

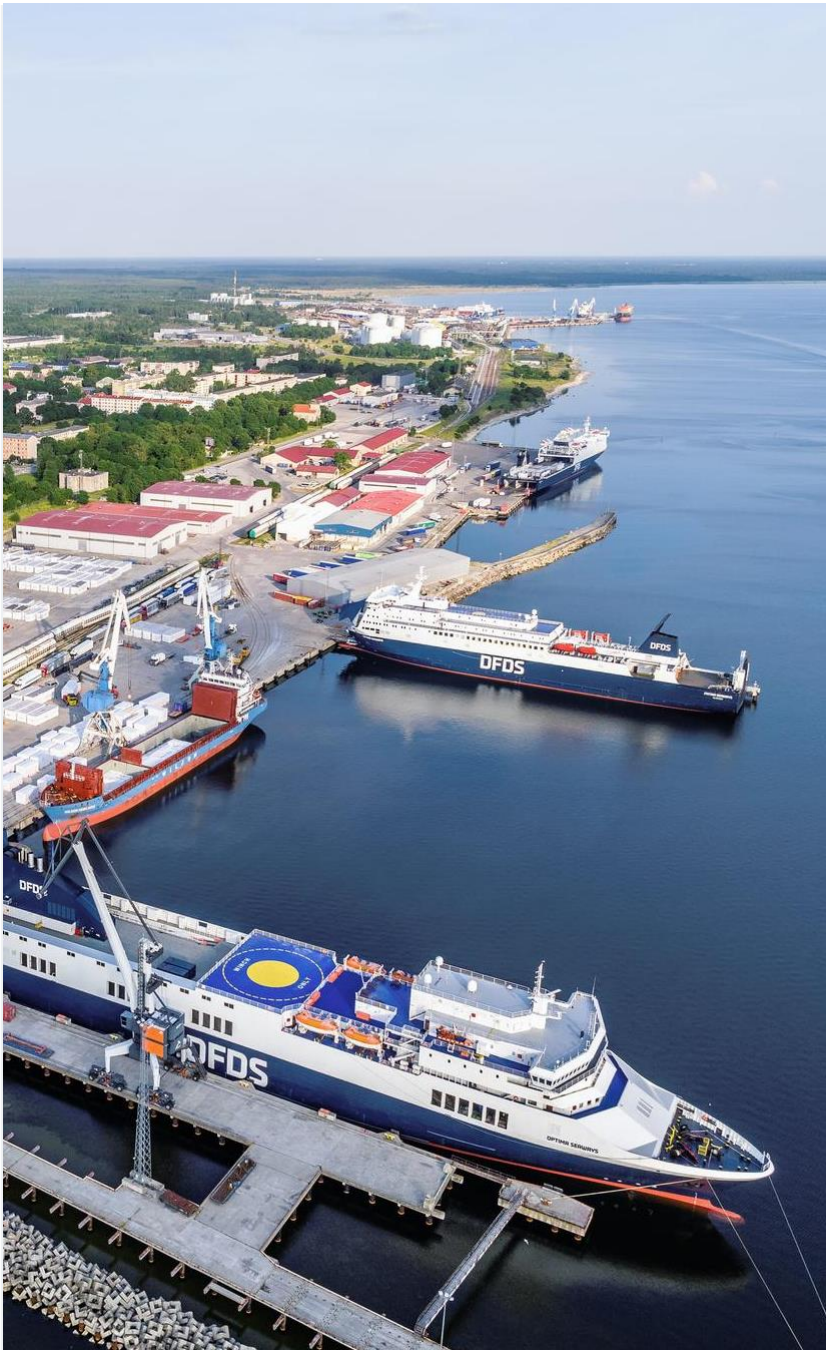
Outlook raised by strong Q3

Q3 2022 investor call



17 November 2022





Content

- Q3 overview
- Q3 numbers
- 2022 outlook

The statements about the future in this announcement contain risks and uncertainties. This entails that actual developments may diverge significantly from statements about the future.

Strong Q3 moves ROIC above 8% target & leverage back in target range

- **Freight ferry** Q3 demand held steady as growth picture becomes more mixed
- **Logistics** EBITDA at DKK 1bn for Q3 last-twelve-months (LTM)
- **Passenger** high season stronger than expected, Q3 result 11% above 2019
- **ROIC** of 8.4% exceeds 8.0% target
- **Financial leverage** of 2.9x back in target range of 2-3x

Q3 revenue up

64%

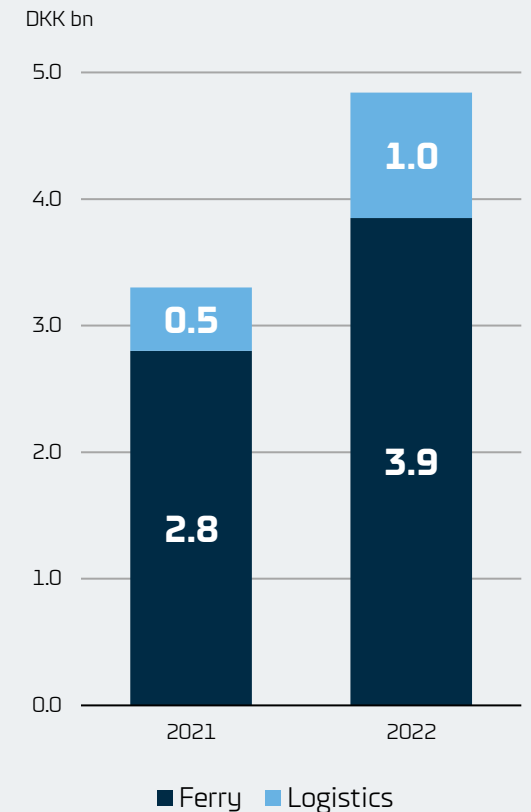
to DKK 7.2bn

Q3 EBITDA up

88%

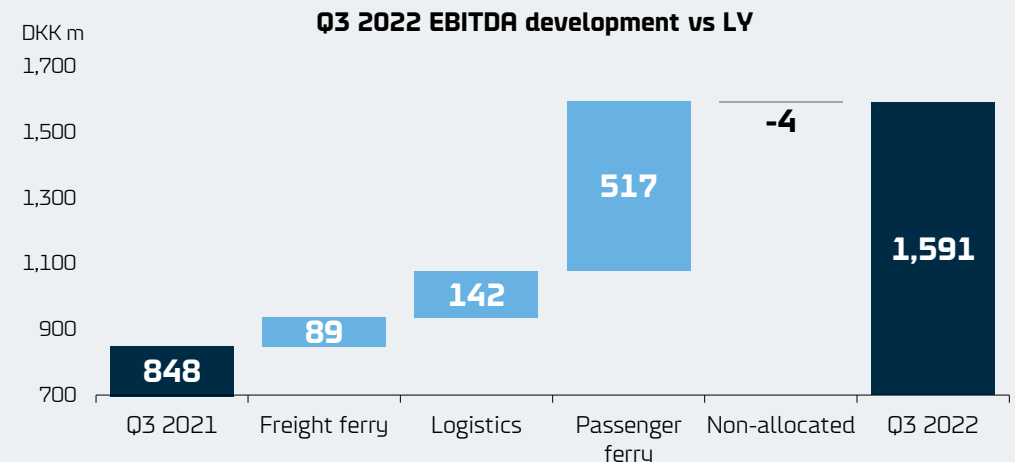
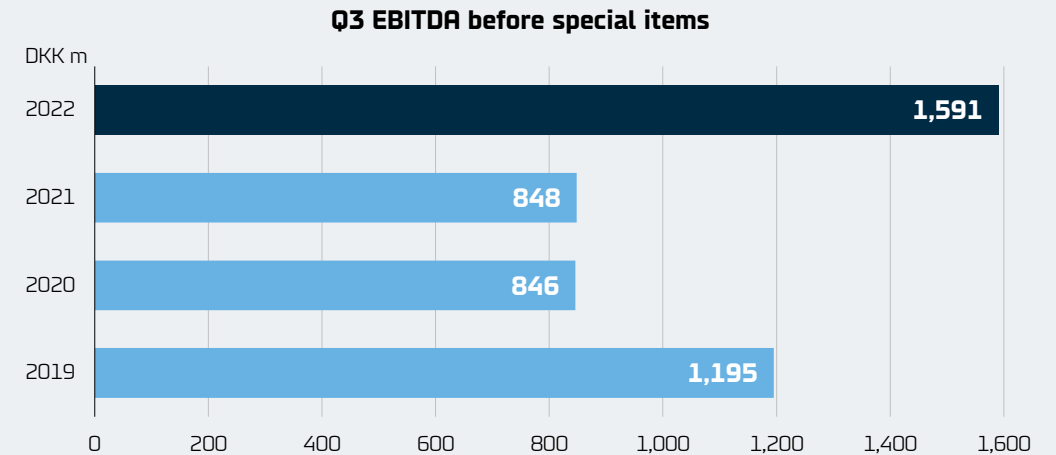
to DKK 1.6bn

Earnings raised significantly
EBITDA, LTM Q3



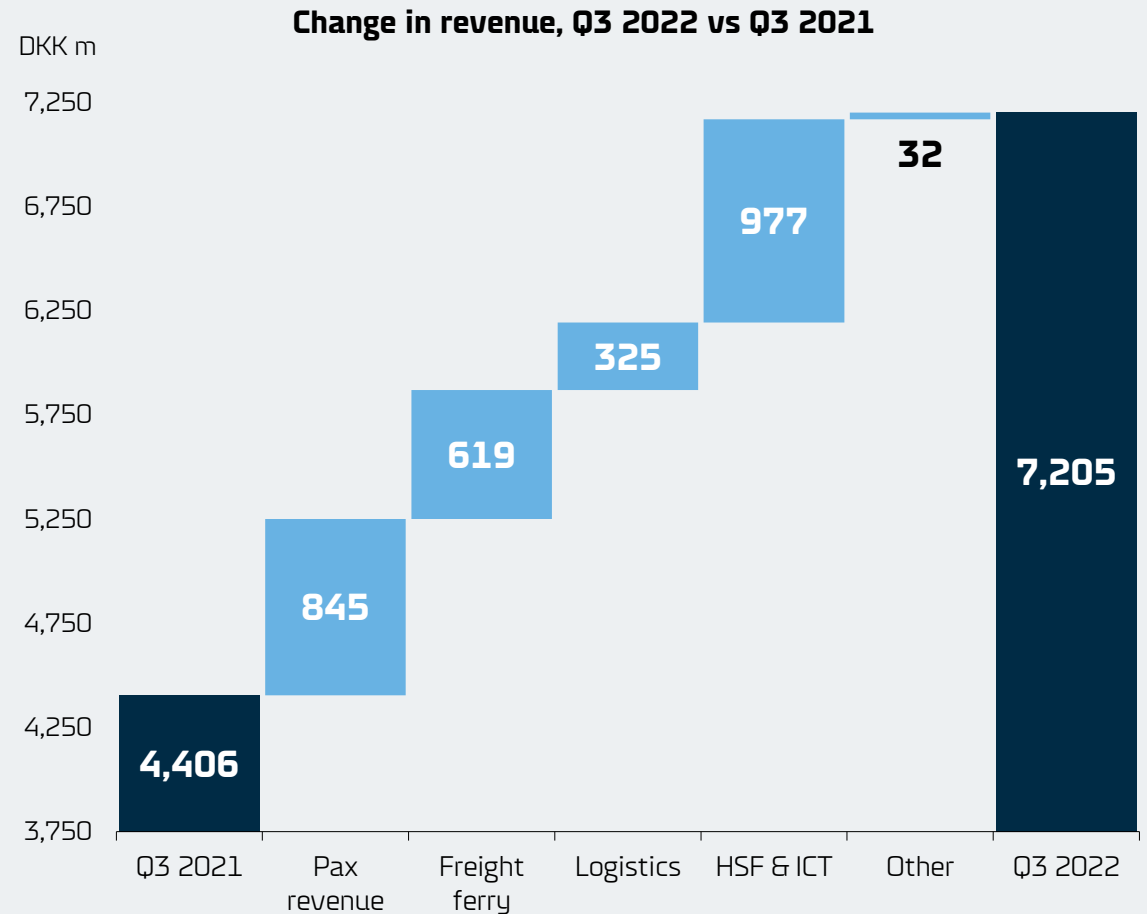
Q3 EBITDA boosted by passenger recovery and improved logistics result

- **DFDS Group** revenue up 64%; EBITDA up 88% to DKK 1.59bn
- **Ferry freight** EBITDA increased 13% to DKK 741m driven by North Sea and Mediterranean; Channel lower
- **Passenger** recovery increased EBITDA to DKK 569m from DKK 52m in 2021
- **Logistics** EBITDA up 91% to DKK 297m from improved cost coverage, performance, and acquisitions



Revenue lifted by acquisitions, passenger recovery, BAF & logistics

- **Passenger** up DKK 845m driven by Passenger and Channel
- **Freight ferry** increase mainly due to pass-through of bunker costs
- **Logistics** growth reflects price increases, surcharges, solutions growth, and customs revenue
- **Acquisition** revenue of DKK 977m, of which DKK 905m from HSF and DKK 72m from ICT



Q3 2022 income statement – margins improved

- **EBITDA** up 88% primarily driven by passenger recovery, improved logistics results, and addition of HSF Logistics Group
- **Depreciation** up DKK 106m of which around 60% from acquisitions. Remainder mostly due to newbuildings
- **EBIT** almost tripled to DKK 968m and margin increased 5.9 ppt to 13.4%
- **Finance** cost up DKK 46m as net interest cost increased DKK 14m. Negative variance on currency adjustments of DKK 32m
- **Profit before tax** up 224% to DKK 853m

DFDS Group P/L DKK m	Q3 21	Q3 22	Δ	Δ
Revenue	4,406	7,205	2,799	64%
EBITDA*	848	1,591	742	88%
<i>Margin</i>	<i>19.3%</i>	<i>22.1%</i>	<i>2.8%</i>	
<i>Ferry Division</i>	<i>705</i>	<i>1,310</i>	<i>605</i>	<i>86%</i>
<i>Logistics Division</i>	<i>155</i>	<i>297</i>	<i>142</i>	<i>91%</i>
<i>Non-allocated</i>	<i>-12</i>	<i>-16</i>	<i>-4</i>	<i>n.a.</i>
P/L associates	-3	-2	1	n.a.
Gain/loss on assets	1	1	-1	-54%
Depreciation	-514	-621	-106	21%
EBIT*	332	968	636	191%
<i>Margin</i>	<i>7.5%</i>	<i>13.4%</i>	<i>5.9%</i>	
Finance	-69	-115	-46	66%
Profit before tax*	263	853	590	224%
Tax	-49	-36	13	-27%
Profit after tax*	214	817	603	282%
Special items	28	0	-28	n.a.

*Before special items

Financial leverage reduced to 2.9x - back in target range

- **Operating cash flow** up 16% to DKK 1.3bn despite seasonal negative cash impact from working capital
- **Capex** includes DKK 0.3bn for a freight ferry purchase
- **ROIC** increased to 8.4% by passenger high season and higher freight earnings
- **NIBD** up 15% to DKK 14.0bn mostly due to acquisitions, incl. Lucey, and newbuildings
- NIBD/EBITDA-ratio reduced to 2.9x*, hence back in 2.0-3.0x target range

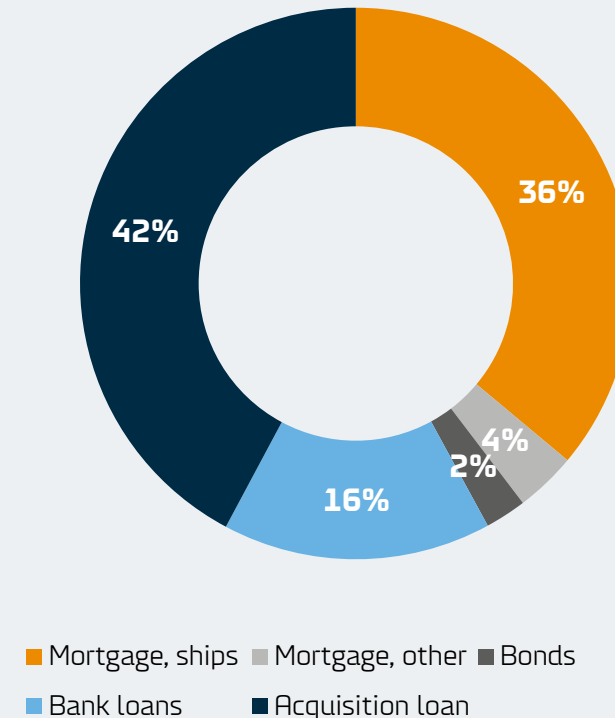
DKK m	Q3 21	Q3 22	Δ	Δ
Cash flow				
Operating cash flow	1,147	1,335	188	16%
Investments, total	-1,106	-987	119	-11%
<i>Operating</i>	-190	-436	-246	129%
<i>Ferries, sale/purchase/newbuildings</i>	46	-325	-371	-807%
<i>Acquisitions</i>	-962	-226	n.a.	n.a.
Adjusted free cash flow	-192	85	277	-144%
Key figures				
Invested capital, end	23,795	27,125	3,330	14%
ROIC before special items	5.6%	8.4%	2.8%	n.a.
Return on equity	7.7%	15.8%	8.1%	n.a.
NIBD	12,226	14,038	1,812	15%
NIBD/EBITDA, times	3.6	2.9	-0.7	n.a.
Equity ratio	36.8%	37.3%	0.5%	n.a.

*Including LTM pro forma EBITDA for acquisitions

Debt refinancing ongoing

- **Interest-bearing debt** of DKK 11.6bn, excluding IFRS 16 lease liabilities
- Debt with **fixed interest** around 40% of total
- **Bond** financing expired in Q3 2022, replaced with bridge until end 2023
- Investment grade **rating** obtained
- UNRR **acquisition loan*** of DKK 4.9bn expiring in Q2 2023, refinancing ongoing with existing bank syndicate

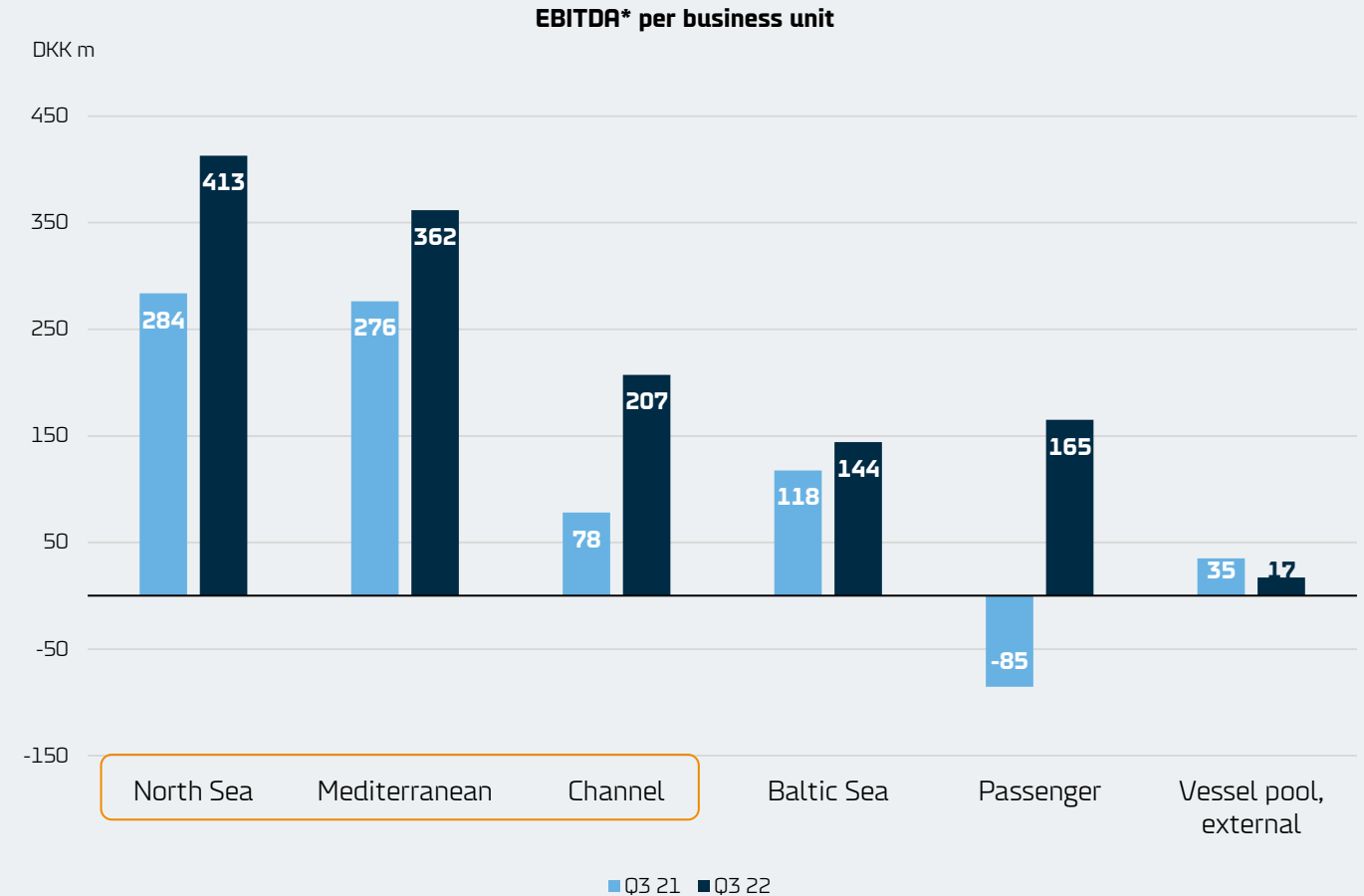
Interest-bearing debt, excl. lease liabilities, Q3 2022



*Reported as short-term in Q3 2022

All Ferry business units increased EBITDA

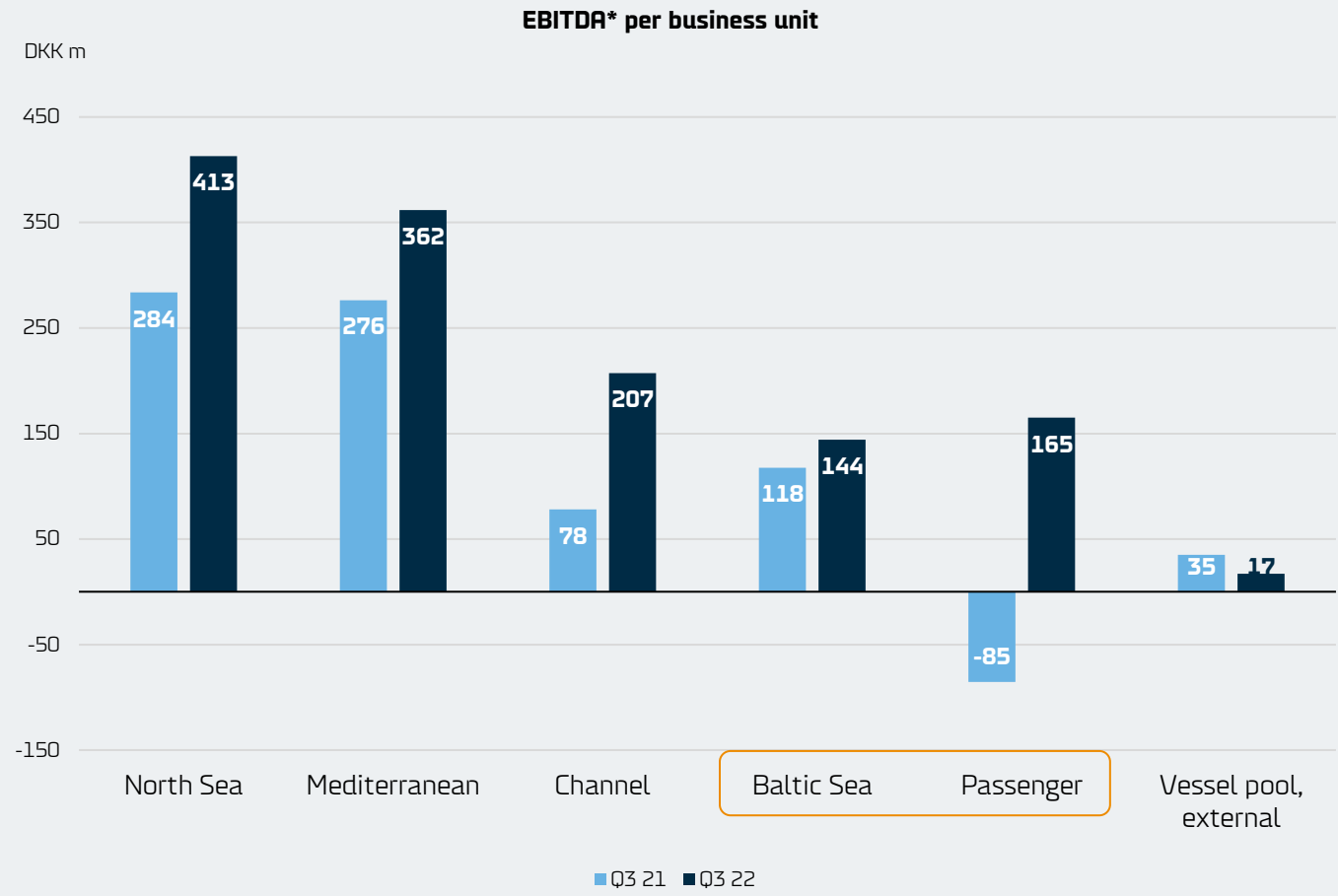
- **North Sea** up 45% driven by higher revenue from rates and standage fees in port terminals and lower operating costs
- **Mediterranean** up 31% driven by 7% volume growth that was lowered by fires in Trieste region
- **Channel** up 166% as recovery of passenger volumes and duty-free sales offset a lower freight result



*Before special items

All Ferry business units increased EBITDA

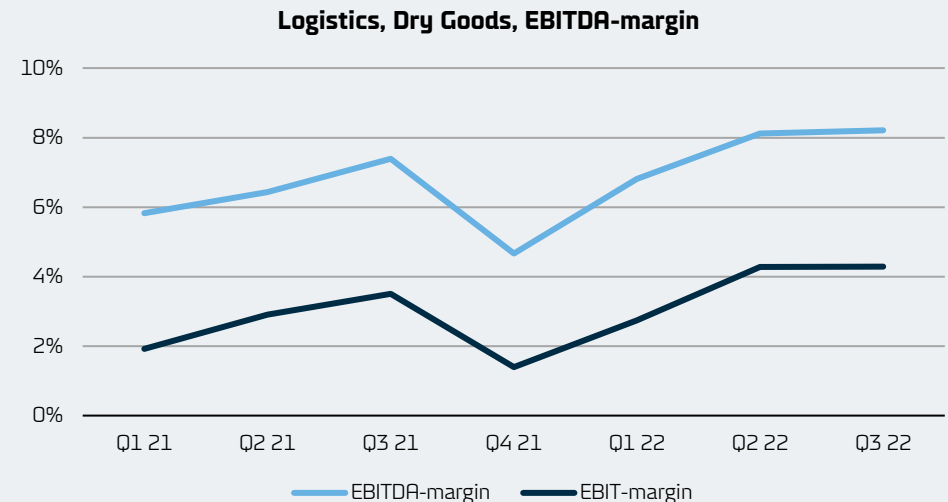
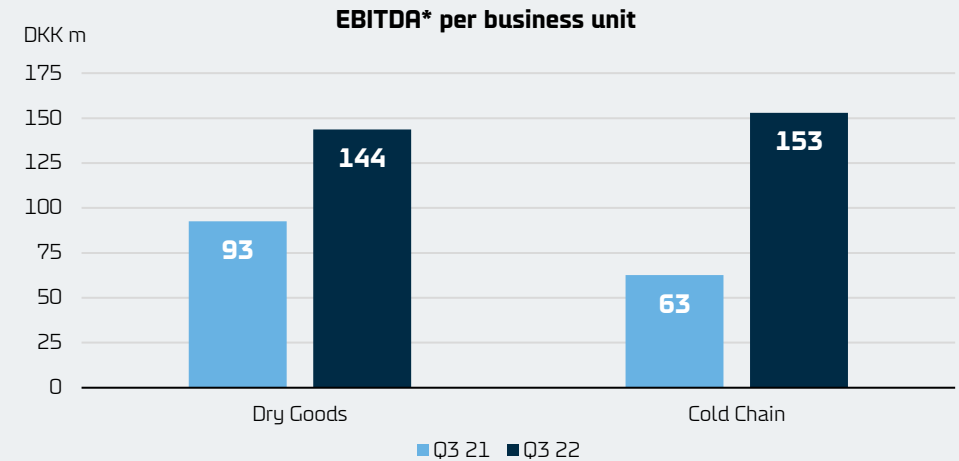
- **Baltic Sea** up 22% as lower operating costs and higher passenger earnings offset lower freight volumes
- **Passenger** up DKK 250m following the recovery in passenger volumes and increased average revenue per pax which partly offset a higher bunker cost



Logistics EBITDA up 91% to DKK 297m

- **Dry Goods** up 55% as margin improvement of previous quarters was sustained in Q3
- Most Nordic and Continent activities improved earnings
- UK & Ireland on level with 2021
- Continued high demand for warehousing

- **Cold Chain** increased DKK 90m to DKK 153m driven by HSF Logistics Group
- Improvements in Nordic and Continent
- Integration progressing as planned
- UK & Ireland on level with 2021



Key ESG actions

- **Ferry** CO2 emissions reduced 4% in Q3 across the ferry network
- Sailing schedules adapted to allow for further **slow steaming**
- First batch of **biofuel** (B100) being tested on Vlaardingen-Immingham
- 2 **eTrucks** running in Ghent and Got. 20 additional eTrucks in Dec/Jan
- 1m kWh of **clean electricity** produced by warehouse solar panels in 2022



2022 OUTLOOK

Outlook 2022 – EBITDA and revenue growth raised, again

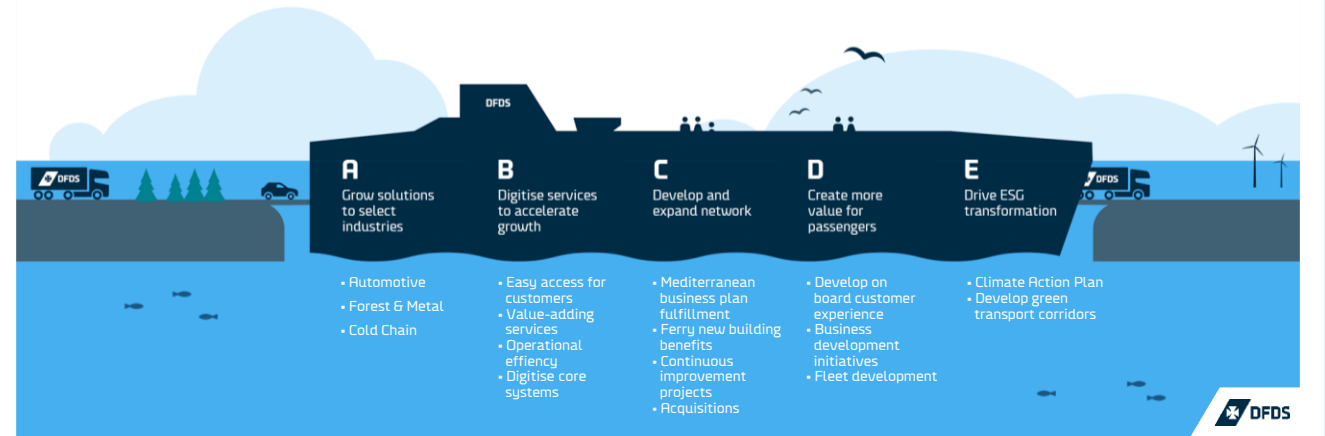
- **Revenue** growth raised to around 45% (previously around 40%)
- Increase mainly due to higher revenue from oil surcharges
- **EBITDA** range raised to DKK 4.8-5.0bn by stronger than expected Q3 result
- **Investments** unchanged

DKK m	Outlook 2022	Previous	2021
Revenue growth	Around 45%	Around 40%	17,869
EBITDA before special items	4,800-5,000	4,400-4,800	3,411
<i>Per division:</i>			
Ferry Division	3,900-4,000	3,500-3,800	2,853
Logistics Division	950-1,050	950-1,050	593
Non-allocated items	-50	-50	-35
Investments	-2,700	-2,700	-3,210
<i>Types:</i>			
Operating	-1,500	-1,600	-975
Ferries: sale & purchase, newbuildings	-900	-800	-490
Acquisitions	-300	-300	-1,745

Key current priorities

- Continuous **adaptation** of capacity to demand changes – as always
- **Organic** growth
- **Inorganic** growth through M&A and other initiatives
- Align **pricing** with cost dynamics
- **Green** transition projects

DFDS strategy





Q&A

