year: EUR 31k) and interest income of EUR 3,464k (prior year: EUR 423k) were incurred in connection with these agreements.

In the financial year 2023, the Logwin Group's revenues from companies of the BMW Group amounted to EUR 9,698k (prior year: EUR 19,667k). Receivables from BMW Group amounted to EUR 986k as of 31 December 2023 (prior year: EUR 1,004k).

In addition, Logwin Group companies procured vehicles from the BMW Group, predominantly by leasing. This gave rise to expenses for the Logwin Group of EUR 753k in 2023 (prior year: EUR 768k). Liabilities to the BMW Group from unpaid lease installments amount to EUR 29k as of 31 December 2023 (prior year: EUR 7k).

The following business relationships applied with associated companies:

	Associated companies	
In thousand EUR	2023	2022
Services provided	941	2,468
Services received	347	527
Receivables as of 31 December	80	449
Payables as of 31 December	159	241

Furthermore, there were transactions between the Logwin Group and members of its Board of Directors. In financial year 2023, these resulted in expenses for the Logwin Group in an amount of EUR 102k (prior year: EUR 27k).

All transactions with related parties were conducted under standard market conditions at arm's length.

41 Events after the reporting period

No reportable events occurred between 31 December 2023 and the preparation of the consolidated financial statements by the Board of Directors of Logwin AG on 11 March 2024.

42 List of shareholdings

The table below lists all companies of the Logwin Group as of 31 December 2023:

	Share of capital
Solutions	
Logwin Solutions Management GmbH, DE-Großostheim	100.00%
Logwin Solutions Holding International GmbH, AT-Salzburg	100.00%
Logwin Solutions Austria GmbH, AT-Salzburg	100.00%
Logwin Solutions International Deutschland GmbH, DE-Großostheim	100.00%
Logwin Solutions Spedition GmbH, DE-Großostheim	100.00%
Logwin Solutions Spain S.A., ES-Madrid	100.00%
LOGWIN Romania S.R.L, RO-Bukarest	100.00%
Logwin Portugal Unipessoal LDA, PT-Porto	100.00%
Logwin Solutions Deutschland GmbH, DE-Großostheim	100.00%
Logwin Solutions Logistik GmbH, DE-Großostheim	100.00%
Air + Ocean	
Logwin Air + Ocean International GmbH, DE-Großostheim	100.00%
Logwin Air + Ocean Deutschland GmbH, DE-Großostheim	100.00%
Logwin Air + Ocean UK Limited, GB-Uxbridge	100.00%
Logwin Air + Ocean Belgium N.V., BE-Antwerpen	100.00%
Logwin Air + Ocean Czech S.r.o., CZ-Prag	100.00%
Logwin Air + Ocean Hungary Kft., HU-Budapest	100.00%
Logwin Air + Ocean The Netherlands B.V., NL-1438 AX Oude Meer	90.00%
ATL Logistics BV, NL-Amsterdam	90.00%
Logwin Poland Sp.z.o.o., PL-Piaseczno	100.00%
Logwin Air + Ocean Italy S.r.l., IT-Milano	51.00%
Logwin Air & Ocean Spain S.L., ES-Barcelona	100.00%
Logwin Air + Ocean Austria GmbH, AT-Salzburg	100.00%
Logwin Air and Ocean Lojistik Hizmetleri ve Ticaret Limited Sirketi, TR-Istanbul	100.00%
Logwin Air + Ocean Slovakia s.r.o. SK-Bratislava	100.00%
Logwin Air + Ocean France S.A.S., FR-Villepinte	100.00%
Logwin Air and Ocean South Africa (Pty.) Ltd., ZA-Johannesburg	100.00%
Logwin Air and Ocean Kenya Ltd., KE-Nairobi	60.00%
Logwin Air & Ocean Hong Kong Ltd., HK-Hongkong	100.00%
Logwin Air + Ocean Taiwan Ltd, TW-Taipeh	100.00%
Logwin Air + Ocean Philippines Inc., PH-Paranaque City	100.00%
Logwin Air & Ocean Korea Ltd., KR-Seoul	100.00%
Logwin Air + Ocean China Ltd., CN-Shanghai	100.00%
Logwin Air & Ocean Far East Ltd., HK-Hongkong	100.00%
Logwin Air + Ocean Singapore Pte. Ltd., SG-Singapore	100.00%
Logwin Air & Ocean Vietnam Company Limited , VN-Hochiminh City	100.00%
Logwin Air + Ocean Malaysia Sdn. Bhd., MY-Kuala Lumpur	100.00%
Logwin Air + Ocean (Thailand) Ltd., TH-Bangkok	100.00%

Logwin Air and Ocean Holding (Thailand) Co., Ltd., TH-Bangkok	100.00%
P.T. Logwin Air & Ocean Indonesia, ID-Jakarta	90.00%
Logwin Air & Ocean India Pvt. Ltd., IN-Mumbai	100.00%
Logwin Air & Ocean Australia Pty. Ltd., AU-Alexandria	100.00%
Logwin Air + Ocean Mexico S.A. de C.V., MX-City	100.00%
Logwin Air + Ocean Colombia SAS, CO-Bogota	100.00%
Logwin Air + Ocean Brazil Logística e Despacho Ltda., BR-Sao Paulo	100.00%
Logwin Air + Ocean Chile S.p.A., CL-Santiago	100.00%
Logwin Air + Ocean Perú S.R.L. PE-Lima	100.00%
Logwin Air & Ocean Middle East LLC, AE-Dubai	60.00%
Other	
Logwin AG, LU-Grevenmacher	100.00%
Logwin Holding Immo Aschaffenburg GmbH, DE-Großostheim	100.00%
Logwin Air + Ocean Holding Austria GmbH, AT-Salzburg	100.00%
Logwin Road + Rail Austria GmbH i.L., AT-Salzburg	100.00%
Thiel AS Logistics AG, LU-Grevenmacher	100.00%
Logwin Road + Rail Deutschland GmbH, DE-Großostheim	100.00%
Logwin Holding Aschaffenburg GmbH, DE-Großostheim	100.00%
Logwin Finance GmbH, DE-Großostheim	100.00%
Aschaffenburger Versicherungsmakler GmbH, DE-Großostheim	100.00%
Nicht konsolidiert	
Leadway Freight Ltd. HK-Hongkong n.o.	100.00%
Logwin Forwarding Malaysia Sdn. Bhd., MY-Kuala Lumpur	49.00%
Supply Chain International Ltd., NZ-Auckland	33.00%
East West Freight Limited, HK-Hongkong	100.00%
Leadway Container Line Ltd., SG-Singapore	100.00%
Hellmann Beverage Logistics Inc, US-FL-Miami	50.00%
Transcontainer-Universal GmbH & Co. KG, DE-Bremen	0.80%

Investments of the Logwin AG are not consolidated, if the company does not carry out any business operations or is of minor significance for the consolidated financial statements of Logwin AG. Furthermore, investments in associated companies are not recognized by using the at equity method if they are of minor significance for the consolidated financial statements.

In the reporting year 2023, the Logwin Group employed an average of 3,846 employees (prior year: 4,121).

Declaration by the Board of Directors

The Board of Directors is responsible for the preparation, completeness and accuracy of the consolidated financial statements and the group management report, as well as for all other information provided in the Annual Financial Report.

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Pursuant to the provisions of the Luxembourg Commercial Code, the group management report contains an analysis of the net assets, financial situation and earnings position of the Group, as well as further information.

The consolidated financial statements, the group management report and the independent auditor’s report were subject to a preliminary audit by the Audit Committee and discussed extensively in a meeting of the Board of Directors together with representatives of the audit firm.

The audit of the consolidated financial statements and the group management report for financial year 2023 did not give rise to any objections. By way of resolution by the Board of Directors, the consolidated financial statements and the group management report were therefore approved for publication.

In line with Luxembourg law, the consolidated financial statements and the group management report must still be approved by the Annual General Meeting.

The Board of Directors of Logwin AG

Grevenmacher (Luxembourg), 11 March 2024

Responsibility statement

"To the best of our knowledge and in accordance with the applicable reporting principles for consolidated financial reporting, the consolidated financial statements give a true and fair view of the net assets, financial situation and earnings position of the Group, and the group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group."

Dr. Antonius Wagner
(Chairman of the Board of Directors)

Sebastian Esser
(Deputy Chairman of the Board of Directors)

Audit report

To the Shareholders of
Logwin AG

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of Logwin AG (the "Company") and its subsidiaries (the "Group") as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee or equivalent.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated balance sheet as at 31 December 2023;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated 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.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

The non-audit services that we have provided to the Company and its controlled undertakings, if applicable, for the year then ended, are disclosed in Note 38 to the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Full recognition and accrual of trade receivables, contract assets and trade payables	
As of December 31, 2023, trade receivables and contract assets amounted to EUR 137.3 million and trade payables to EUR 214.4 million. At 19% and 29%, respectively, these items represent a significant share of total assets. Contract assets amounting to EUR 14.1 million were recognized as of December 31, 2023. Contract liabilities amounting to EUR 18.0 million were offset against unconditional claims to consideration that had already arisen as of the reporting date but were not yet due on account of the contractual terms and conditions. Please refer to note 7 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions made. Trade receivables and contract assets and thus the revenue generated from transport services in the Air + Ocean and Solutions business segments are recognized in full and accrued over time. This requires estimates and assumptions about the satisfaction of performance obligations with respect to individual transports. These	In light of the fact that the complexity of the applicable accounting standards and the estimates and assumptions that have to be made give rise to an increased risk that trade receivables and trade payables are not recognized in full and not accrued, our audit included assessing on a sample basis selected IT systems and the internal controls in respect of recognition, accrual and completeness that we identified as being relevant in the processes. Customer transactions were reviewed in particular at the level of the material operating companies. We reviewed the customer transactions on a sample basis using their contractual basis and verified the estimates and assumptions made. We also obtained balance confirmations for the material operating companies. At the Group level, we assessed the methodology for determining revenue recognition over time with regard to the time at which revenue can be recognized in accordance with the rules of IFRS 15.

estimates and assumptions are based on past experience and planned values as well as contractual agreements and arrangements. The recognition and accrual of trade receivables and contract assets depend on these estimates and assumptions and thus the judgments of the board of directors.

The full recognition of trade payables in connection with transport services and accrual of trade payables and thus the cost of sales from the transport services require estimates and assumptions regarding the satisfaction of performance obligations of the individual transports and the amount of the associated and possibly not yet invoiced costs. These estimates and assumptions are based on past experience and planned values as well as contractual agreements and arrangements. The full recognition and accrual of trade payables depend on the estimates and assumptions and thus the judgments of the board of directors.

In light of this and due to the complexity of the applicable accounting standards, the full recognition and accrual of trade receivables, contract assets and trade payables were of particular significance in the context of our audit.

Furthermore, we reviewed the determination of revenue recognition over time on the basis of the satisfaction of the performance obligations and assessed the underlying shipment data.

Trade payables were also reviewed at the level of the material operating companies. We obtained balance confirmations for the material operating companies. In addition, we assessed the actual utilization of the accruals recognized in the previous year for outstanding invoices in the fiscal year and took the associated findings into account in our assessment of the accruals as of the current reporting date. Furthermore, the recognized accruals were reviewed as of December 31, 2023.

We were able to satisfy ourselves that the IT systems, processes and internal controls in place are appropriate and that the estimates and the assumptions made by the board of directors are sufficiently documented and the judgments thus sufficiently substantiated to serve as a basis for the proper recognition and accrual of trade receivables, contract assets and trade payables.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the group management report and the Corporate Governance Statement but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. 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 in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 consolidated financial statements.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated 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 audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

We assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Report on other legal and regulatory requirements

The group management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement, as published on the Group's website https://www.logwin-logistics.com/company/overview/corporate-governance, is the responsibility of the Board of Directors. The information required by Article 68ter Paragraph (1) Letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent, at the date of this report, with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have been appointed as "Réviseur d'Entreprises Agréé" by the General Meeting of the Shareholders on 31 March 2023 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 1 year.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2023 with relevant statutory requirements set out in the ESEF Regulation that are applicable to consolidated financial statements.

For the Group it relates to the requirement that:

- the consolidated financial statements are prepared in a valid XHTML format;
- the XBRL markup of the consolidated financial statements uses the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2023 have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

PricewaterhouseCoopers, Société coopérative   Luxembourg, 11 March 2024

Represented by

Patrick Schon

Logwin AG | ZIR Potaschberg |5, an de Längten | L-6776 Grevenmacher | Luxembourg