

Q3 2022 interim report

OUTLOOK RAISED BY STRONG Q3

- Q3 EBITDA up 88% to DKK 1.59bn
- Higher earnings in all business units
- Passenger earnings 11% above 2019 (pre-Covid-19)
- Financial leverage of 2.9x back in target range
- Full-year EBITDA outlook raised to DKK 4.8-5.0bn



Highlights Q3

Q3 2022

- ROIC above 8% target
- Operating cash flow of DKK 1.4bn
- Ferry CO2 emissions reduced 4% (g/CO2/GT per mile)

Outlook 2022

- EBITDA raised to DKK 4.8-5.0bn (previously DKK 4.4-4.8bn)
- Revenue growth of around 45%

“Steady demand from freight customers and strong return of passengers raised our result again in Q3. With financial leverage back in our target range, we are well positioned to face challenges and to pursue growth opportunities.”

Torben Carlsen, CEO

Group revenue increased 64% to DKK 7.2bn driven by the continued recovery in passenger numbers and spending as well as price increases for freight services to cover rising energy and other costs. Revenue was also increased by the acquisitions of HSF Logistics Group in September 2021 and ICT Logistics in January 2022.

Total EBITDA before special items increased 88% to DKK 1,591m. The EBITDA for freight ferry and logistics activities increased 28% to DKK 1,036m driven by higher earnings in all business units except for Channel. Oil price increases were covered by the contractual pass-through clauses for ferry services. Cost coverage for logistics services improved in Q3 on the back of initiatives taken in previous quarters.

The Q3 EBITDA for passenger activities in the Channel, Baltic Sea, and Passenger business units increased to DKK 569m from DKK 52m in 2021. The continued recovery in passenger travel improved earnings in all three business units. The Q3 passenger EBITDA was 11% above 2019, the latest pre-Covid-19 year.

Outlook 2022

The outlook for EBITDA before special items is raised to DKK 4.8-5.0bn following a strong Q3 result and steady demand in both freight and passenger markets (previously DKK 4.4-4.8bn, 2021: DKK 3.4bn). Revenue is expected to grow by around 45% compared to 2021 (previously around 40%). The outlook is detailed on page 10.

KEY FIGURES

DKK m	2022 Q3	2021 Q3	Change, %	2021-22 LTM	2020-21 LTM	Change, %	2021 FV
Revenue	7,205	4,406	64	25,458	16,148	58	17,869
EBITDA before special items	1,591	848	88	4,786	3,265	47	3,411
EBIT before special items	968	332	191	2,317	1,294	79	1,313
Profit before tax and special items	853	263	224	2,000	974	105	1,035
Profit before tax	853	291	193	2,021	907	123	1,069

17 November 2022. Conference call today at 10.00am CET

Register ahead of the call via this [link](#). Access code is mailed after registration.

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Key figures

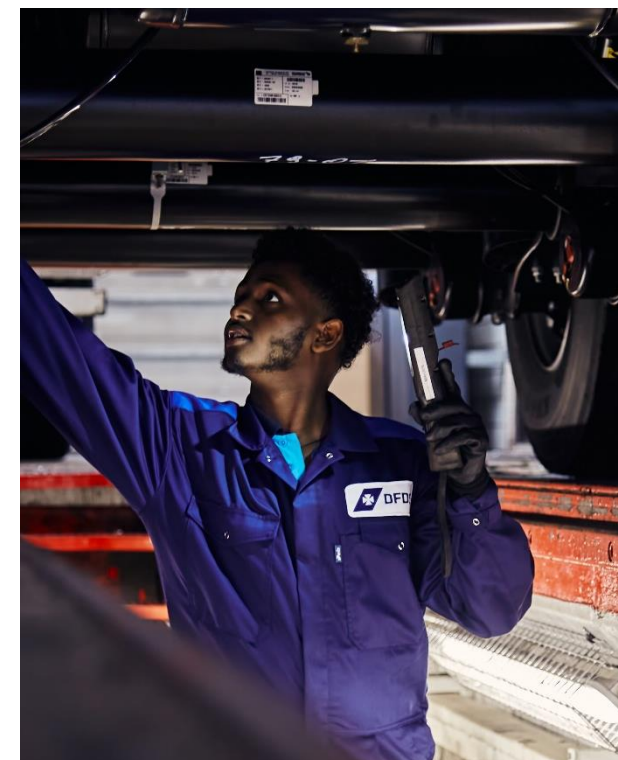
DKK m	2022 Q3	2021 Q3	2022 Q1-Q3	2021 Q1-Q3	2021-22 LTM	2021 Full year
Income statement						
Revenue	7,205	4,406	19,976	12,387	25,458	17,869
• Ferry Division	4,634	3,029	12,424	8,583	15,647	11,806
• Logistics Division	2,947	1,633	8,591	4,614	11,132	7,155
• Non-allocated items	166	124	481	397	610	526
• Eliminations	-542	-380	-1,520	-1,207	-1,931	-1,618
Operating profit before depreciation (EBITDA) and special items	1,591	848	3,871	2,496	4,786	3,411
• Ferry Division	1,310	704	3,110	2,112	3,852	2,852
• Logistics Division	297	155	787	382	998	593
• Non-allocated items	-16	-11	-27	2	-64	-34
Profit/loss on disposal of non-current assets, net	1	1	9	3	8	2
Operating profit (EBIT) before special items	968	332	2,008	1,004	2,317	1,313
Special items, net	0	28	17	30	21	34
Operating profit (EBIT)	968	360	2,025	1,034	2,338	1,348
Financial items, net	-115	-69	-264	-225	-317	-278
Profit before tax	853	291	1,762	810	2,021	1,069
Profit for the period	817	242	1,636	720	1,891	976
Profit for the period excluding non-controlling interest	814	238	1,625	707	1,877	958
Capital						
Total assets	-	-	34,188	30,435	-	30,721
DFDS A/S' share of equity	-	-	12,639	11,109	-	11,446
Equity	-	-	12,753	11,214	-	11,554
Net interest-bearing debt	-	-	14,038	12,226	-	13,481
Invested capital, end of period	-	-	27,125	23,795	-	25,369
Invested capital, average	26,634	23,335	26,265	22,813	25,771	23,324
Cash flows						
Cash flows from operating activities, before financial items and after tax	1,335	1,147	3,694	2,634	4,544	3,484
Cash flows from investing activities	-987	-1,106	-2,498	-1,616	-4,091	-3,210
• Acquisition of enterprises and activities	-224	-962	-280	-962	-1,083	-1,765
• Other investments, net	-763	-143	-2,218	-654	-3,008	-1,444
Free cash flow	348	41	1,196	1,018	453	274
Payment of lease liabilities and lease interest	-263	-233	-853	-655	-1,127	-929
Adjusted free cash flow (FCFF)	85	-192	344	363	-674	-655
Key operating and return ratios						
Average number of employees (FTE)	-	-	11,351	8,296	10,105	8,874
Number of ferries	-	-	82	80	-	80
Revenue growth (reported), %	63.5	22.5	61.3	21.3	42.5	27.9
EBITDA-margin before special items, %	22.1	19.3	19.4	20.1	18.8	19.1
Operating margin before special items, %	13.4	7.5	10.1	8.1	9.1	7.3
Revenue/invested capital average, times	-	-	-	-	1.0	0.8
Return on invested capital (ROIC), %	-	-	-	-	8.5	5.3
ROIC before special items, %	-	-	-	-	8.4	5.2
Return on equity, %	-	-	-	-	15.8	8.7
Key capital and per share ratios						
Equity ratio, %	-	-	37.3	36.8	-	37.6
Financial leverage, times	-	-	2.9	3.3	2.9	3.7
Earnings per share (EPS), DKK	14.21	4.15	28.38	12.30	32.76	16.69
Dividend paid per share, DKK	4.00	0.00	8.00	0.00	8.00	0.00
Number of shares, end of period, '000	-	-	58,632	58,632	-	58,632
Weighted average number of circulating shares, '000	-	-	57,351	57,735	-	57,416
Share price, DKK	-	-	197.9	341.2	-	349.0
Market value	-	-	11,330	19,571	-	20,018

Definitions on page 31

ESG key figures

	Unit	2022 Q3	2021 Q3	2022 Q1-Q3	2021 Q1-Q3	2021-22 LTM	2021 Full year*
Environmental data							
Total number of days operated	Days	5,801	5,827	17,514	17,278	23,433	23,197
CO2 emissions							
CO2 emissions per GT nautical mile (Own fleet)	gCO2	12.3	12.8	12.6	13.0	12.6	13.0
CO2 emissions per GT nautical mile (Route network)	gCO2	12.7	13.2	13.1	13.6	13.1	13.6
Energy consumption							
Total fuel consumption (Route network)	Tonnes	200,706	189,772	615,018	568,009	818,747	771,738
Oil spills							
Spills (>1 barrel)	Number	0	0	0	0	0	0
Social data							
Representation of women							
Total workforce:	%	-	-	24	25	-	24
• Non-officed based	%	-	-	13	14	-	13
• Office based	%	-	-	41	39	-	44
Senior management	%	-	-	15	17	-	17
Managers	%	-	-	16	13	-	14
Employees	%	-	-	25	27	-	27
Safety at sea							
Lost-time injury frequency (LTIF)	Incidents/mill. hours	5.2	5.5	4.8	4.3	4.4	4.3
Safety on land							
Lost-time injury frequency (LTIF)	Incidents/mill. hours	6.8	7.8	7.4	5.9	8.3	7.4
Fatalities							
Colleagues	Accidents	0	0	0	1	0	1
Contractors	Accidents	0	0	0	0	0	0
Governance data							
Representation of women in the Board (AGM elected members)	%	-	-	33	33	-	33
Board nationality - non-Danish (AGM elected members)	%	-	-	33	17	-	17
Independent directors (AGM elected members)	%	-	-	83	83	-	83
Attendance at Board meetings (All Board members)	%	100	100	99	100	99	100
Whistle-blower reporting	Cases	8	11	22	22	27	27

Definitions on page 32.



*2021 full-year ESG data excludes HSF Logistics Group acquired in September 2021.

Management review

Market overview

Despite rising inflation and interest rates, Q3 demand in Europe for freight services and solutions remained stable in most regions. Freight volumes are, however, expected to weaken during Q4 as inflation, including higher energy prices, bites into consumer demand.

European supply chains are still challenged by shortages of haulage capacity and personnel. Backlogs have therefore accumulated and this is expected to support activity levels even if underlying demand slows down in the rest of the year. The introduction of EU's Mobility Package and wage inflation continued to put pressure on the supply of haulage capacity.

The growth of Turkey's economy slowed down in Q3 by rising inflation and further depreciation of the Turkish Lira (TRY). Industrial production in the country's export sector continued to grow in the quarter, although at a lower pace than in the first half-year. Activity levels also slowed in Scandinavia and the UK as well as most parts of Continental Europe.

Ferry passenger volumes continued to recover from travel restrictions through the third, and high season, quarter across northern Europe. Many routes carried volumes on level with or above 2019. The recovery is supported by a

rise in holiday travel by car due to the increased ticket prices and disruptions of air travel.

The main changes in average exchange rates in Q3 2022 vs Q3 2021 were depreciation of TRY/DKK by 44% and appreciation of USD/DKK by 17%.

Major events in Q3

Acquisition expands Irish logistics network

To further expand and develop the European logistics offering, DFDS agreed in July 2022 to acquire 100% of the share capital of Lucey Transport Logistics Ltd based in Dublin, Ireland.

Lucey Transport Logistics is an Irish provider of transport and logistics solutions, primarily to consumer goods companies. Door-door transports are provided for full- and part-loads as well as distribution services. The logistics solutions include warehousing, inventory management, bonded storage, and product rework and labelling.

Solutions are supported by a distribution centre in Dublin and regional warehousing facilities in key locations across Ireland and Northern Ireland totalling 38k m². Operations also include 70 trucks and more than 400 trailers. Lucey

Transport Logistics had annual revenue of DKK 240m (EUR 32m) and 240 employees in 2021.

The acquisition strengthens DFDS' customer offering in the region, including an opportunity to offer international transports to Lucey Transport Logistics' customers. In addition, synergies are expected from mainly haulage efficiency and equipment procurement.

The transaction was completed at the end of September 2022 and Lucey Transport Logistics was included in DFDS' consolidated accounts from 30 September 2022.

BBB- investment grade credit rating from Scope

DFDS A/S received a first-time issuer rating of BBB- with stable outlook from Scope Ratings GmbH (Scope). DFDS A/S' senior unsecured debt was also rated BBB in line with the issuer rating. The rating corresponds to an investment grade credit rating and is obtained to support and enhance access to capital markets as well as to optimise the financing cost on any future bond issuances.

Major events after Q3

Strategic dialogue initiated with Ekol Logistics

DFDS has since 2018 operated a freight ferry route network in the Mediterranean facilitating trade between

Turkey and multiple European markets via routes calling Italy, France, and Spain.

In view of geopolitical developments and supply chain security and stability, Turkey's manufacturing capabilities and trade with Europe are expected to continue to grow in the coming years.

To further develop our ability to facilitate trade and to enhance customer offerings, a strategic dialogue between DFDS and Ekol Logistics, a major Turkish logistics company, has been initiated to explore a possible acquisition of Ekol Logistics' international road haulage activities. Such a combination of ferry and logistics activities in the Mediterranean network would mirror DFDS' proven northern European business model.

To ensure an efficient strategic dialogue for all stakeholders, a filing was submitted on 14 October 2022 to the Turkish competition authorities to obtain their view on a possible acquisition. In Turkey it is customary and possible to file for clearance before transaction terms and documents are finalised.

Any possible transaction linked to the strategic dialogue with Ekol Logistics awaits among other things the outcome of the filing with the Turkish competition authorities and Board approval of transaction terms.

New Head of Ferry Division

Mathieu Girardin was appointed Head of Ferry Division, EVP, and member of the Executive Management Team (EMT) in July 2022 and joined DFDS in October 2022.

Mathieu Girardin, a French national born in 1982, was previously Senior Vice President at CMA CGM, one of the world's largest shipping and logistics companies, for Short Sea Lines Europe and Containerships. He has held senior management positions at CMA CGM since 2013, including both operational and corporate responsibilities.

Mathieu Girardin succeeds Peder Gellert Pedersen, Head of Ferry Division and EVP, who retired after 28 years with DFDS on 1 August 2022.

Dividend

An extraordinary dividend of DKK 4.00 per share was distributed in August 2022 as announced and approved in connection with the annual general meeting (AGM). In March 2022, an ordinary dividend of DKK 4.00 per share was approved by the AGM and distributed.

ESG actions and plans

Environment

DFDS' Climate Action Plan covers short-term actions to reduce emissions from existing assets (mainly ferries and transport equipment), and transformative long-term actions to de-carbonise operations.

Short-term actions and results

In Q3 2022, CO2 emissions were reduced on both own and chartered vessels deployed across the route network. Own

fleet emissions were reduced 4% to 12.3 g/CO2/GT per mile from 12.8 g/CO2/GT per mile in Q3 2021. Emissions from the entire route network saw a similar 4% reduction to 12.8 g/CO2/GT per mile from 13.2 g/CO2/GT per mile in Q3 2021.

The ongoing reduction of emissions is a result of the continuous improvement of the fleet's fuel efficiency through operational and technical solutions such as silicone hull paint and changed route schedules. The largest reductions were achieved by the freight ferries deployed on the North Sea and in the Mediterranean, including the higher efficiency of the newbuildings. Reductions are also driven by a Vessel Performance Management team coupled with weekly performance reports provided to crews on individual vessels.

During Q3 the first batch of biofuel (B100) was delivered to Acacia Seaways in Rotterdam. The biofuel's operational and technical impacts are currently being analysed. So far no critical issues have surfaced and the foreseen increased fuel consumption has been less than expected.

Deployment of the first of 125 eTrucks is expected to start in Gothenburg during December 2022.

Long-term transformative actions and plans

Projects to enable deployment of a green freight ferry in the route network by 2025 continued in the quarter. In addition, a feasibility study to retrofit existing ferries to sail on hydrogen was initiated with H2 Energy. The project to develop 'green transport corridors' continued in partnership with stakeholders that include

companies in different parts of the value chain - agricultural suppliers, food producers, fuel suppliers, and logistics and transport providers as well as ports. The aim is to accelerate the green transition – from incremental steps to full climate neutrality - by knowledge sharing across sectors, efficient use of resources, and large-scale implementation of de-carbonisation initiatives.

The de-carbonisation of logistics activities includes a target of a 50% absolute reduction in emissions from warehousing and road transport by 2030. Reductions of road emissions will come from use of alternative fuels and further electrification of the truck fleet. By investing in solar panels (photovoltaic systems), our warehouses are expected to produce 10m kWh of green electricity per year by 2030. 1m kWh is expected to be produced in 2022 and production is expected to triple in 2023.

Social

Diversity & Inclusion

The total female representation in the workforce of 24% was a percentage point lower than Q1-3 2021 due to the consolidation of HSF Logistics Group with a female gender ratio below DFDS. The office female gender ratio increased to 41% for Q1-3 2022 from 39% in 2021. The ratio is above DFDS' 30% target. The senior management female gender ratio for Q1-3 2022 decreased to 15% from 17% last year as senior management was expanded with male managers. The ratio of female managers increased to 16% from 13% in 2021 following a return of more female than male managers from the furloughing that took place in 2020 and 2021.

Revenue

DKK m	Q3 2022	Q3 2021	Change, %	Change
Ferry Division	4,634	3,029	53	1,605
Logistics Division	2,947	1,633	80	1,313
Non-allocated items	166	124	34	42
Eliminations	-542	-380	-42	-161
DFDS Group	7,205	4,406	64	2,799

Safety

For sea-based operations, the lost-time injury frequency (LTIF) decreased to 5.2 in Q3 2022 from 5.5 in Q3 2021. The decrease was due to minor injuries.

The land-based Health & Safety organisation launched a safety campaign in the beginning of September to raise awareness of general safety issues. The lost-time injury frequency for the land-based operation decreased to 6.8 in Q3 compared to 7.8 in Q3 2021.

The accuracy and reliability of the Health & Safety reporting continues to improve as focus is upheld on data quality, completeness, and timeliness of reporting from both central and local parts of the organisation.

Fatal accident in Turkish port terminal

Colleagues and management were deeply saddened by the demise of a yard worker in October following an accident in the Pendik Terminal in Istanbul. The incident was thoroughly analysed and investigated, including a review of traffic and handling operations within the terminal. Psychological and financial support were provided for the family.

Governance

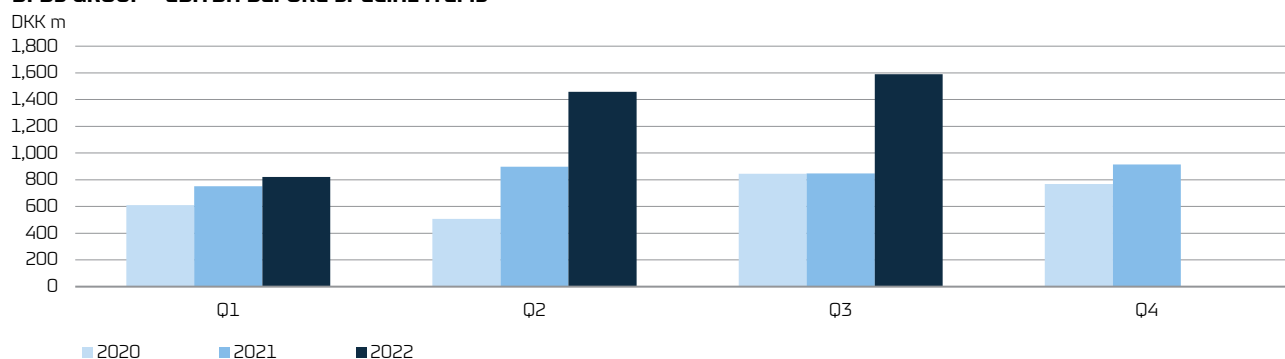
The number of whistleblower cases is an indicator of employees' awareness of the Code of Conduct. In 2022, 64% of reported cases were related to employee relations, theft, or substance abuse while harassment and discrimination accounted for 18% of reported cases. All cases are investigated with the involvement of relevant managers and/or HR responsible. Most reported incidents have a low level gravity and main sanctions on closed cases have been to address unacceptable behaviour and emphasise the importance of acting in accordance with DFDS' Code of Conduct.

Financial performance

Revenue

The Group's Q3 revenue was DKK 7,205m, an increase of 63.5% compared to 2021.

The Group's Q1-3 revenue was DKK 19,976m, an increase of 61.3% compared to 2021.

DFDS GROUP - EBITDA BEFORE SPECIAL ITEMS**Operating profit before depreciation (EBITDA) & special items**

DKK m	Q3 2022	Q3 2021	Change, %	Change
Ferry Division	1,310	704	86	606
Logistics Division	297	155	91	141
Non-allocated items	-16	-11	-42	-5
DFDS Group	1,591	848	88	742
EBITDA-margin, %	22.1	19.3	n.a.	2.8

Associates and joint ventures, profit/loss on disposals and depreciation

DKK m	Q3 2022	Q3 2021	Change, %	Change
EBITDA before special items	1,591	848	88	742
Associates and joint ventures	-2	-3	18	1
Profit/loss on disposals	1	1	-54	-1
Depreciation and impairment	-621	-514	-21	-106
EBIT before special items	968	332	191	636

Financial items

DKK m	Q3 2022	Q3 2021	Change, %	Change
Interests, net	-87	-73	-19	-14
Foreign exchange gains/losses, net	-24	8	n.a.	-32
Other items, net	-5	-5	0	0
Total finance, net	-115	-69	-66	-46

Ferry Division's Q3 revenue increased 53.0% to DKK 4,634m following a significant increase in passenger revenue driven by the recovery from Covid-19 and higher average revenue per passenger. In addition, revenue from bunker surcharges increased considerably due to higher oil prices throughout the quarter. Freight revenue was otherwise flat as higher volumes and rates in primarily the Mediterranean and North Sea business units were offset by lower volumes in Channel and Baltic Sea.

Logistics Division's Q3 revenue increased 80.4% to DKK 2,947m. Around 75% of the increase was due to the acquisitions of HSF Logistics Group and ICT Logistics. Organic revenue growth for the existing activities was 21% reflecting higher activity, including new warehousing and customs activities, and improved cost coverage across regions. The latter included surcharges for higher fuel prices and the EU Mobility Package as well as increases to cover higher costs, particularly for haulage.

Operating profit before depreciation (EBITDA) and special items

The Group's Q3 EBITDA increased 88% or DKK 742m to DKK 1,591m driven primarily by higher passenger earnings.

The Group's Q1-3 EBITDA increased 55% to DKK 3,871m while EBITDA for the last twelve months was DKK 4,786m. Ferry Division's Q3 EBITDA increased 86% or DKK 605m to DKK 1,310m. The EBITDA for freight ferry activities increased 13% or DKK 88m to DKK 741m driven mostly by the Mediterranean and North Sea business units. Channel's freight result was reduced by

overcapacity on the Dover Strait market as well as a decrease in overall market volume.

The total EBITDA for passenger activities across the network increased DKK 517m to DKK 569m from DKK 52m in 2021. The increase was driven by the recovery of passenger travel from Covid-19.

Logistics Division's Q3 EBITDA increased 91% or DKK 142m to DKK 297m as both divisions increased earnings. The higher result for the Cold Chain business unit was due to the acquisition of HSF Logistics Group while the increased result for Dry Goods was driven by cost coverage initiatives as well as organic growth and operational improvements.

Depreciation and operating profit (EBIT) before special items

Depreciation in Q3 of DKK 621m was slightly below the previous quarter but 21% or DKK 106m higher than last year. Around 60% of the increase was due to acquisitions. The remaining increase was primarily related to depreciation on ferry newbuildings.

The Group's Q3 EBIT before special items almost tripled to DKK 968m and for Q1-3 EBIT before special items doubled to DKK 2,008m.

Special items and operating profit (EBIT) after special items

There were no material special items in Q3 2022. For Q1-3 special items were a net income of DKK 17m. The Group's Q3 EBIT after special items increased 167% to DKK 968m

and for Q1-3 EBIT after special items increased 96% to DKK 2,025m.

Financial items

Total net financial items in Q3 was a cost of DKK 115m, an increase of DKK 46m compared to Q3 2021. The net interest cost was DKK 14m above 2021 due to an increase in net interest-bearing debt and interest rates. In addition, there was a variance of DKK -32m on net currency adjustments following a net loss this year and a net gain in Q3 2021.

For Q1-3, total net financial items was a cost of DKK 264m compared to DKK 225m for Q1-3 2021.

Profit before special items and tax

The Q3 profit before special items and tax more than tripled to DKK 853m and the profit for the period was DKK 817m, an increase of DKK 575m compared to 2021. For Q1-3, the profit before special items and tax increased 124% to DKK 1,745m and the profit for the period was DKK 1,636m.

Earnings per share

Q3 earnings per share (EPS) increased 242% to DKK 14.21 and for Q1-3 EPS increased 131% to DKK 28.38.

Cash flow and investments

The Q3 cash flow from operating activities increased 18% to DKK 1,360m compared to Q3 2021. The improved operating result offset a negative cash flow of DKK 176m

from working capital mainly due to a reversal of passenger prepayments made ahead of Q3.

Net investments in Q3 totalled a negative cash flow of DKK 987m of which DKK 449m was operating capital expenditure, DKK 312m was related to purchase of a freight ferry, and DKK 226m was used for acquisitions. The operating capital expenditure was related to ferry upgrades and dockings, port terminals, cargo carrying equipment, and digitisation.

The Q3 free cash flow (FCFF) was DKK 348m and DKK 85m adjusted for payment of lease liabilities including interest.

The Q3 cash flow from financing activities was negative by DKK 342m, including a net inflow from loans of DKK 110m, payment of lease liabilities of DKK 226m, and distribution of a dividend of DKK 229m. The net decrease in cash was DKK 75m and at the end of Q3 cash amounted to DKK 1,452m.

For Q1-3, the free cash flow (FCFF) was DKK 1,196m and DKK 344m adjusted for payment of lease liabilities including interest. Net investments in Q1-3 was an outflow of DKK 2,498m of which DKK 1,339m was operating capital expenditure, DKK 877m was related to ferry newbuildings and purchase of a freight ferry, and DKK 282m was related to acquisitions. The cash flow from financing activities was a net outflow of DKK 405m bringing the net cash flow for Q1-3 to a plus of DKK 552m.

Invested capital and ROIC

Invested capital increased 14% to DKK 27.1bn at the end of Q3 2022 compared to the same period in 2021. The increase was mostly due to the second payment of the acquisition of HSF Logistics Group, completion of ferry newbuildings as well as capitalisation of additional ferry and logistics leases.

The return on invested capital, ROIC, for Q3 2022 (last twelve months) was 8.4% before special items compared to 5.2% for the full-year 2021. DFDS' return target is a minimum ROIC of 8% before special items.

Capital structure

At the end of Q3 2022 net-interest-bearing debt (NIBD) was DKK 14.0bn, an increase of 15% compared to the end of Q3 2021. The increase was primarily due to the acquisition of HSF Logistics Group.

During Q3 2022, a significant portion of interest-bearing liabilities was reclassified from non-current to current liabilities as it matures within one year. The debt is expected to be refinanced in Q4 2022.

Financial leverage, as measured by the ratio of NIBD to EBITDA before special items for the last twelve months (LTM), was 2.9 at the end of Q3 compared to 3.7 at year-end 2021 and 3.3 at the end of Q3 2021. The ratio includes a pro forma LTM EBITDA for acquired companies.

Equity

Equity amounted to DKK 12,753m at the end of Q3 2022, including non-controlling interests of DKK 114m. This was

OUTLOOK 2022

DKK m	Outlook 2022	Previous outlook 2022	2021
Revenue growth	Around 45%	Around 40%	17,869
EBITDA before special items	4,800-5,000	4,400-4,800	3,411
Per division:			
Ferry Division	3,900-4,000	3,500-3,800	2,852
Logistics Division	950-1,050	950-1,050	593
Non-allocated items	-50	-50	-35
Investments	-2,700	-2,700	-3,210
Types:			
Operating	-1,500	-1,600	-975
Ferries: sale & purchase and newbuildings	-900	-800	-490
Acquisitions	-300	-300	-1,745

an increase of 14% compared to the end of Q3 2021. Total comprehensive income for Q1-3 2022 was DKK 1,677m. Transactions with owners of DKK -474m included dividend payments of DKK 470m.

The equity ratio was 37% at the end of Q3 2022 which was on level with Q3 2021.

Outlook 2022

Demand for freight and passenger services remained overall steady in Q3. Signs of a slowdown in freight volumes are apparent or emerging in certain transport corridors or sectors, for example the Dover Strait and logistics services to the construction sector.

It is assumed that around 80% of the passenger EBITDA decrease vs 2019 will be regained in 2022.

Revenue outlook

The revenue growth is expected to increase by around 45% compared to 2021 up from previously around 40%. The main revenue growth drivers are the full-year impact of acquisitions, the recovery in passenger volumes as well as higher revenue from oil price surcharges and general cost coverage initiatives for both ferry and logistics activities.

Earnings outlook

The Group's EBITDA before special items is expected to be within a range of DKK 4.8-5.0bn (previously DKK 4.4-4.8bn, 2021: DKK 3.4bn). See outlook table for divisional split.

Investments

The 2022 outlook for investments remains around DKK 2.7bn split on:

- One combined freight and passenger ferry newbuilding and exercise of a purchase option to buy one freight ferry: DKK 900m
- Ferry operating capital expenditure: DKK 1,000m (mainly related to ferry upgrades and dockings, port terminals, cargo carrying equipment)
- Logistics operating capital expenditure: DKK 500m (mainly related to cargo carrying equipment and warehousing)
- Acquisitions: DKK 300m.

Capital structure

Financial leverage, as measured by the ratio between NIBD and EBITDA, is expected to decrease further in Q4 from 2.9x for LTM Q3 2022. The target range for financial leverage is 2.0-3.0x.

Various risks and uncertainties pertain to the outlook

The most important among these are possible major changes in the demand for ferry services – freight and passengers - and logistics solutions.

Such demand is to a large extent linked to the level of economic activity and trade in primarily Europe, especially northern Europe, and in particular the UK, as well as adjacent regions, particularly Turkey.

Demand can also be impacted by competitor actions, supply chain disruptions, and extraordinary events such as virus outbreaks and geopolitical instability.

The outlook can moreover be impacted by political changes, first and foremost within the EU and Turkey. Brexit, the trade agreement that came into effect on 1 January 2021 between the EU and the UK, is yet to be fully implemented and its possible impact on trade therefore still constitutes a risk.

Changes in economic variables, especially oil prices and exchange rates, can furthermore impact earnings.

Future financial results may therefore differ significantly from outlook expectations.

Cold chain expansion on track

The acquisition of HSF Logistics Group was completed one year ago in September 2021. Annual revenue for our Cold Chain business unit is now around DKK 5.6bn of which HSF has added around DKK 4.0bn. Integration and synergies are on track and our ferries now carry more reefer trailers.



Ferry Division

The division is organised in five business units:

- North Sea
- Mediterranean
- Channel
- Baltic Sea
- Passenger

Q3 market, activity, and result trends

Total Q3 freight volumes decreased 6.6% compared to Q3 2021 and decreased 1.5% for the last twelve months.

Total Q3 passenger volumes increased more than fourfold to 1,704k from 388k in Q3 2021. The Q3 2022 volumes equalled 85% of volumes in Q3 2019.

North Sea

Q3 freight volumes were on level with Q3 2021. Automotive volumes picked up in the quarter while paper volumes were lower than last year. UK volumes were reduced by strikes in the Felixstowe port during the quarter but transfer of volumes to Immingham and higher volumes on other routes maintained overall UK volumes on level with Q3 2021.

Ferry Division

DKK m	2022			2022 Q1-Q3	2021 Q1-Q3	2021				2021-22 LTM	2021 Full year
	Q1	Q2	Q3			Q1	Q2	Q3	Q4		
Revenue	3,369	4,420	4,634	12,424	8,583	2,594	2,960	3,029	3,223	15,647	11,806
EBITDA before special items	598	1,203	1,310	3,110	2,112	641	766	704	741	3,852	2,852
Share of profit/loss of associates and joint ventures	-4	-1	-2	-7	-8	-3	-2	-3	-4	-11	-13
Profit/loss on disposal of non-current assets, net	2	0	-3	-1	2	1	0	1	2	1	4
Depreciation and impairment	-445	-466	-451	-1,362	-1,229	-387	-420	-422	-455	-1,816	-1,684
EBIT before special items	151	735	854	1,741	876	251	343	281	284	2,024	1,160
EBIT margin before special items, %	4	17	18	14	10	10	12	9	9	13	10
Special items, net	0	15	-	15	20	0	20	0	-8	7	12
EBIT	151	750	854	1,755	896	251	364	281	277	2,031	1,172
Invested capital, average	20,780	20,796	20,839	20,810	20,419	20,299	20,668	20,539	20,371	20,689	20,442
ROIC before special items, %	-	-	-	-	-	-	-	-	-	9.4	5.3
Average number of employees	-	-	-	6,048	5,301	-	-	-	-	5,669	5,381
Lane metres, '000	10,617	11,523	9,915	32,054	31,926	10,246	11,078	10,602	11,085	43,140	43,011
Tons, '000	169	149	156	474	476	167	147	162	157	631	633
Passengers, '000	283	984	1,704	2,971	580	83	109	388	289	3,260	869

Q3 EBITDA increased 45% to DKK 413m driven by lower operating costs and revenue growth from rate increases and standage fees in port terminals.

Mediterranean

Q3 freight volumes increased 7.0%. The growth rate was lower than in the first half-year mainly due to operational bottlenecks caused by fires in the Trieste region which resulted in cancellations of train departures from the port. Ferry capacity between Turkey and Italy was therefore reduced in the quarter. The volume growth rate has picked up again post Q3.

Q3 EBITDA increased 31% to DKK 362m driven by the higher volumes and overall lower operating costs.

Channel

Q3 freight volumes decreased 11.5% due to lower volumes on the Dover Strait following a decrease in total market volumes and addition of capacity by a third ferry operator. Volumes between Ireland and France were on level with 2021.

Passenger volumes continued to recover through Q3 increasing to 1,206k from 224k in Q3 2021. The number of passengers amounted to 81% of passengers in Q3 2019.

Duty-free sales was increased by the higher number of passengers compared to 2021.

Q3 EBITDA more than doubled to DKK 207m. The freight result was considerably reduced by the lower volumes but this was offset by the recovery in passenger volumes and onboard spending. The passenger result was above the pre-Covid-19 level in Q3 2019.

Baltic Sea

Q3 freight volumes were down 18.7% as the war in Ukraine reduced volumes, especially between Germany and Lithuania. The route network's capacity has been adapted to market changes.

Passenger volumes were up 20.7% as holiday travel by car gained market share from airline travel in the summer high season.

Q3 EBITDA increased 26% to DKK 144m as lower operating costs and higher passenger earnings offset the lower freight volumes.

Passenger

Passenger volumes continued to recover through Q3 increasing to 402k from 84k in Q3 2021. The number of passengers equalled 94% of passengers in Q3 2019.

Q3 EBITDA increased DKK 250m to DKK 165m from DKK -85m in Q3 2021. The increase was driven by the recovery in passenger volumes as well as an increase in average revenue per pax which partly offset a considerable increase in the net bunker cost.

Non-allocated items

These items primarily include external charter activities. Q3 EBITDA was halved to DKK 17m.

Ferry Division

DKK m	2022			2022	2021	2021				2021-22	2021
	Q1	Q2	Q3	Q1-Q3	Q1-Q3	Q1	Q2	Q3	Q4	LTM	Full year
North Sea											
Revenue	1,165	1,372	1,320	3,857	3,079	971	1,117	991	1,081	4,938	4,161
EBITDA before special items	314	457	413	1,183	963	301	378	284	325	1,508	1,287
EBIT before special items	159	308	272	739	521	150	229	142	169	908	690
Invested capital*	6,038	5,971	6,652	6,148	6,470	6,762	6,811	6,253	5,930	6,169	6,362
ROIC before special items, %	-	-	-	-	-	-	-	-	-	14.4	10.6
Lane metres freight, '000	3,510	3,574	3,366	10,450	10,329	3,358	3,609	3,362	3,439	13,890	13,769
Tons, '000	169	149	156	474	476	167	147	162	157	631	633
Mediterranean											
Revenue	903	1,101	1,024	3,028	2,152	670	743	740	841	3,869	2,993
EBITDA before special items	293	341	362	996	781	248	257	276	297	1,293	1,078
EBIT before special items	151	196	214	561	469	155	154	160	166	727	635
Invested capital*	9,291	9,247	9,328	9,265	9,421	9,558	9,408	9,182	9,192	9,248	9,375
ROIC before special items, %	-	-	-	-	-	-	-	-	-	7.2	6.3
Lane metres freight, '000	1,363	1,426	1,329	4,118	3,685	1,191	1,265	1,229	1,349	5,467	5,034
Channel											
Revenue	685	1,074	1,202	2,961	1,892	568	643	681	728	3,688	2,619
EBITDA before special items	69	205	207	481	256	74	104	78	102	583	358
EBIT before special items	-21	100	104	183	-26	-16	7	-18	10	194	-16
Invested capital*	2,172	2,426	2,070	2,177	1,914	1,701	2,250	2,133	2,040	2,168	1,939
ROIC before special items, %	-	-	-	-	-	-	-	-	-	8.7	-1.2
Lane metres freight, '000	4,629	5,410	4,220	14,260	14,222	4,531	4,923	4,767	5,094	19,354	19,316
Passengers, '000	127	629	1,205	1,961	311	38	50	224	130	2,091	441
Baltic Sea											
Revenue	334	412	441	1,188	1,049	306	361	382	333	1,520	1,381
EBITDA before special items	51	119	144	314	311	83	111	118	80	394	391
EBIT before special items	16	86	107	208	199	51	68	80	26	235	226
Invested capital*	2,250	2,515	2,466	2,213	1,595	1,525	1,320	1,689	1,620	2,108	1,600
ROIC before special items, %	-	-	-	-	-	-	-	-	-	11.0	14.0
Lane metres freight, '000	999	986	900	2,886	3,411	1,104	1,199	1,108	1,056	3,942	4,467
Passengers, '000	40	61	96	197	173	40	53	79	41	238	214
Passenger											
Revenue	184	446	632	1,262	255	31	40	184	208	1,469	463
EBITDA before special items	-147	64	165	82	-305	-100	-120	-85	-87	-5	-392
EBIT before special items	-168	34	141	7	-380	-124	-147	-109	-108	-101	-488
Invested capital*	798	859	854	802	672	629	731	751	699	792	677
ROIC before special items, %	-	-	-	-	-	-	-	-	-	-13.1	-72.6
Lane metres freight, '000	114	127	99	340	278	61	82	136	147	487	425
Passengers, '000	116	294	403	813	95	5	6	84	118	931	214
Non-allocated items											
Revenue	140	76	100	317	293	86	102	105	164	481	456
EBITDA before special items	18	17	17	52	106	36	36	34	25	77	131
EBIT before special items	14	12	15	42	93	35	33	25	22	63	115

*The invested capital in the quarter is shown as per the end of the period.
For the full year and LTM, the invested capital is shown as an average.

Logistics Division

The division is organised in two business units:

- Dry Goods
- Cold Chain

Q3 market, activity and result trends

Dry Goods

Forwarding volumes picked up within the Nordic region, except for Finland, and in the UK corridors, except for Netherlands-UK, as demand was stable and availability of haulage capacity improved through the quarter. New customer volumes were added, especially in the Nordic region. Demand for contract logistics solutions continued to expand with high utilisation of new warehousing facilities in Sweden, the Netherlands, and the UK. The existing Swedish and Dutch contract logistics solutions also continued to grow.

Q3 EBITDA increased 55% to DKK 144m as most activities in the Nordic and Continent regions improved coverage of rising haulage and energy costs. New warehousing and customer contracts as well as considerable performance improvements achieved by several activities also raised earnings. Results for the UK region was on level with last year despite one-off gains last year.

Logistics Division

DKK m	2022			2022 Q1-Q3	2021		2021			2021-22 LTM	2021 Full year
	Q1	Q2	Q3		Q1	Q2	Q3	Q4			
Revenue	2,666	2,979	2,947	8,591	4,614	1,426	1,554	1,633	2,541	11,132	7,155
EBITDA before special items	216	274	297	787	382	101	126	155	211	998	593
Share of profit/loss of associates and joint ventures	-1	0	0	-1	0	0	0	0	0	-1	0
Profit/loss on disposal of non-current assets, net	2	4	3	10	1	0	1	0	-2	7	-1
Depreciation and impairment	-144	-147	-148	-439	-195	-62	-61	-73	-127	-566	-322
EBIT before special items	74	131	152	357	188	39	66	83	81	438	269
EBIT margin before special items, %	3	4	5	4	4	3	4	5	3	4	4
Special items, net	2	0	0	2	6	0	-19	25	-4	-2	2
EBIT	77	131	152	359	194	39	47	109	77	437	271
Invested capital, average	4,418	4,676	4,934	4,676	2,094	1,469	1,497	2,720	4,091	4,532	2,520
ROIC before special items, %	-	-	-	-	-	-	-	-	-	7.5	8.6
Average number of employees	-	-	-	4,483	2,218	-	-	-	-	3,659	2,774

Cold Chain

The addition of HSF Logistics Group almost tripled revenue compared to Q3 2021. Nordic forwarding volumes developed positively in the quarter. Lagging cost coverage for the Danish haulage operation was improved during the quarter. The Norwegian activities were restructured, including closure of activities performing below expectations.

On the Continent, activity in Germany continued to grow. The Dutch distribution centre in Nijmegen is focused on exports to the UK and France. The adaptation of its operating model, that includes in-house haulage operated out of Poland, to EU's Mobility Package continued in the quarter. Demand was reduced somewhat by the increased complexity of trading with the UK. The Winterswijk distribution centre services the Benelux and German

markets where demand was stable. This centre was less impacted by the Mobility Package as it primarily uses local haulage providers. Cost coverage was on track in the quarter.

Demand recovered through Q3 for most of the UK activities, although seafood volumes from Shetland decreased and demand from retailers in England for certain seafood segments declined.

Q3 EBITDA increased DKK 90m to DKK 153m from DKK 63m in Q3 2021 due to the acquisition of HSF Logistics Group that was consolidated from 14 September 2021. Financial performance was overall in line with expectations. The result for the UK activities was on level with last year.

Logistics Division

DKK m	2022			2022 Q1-Q3	2021 Q1-Q3	2021				2021-22 LTM	2021 Full year
	Q1	Q2	Q3			Q1	Q2	Q3	Q4		
Dry Goods											
Revenue	1,522	1,732	1,668	4,922	3,569	1,147	1,231	1,191	1,352	6,274	4,922
EBITDA before special items	109	147	144	400	246	70	83	93	66	466	312
EBIT before special items	44	77	75	197	105	23	38	44	20	216	125
Invested capital*	1,562	1,682	2,025	1,593	985	1,038	989	922	1,103	1,459	1,009
ROIC before special items, %	-	-	-	-	-	-	-	-	-	12.0	9.8
Cold Chain											
Revenue	1,319	1,433	1,461	4,213	1,282	351	399	533	1,354	5,567	2,636
EBITDA before special items	107	127	153	387	136	31	43	63	145	532	281
EBIT before special items	30	54	77	161	83	16	28	39	62	223	145
Invested capital*	3,048	3,059	3,102	3,083	1,110	475	492	3,037	3,122	3,074	1,512
ROIC before special items, %	-	-	-	-	-	-	-	-	-	5.4	7.7

* The quarterly invested capital is shown as per the end of the period. For the full-year, the invested capital is shown as an average.

Management statement

The Board of Directors and the Executive Board have reviewed and approved the interim report of DFDS A/S for the period 1 January – 30 September 2022.

The interim report, which has not been audited or reviewed by the Company's auditor, has been prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU, and additional Danish interim reporting requirements for listed companies.

In our opinion, the interim report gives a true and fair view of the DFDS Group's assets, liabilities, and financial position at 30 September 2022 and of the results of the DFDS Group's operations and cash flow for the period 1 January – 30 September 2022.

Further, in our opinion, the Management review p. 2-17 gives a true and fair review of the development in the DFDS Group's operations and financial matters, the result of the DFDS Group's operations for the period and the financial position as a whole.

Copenhagen, 17 November 2022



Executive Board Torben Carlsen, CEO. Karina Deacon, CFO

Board of directors Claus V. Hemmingsen, Chair, Klaus Nyborg, Vice Chair, Minna Aila, Anders Götzsche, Marianne Henriksen, Kristian Kristensen, Jill Lauritzen Melby, Lars Skjold-Hansen, Dirk Reich

DFDS Group - Income statement

DFDS Group - Income Statement

DKK m	Note	2022 Q3	2021 Q3	2022 Q1-Q3	2021 Q1-Q3	2021-22 LTM	2021 Full year
Revenue	3	7,205	4,406	19,976	12,387	25,458	17,869
Costs							
Ferry and other ship operation and maintenance		-1,766	-973	-4,869	-2,517	-6,232	-3,880
Freight handling		-780	-668	-2,358	-1,917	-3,039	-2,598
Transport solutions		-1,573	-925	-4,623	-2,635	-5,881	-3,893
Employee costs		-1,202	-830	-3,461	-2,365	-4,541	-3,444
Costs of sales and administration		-294	-162	-794	-457	-979	-643
Operating profit before depreciation (EBITDA) and special items		1,591	848	3,871	2,496	4,786	3,411
Share of profit/loss of associates and joint ventures		-2	-3	-8	-9	-12	-13
Profit/loss on disposal of non-current assets, net		1	1	9	3	8	2
Depreciation, ferries and other ships		-358	-333	-1,100	-963	-1,458	-1,322
Depreciation, other non-current assets		-263	-181	-763	-522	-1,007	-766
Operating profit (EBIT) before special items		968	332	2,008	1,004	2,317	1,313
Special items, net	4	0	28	17	30	21	34
Operating profit (EBIT)		968	360	2,025	1,034	2,338	1,348
Financial income		13	9	23	5	41	29
Financial costs		-129	-78	-287	-230	-358	-307
Profit before tax		853	291	1,762	810	2,021	1,069
Tax on profit		-36	-49	-126	-90	-130	-94
Profit for the period		817	242	1,636	720	1,891	976
Attributable to:							
Equity holders of DFDS A/S		814	238	1,625	707	1,877	958
Non-controlling interests		3	3	11	14	14	18
Profit for the period		817	242	1,636	720	1,891	976
Earnings per share							
Basic earnings per share (EPS) of DKK 20, DKK		14.21	4.15	28.38	12.30	32.76	16.69
Diluted earnings per share (EPS-D) of DKK 20, DKK		14.20	4.15	28.34	12.24	32.72	16.67

DFDS Group – Statement of Comprehensive income

DKK m	2022 Q3	2021 Q3	2022 Q1-Q3	2021 Q1-Q3	2021-22 LTM	2021 Full year
Profit for the period	817	242	1,636	720	1,891	976
Other comprehensive income						
Items that will not be reclassified subsequently to the Income statement:						
Remeasurement of defined benefit pension obligations	-	-	-	-	140	140
Tax on items that will not be reclassified to the Income statement	-	-	-	-	-25	-25
Items that will not be reclassified subsequently to the Income statement	-	-	-	-	115	115
Items that are or may be reclassified subsequently to the Income statement:						
Value adjustment of hedging instruments:						
Value adjustment for the period	71	30	204	35	212	42
Value adjustment transferred to operating costs	-1	-16	-1	-37	-21	-56
Value adjustment transferred to financial costs	2	4	10	-2	13	1
Value adjustment transferred to non-current tangible assets	-	-65	7	-96	-36	-139
Tax on items that may be reclassified to the Income statement	-21	-2	-33	-2	-32	-1
Foreign exchange adjustments, subsidiaries	-58	-9	-146	17	-134	28
Items that are or may be reclassified subsequently to the Income statement	-6	-57	41	-86	3	-124
Total other comprehensive income after tax	-6	-57	41	-86	117	-9
Total comprehensive income	811	185	1,677	635	2,009	966
Attributable to:						
Equity holders of DFDS A/S	807	181	1,667	621	1,996	950
Non-controlling interests	4	4	10	14	13	16
Total comprehensive income	811	185	1,677	635	2,009	966

DFDS Group - Balance sheet

Assets

DKK m	2022 30 Sept.	2021 30 Sept.	2021 31 Dec.
Goodwill	4,481	4,189	4,280
Other non-current intangible assets	1,642	1,709	1,659
Software	317	228	298
Development projects in progress	11	72	14
Non-current intangible assets	6,451	6,198	6,252
Land and buildings	493	584	427
Terminals	815	712	718
Ferries and other ships	13,262	11,579	11,460
Equipment, etc.	1,525	1,162	1,289
Assets under construction and prepayments	334	702	1,368
Right-of-use assets	4,178	3,732	3,926
Non-current tangible assets	20,606	18,471	19,188
Investments in associates, joint ventures and securities	18	43	35
Receivables	16	16	16
Prepaid costs	137	251	222
Deferred tax	26	53	31
Pension assets	40	0	25
Derivative financial instruments	298	21	36
Other non-current assets	535	384	366
Non-current assets	27,592	25,054	25,807
Inventories	360	253	269
Trade receivables	3,739	2,709	2,772
Receivables from associates and joint ventures	26	25	26
Other receivables	606	514	624
Prepaid costs	324	324	299
Derivative financial instruments	89	63	22
Cash	1,452	1,388	902
Current assets	6,596	5,277	4,914
Assets classified as held for sale	-	104	-
Total current assets	6,596	5,381	4,914
Assets	34,188	30,435	30,721

Equity and liabilities

DKK m	2022 30 Sept.	2021 30 Sept.	2021 31 Dec.
Share capital	1,173	1,173	1,173
Reserves	-324	-356	-396
Retained earnings	11,790	10,293	10,669
Equity attributable to equity holders of DFDS A/S	12,639	11,109	11,446
Non-controlling interests	114	105	108
Equity	12,753	11,214	11,554
Interest-bearing liabilities	4,139	8,290	8,707
Lease liabilities	3,487	2,991	3,118
Deferred tax	360	408	366
Pension and jubilee liabilities	84	193	76
Other provisions	59	44	117
Derivative financial instruments	12	12	6
Non-current liabilities	8,141	11,937	12,390
Interest-bearing liabilities	7,274	1,614	1,791
Lease liabilities	774	643	721
Trade payables	4,027	2,974	3,119
Payables to associates and joint ventures	17	50	51
Other provisions	57	64	56
Corporation tax	194	136	113
Other payables	743	1,553	679
Derivative financial instruments	10	87	77
Prepayments	199	162	171
Current liabilities	13,294	7,283	6,778
Liabilities	21,435	19,220	19,167
Equity and liabilities	34,188	30,435	30,721

DFDS Group - Statement of changes in equity 1 January - 30 September 2022

DKK m	Share capital	Translation reserve	Hedging Reserve	Treasury shares	Retained earnings	Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
Equity at 1 January 2022	1,173	-366	-5	-25	10,669	11,446	108	11,554
Comprehensive income for the period								
Profit for the period					1,625	1,625	11	1,636
Other comprehensive income	0	-145	220	0	-33	41	0	41
Total comprehensive income	0	-145	220	0	1,592	1,667	10	1,677
Transactions with owners								
Acquisition, non-controlling interests					1	1	-1	0
Dividend paid					-235	-235		-235
Dividend paid, non-controlling interests						0	-3	-3
Dividend on treasury shares					5	5		5
Extraordinary dividend paid					-235	-235		-235
Extraordinary dividend on treasury shares					5	5		5
Share-based payments					16	16		16
Purchase of treasury shares				-2	-30	-32		-32
Transactions with owners	0	0	0	-2	-472	-474	-4	-478
Equity at 30 September 2022	1,173	-511	215	-28	11,790	12,639	114	12,753

DFDS Group - Statement of changes in equity 1 January - 30 September 2021

DKK m	Share capital	Translation reserve	Hedging Reserve	Treasury shares	Retained earnings	Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
Equity at 1 January 2021	1,173	-394	147	-25	9,611	10,511	89	10,600
Comprehensive income for the period								
Profit for the period					707	707	14	720
Other comprehensive income	0	16	-100	0	-2	-86	0	-86
Total comprehensive income	0	16	-100	0	704	621	14	635
Transactions with owners								
Acquisition, non-controlling interests						0	2	2
Share-based payments					4	4		4
Purchase of treasury shares				-4	-71	-75		-75
Cash from sale of treasury shares related to exercise of share options				4	44	48		48
Transactions with owners	0	0	0	0	-22	-22	2	-20
Equity at 30 September 2021	1,173	-378	47	-25	10,293	11,109	105	11,214

DFDS Group – Statement of cash flows

DKK m	2022 Q3	2021 Q3	2022 Q1-Q3	2021 Q1-Q3	2021-22 LTM	2021 Full year
Operating profit before depreciation (EBITDA) and special items	1,591	848	3,871	2,496	4,786	3,411
Cash flow effect from special items related to operating activities	-48	-9	-51	-44	-58	-51
Adjustments for non-cash operating items, etc.	1	8	34	22	73	62
Change in working capital	-176	314	-50	242	-144	148
Payment of pension liabilities and other provisions	-6	-7	-20	-23	-31	-33
Cash flow from operating activities, gross	1,360	1,154	3,783	2,693	4,626	3,536
Interest received, etc.	13	1	23	4	50	26
Interest paid, etc.	-95	-56	-263	-218	-352	-302
Taxes paid	-25	-7	-89	-59	-82	-52
Cash flow from operating activities, net	1,253	1,091	3,455	2,421	4,242	3,208
Investments in ferries including dockings, etc.*	-530	-121	-1,577	-529	-2,193	-1,145
Sale of ferries	0	0	21	0	120	99
Investments in other non-current tangible assets	-236	-56	-667	-141	-947	-421
Sale of other non-current tangible assets	23	44	56	51	70	64
Investments in non-current intangible assets	-18	-10	-50	-38	-74	-62
Acquisition of enterprises, associates, joint ventures, and activities	-224	-962	-280	-962	-1,083	-1,765
Divestment of enterprises and associates	-2	0	-2	0	18	20
Other investing cash flows	0	0	0	3	-2	1
Cash flow to/from investing activities, net	-987	-1,106	-2,498	-1,616	-4,091	-3,210
Cash flow before financing activities, net	266	-15	957	805	151	-1
Proceed from bank loans and loans secured by mortgage in ships	1,800	150	3,901	514	5,149	1,762
Repayment and instalments of bank loans and loans secured by mortgage in ships	-690	-264	-2,041	-662	-2,728	-1,349
Repayment of corporate bonds incl. settlement of cross currency swap	-1,000	0	-1,000	0	-1,000	0
Payment of lease liabilities	-226	-209	-750	-592	-992	-834
Settlement of forward exchange contracts related to leases	5	45	11	89	11	90
Acquisition of treasury shares	0	0	-32	-75	-32	-75
Cash received from exercise of share options	0	0	0	48	0	48
Other financing cash flows	-2	0	-33	0	-33	0
Dividends paid to non-controlling interests	0	0	-3	0	-3	0
Dividends paid to equity holders of DFDS A/S	-229	0	-459	0	-459	0
Cash flow to/from financing activities, net	-342	-278	-405	-678	-86	-359
Net increase (decrease) in cash and cash equivalents	-75	-293	552	127	65	-360
Cash and cash equivalents at beginning of period	1,528	1,681	902	1,261	1,388	1,261
Foreign exchange and value adjustments of cash and cash equivalents	-1	0	-2	0	-1	1
Cash and cash equivalents at end of period **	1,452	1,388	1,452	1,388	1,452	902

* The cash flow for Q1-Q3 2021 and Full year 2021 includes an amount of DKK 19m related to a net settlement of a vessel swap where DFDS buys a vessel of DKK 332m, sells a vessel of DKK 165m, and settles a loan receivable of DKK 149m.

** At 30 September 2022 DKK 175m (30 September 2021: DKK 167m) of the cash was deposited on restricted bank accounts.

Note 1 Accounting policies and significant estimates

Basis of reporting

This section provides an overview of the Groups principal accounting policies as well as new and amended IFRS standards and interpretations.

Accounting policies

This interim report has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The interim report has been prepared using the same accounting policies, judgements and estimates as for the annual report for 2021 except as described below.

Implementation of new or changed accounting standards and interpretations

DFDS has adopted all new, amended, or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2022 none of which has had material impact on the Group's Financial Statements.

Significant estimates

In the view of Management, the areas where accounting estimates and assessments are significant remain the same as per DFDS' latest annual report. However, considering the war in Ukraine and the current macro-economic environment certain significant estimates have been revisited in Q3 2022 compared to year-end 2021, particularly related to passenger traffic and DFDS' activities in Eastern Europe. The review did not give rise to a change in estimates.

In the preparation of the Interim Report, Management undertakes several accounting estimates and assessments and makes assumptions which provide the basis for recognition and measurement of the assets, liabilities, revenues and expenses of the Group and the Parent Company. These estimates, assessments and assumptions are based on historical experience and other factors which Management considers reasonable under the circumstances, but which by their nature are uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unanticipated events or circumstances may occur, for which reason the actual results may deviate from the applied estimates, assessments, and assumptions.

Impairment considerations due to the war in Ukraine and current macro environment

Impairment testing is undertaken at year-end unless indications of impairment occur during the year. In Q3 2022 Management has revisited forecasts for all cash generating units (CGUs) and concludes that no impairments nor reversals of prior year impairments are necessary.

Note 2 Segment Information

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
Q1-Q3 2022				
External revenue	11,423	8,539	13	19,976
Intragroup revenue	1,001	52	468	1,520
Total revenue	12,424	8,591	481	21,496
Operating profit (EBITDA) before special items	3,110	787	-27	3,871
Operating profit (EBIT) before special items	1,741	357	-89	2,008
Operating profit after special items (EBIT)	1,755	359	-89	2,025
Invested capital, average	20,810	4,676	780	26,265

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
Q1-Q3 2021				
External revenue	7,821	4,551	15	12,387
Intragroup revenue	762	63	382	1,207
Total revenue	8,583	4,614	397	13,594
Operating profit (EBITDA) before special items	2,112	382	2	2,496
Operating profit (EBIT) before special items	876	188	-59	1,004
Operating profit after special items (EBIT)	896	194	-56	1,034
Invested capital, average	20,419	2,094	299	22,813

Note 3 Revenue

DKK m	Q1-Q3 2022			
	Ferry Division	Logistics Division	Non-allocated	Total
Geographical markets				
North Sea	4,250	-	0	4,250
Mediterranean	3,010	-	0	3,010
English Channel	3,032	-	0	3,032
Baltic Sea	1,131	-	0	1,131
Continent	-	3,398	0	3,398
Nordic	-	3,323	0	3,323
UK/Ireland	-	1,819	0	1,819
Other	0	0	13	13
Total	11,423	8,539	13	19,976
Product and services				
Seafreight and shipping logistics solutions	7,894	20	0	7,913
Transport solutions	53	8,054	0	8,107
Passenger seafare and on board sales	2,353	0	0	2,353
Terminal services	697	4	0	702
Charters	248	0	0	248
Agency and other revenue	178	462	13	653
Total	11,423	8,539	13	19,976

DKK m	Q1-Q3 2021			
	Ferry Division	Logistics Division	Non-allocated	Total
Geographical markets				
North Sea	2,778	-	0	2,778
Mediterranean	2,139	-	0	2,139
English Channel	1,881	-	0	1,881
Baltic Sea	1,023	-	0	1,023
Continent	-	1,979	0	1,979
Nordic	-	1,377	0	1,377
UK/Ireland	-	1,194	0	1,194
Other	0	0	15	15
Total	7,821	4,551	15	12,387
Product and services				
Seafreight and shipping logistics solutions	6,154	87	0	6,241
Transport solutions	17	4,416	0	4,433
Passenger seafare and on board sales	642	0	0	642
Terminal services	641	5	0	646
Charters	237	0	0	237
Agency and other revenue	130	42	15	187
Total	7,821	4,551	15	12,387

All material revenue is recognised when each separate obligation in the customer contract is fulfilled following the "over-time principle". Most transports carried out by the Ferry Division are characterised by short delivery time (most sailings are less than 30 hours while sailings to/from Turkey are up to 72 hours). Transports carried out by Logistics Division can take delivery over a longer period, but the impact is insignificant.

On board sales is recognised according to the "a point in time" principle and amount to DKK 982m (Q1-Q3 2021: DKK 266m).

Revenue includes revenue recognised from contracts with customers in accordance with IFRS 15 and other revenue (leasing activities). Revenue from leasing activities amounts to DKK 281m (Q1-Q3 2021: DKK 237m).

Note 4 Special items

DKK m	2022 Q1-Q3	2021 Q1-Q3
Acquisition and integration planning costs relating to HSF Logistics Group	0	-25
ICT value adjustment, etc.	2	0
Accounting gain on sale of Gothia Seaways	0	20
Reversal of restructuring cost	15	0
Reversal of accrued cost related to Jubilee shares	0	4
Accounting gain on sale of office and warehousing building in Belgium	0	31
Special items, net	17	30

Note 5 Acquisition of enterprises and sale of activities

2022

ICT Logistics

On 15 September 2021 DFDS Group entered into an agreement to acquire 80.1% of the shares in ICT Logistics Group. The acquisition was approved by Danish merger authorities on 13 January 2022 and the transaction was completed on 19 January 2022. The purchase price for the acquired shares amounted to DKK 69m. Cash in the acquired company amounted to DKK 33m. Consequently, the liquidity effect was DKK 35m.

The acquisition is made by DFDS A/S which already owned 19.9% of the shares in ICT Logistics Group. In Q1 2022 the Group revalued the existing ownership share of 19.9% to DKK 17m which has resulted in a gain of DKK 9m.

primeRail

On 10 May 2022 DFDS Group acquired 100% of the share capital of the German rail forwarding company primeRail GmbH headquartered in Troisdorf, Germany. The purchase price for the acquired shares amounted to DKK 37m. Cash in the acquired company amounted to DKK 16m. Accordingly the liquidity effect was DKK 21m.

Lucey Transport Logistics

On 30 September 2022 DFDS Group acquired 100% of the share capital of the Irish logistics service company Lucey Transport Logistics Ltd. The Group has per 30 September 2022 incorporated a preliminary opening balance. However, due to the acquisition date being 30 September 2022 DFDS Group has not had detailed access to data and consequently the purchase price allocation is preliminary and will be subject to adjustments. A detailed fair value overview will be presented in the Q4-2022 announcement.

2021

The purchase price allocation for HSF Group (acquired 14 September 2021) is finalised and unchanged compared to 31 December 2021. For further details of the acquisition, refer to the annual report for 2021.

Note 6 Fair value measurement of financial instruments

The table discloses fair value and carrying amount of financial instruments measured at fair value in the balance sheet. Furthermore, categorisation of the valuation method according to the fair value hierarchy is stated.

Transfers between levels of the fair value hierarchy are considered to have occurred at the date of the event or change in circumstances that caused the transfer.

There were no transfers between the levels in the fair value hierarchy in Q1-Q3 2022.

Techniques for calculating fair values

Derivatives

DFDS' usage of derivatives includes interest rate swaps, bunker swaps, forward exchange contracts and currency swaps. The fair values on interest rate swaps have been calculated by discounting the expected future interest payments. The discount rate for each interest payment is estimated on the basis of a swap interest curve, which is calculated based on a wide spread of market interest rates. The fair value on forward exchange contracts are based on interest curve calculations in DFDS' Treasury system. Calculations are based on a spread of market interest rates in the various currencies. Calculation on bunker swaps are based on quoted forward curve from various financial institutions.

Note 6 continued

DKK m	30 Sept. 2022		30 Sept. 2021	
	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets				
Derivatives (Level 2)	386	386	84	84
Securities (Level 3)	2	2	10	10
Financial liabilities				
Derivatives (Level 2)	21	21	99	99

Note 7 Supplementary financial information on the Parent Company

As a result of DFDS A/S' issuance of corporate bonds on the Oslo Stock Exchange there is a requirement to provide certain supplementary financial information on the Parent Company. The following financial information has been prepared using the same accounting policies as for the Annual Report for 2021. DFDS has adopted all new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2022. For further description reference is made to note 1 Accounting policies.

The Parent Company's revenue increased by DKK 2,766m, equivalent to 46% compared to Q1-Q3 2021. Operating profit before depreciation (EBITDA) and special items increased by DKK 727m equivalent to 53% compared to Q1-Q3 2021.

Profit before tax increased by DKK 816m equivalent to 311% compared to Q1-Q3 2021.

The Parent Company's net interest-bearing debt decreased by DKK 1,042m equivalent to 17% compared to 31 December 2021.

DKK m	2022 Q1-Q3	2021 Q1-Q3	2021-22 LTM	2021 Full year
Income statement				
Revenue	8,812	6,046	11,016	8,250
Operating profit before depreciation (EBITDA) and special items	2,089	1,362	2,497	1,771
Operating profit (EBIT) before special items	944	99	923	77
Special items, net	50	-25	20	-55
Operating profit (EBIT)	995	73	943	22
Financial items, net	84	189	-21	85
Profit before tax	1,078	262	922	106
Profit for the period	1,084	277	938	131
Assets				
Non-current intangible assets	440	409	-	423
Non-current tangible assets	6,815	5,541	-	6,088
Right-of-use assets	2,045	485	-	1,209
Investments in affiliated companies, associates and joint ventures	8,817	8,459	-	8,387
Non-current receivables from affiliated companies	62	51	-	47
Other non-current assets	282	55	-	70
Non-current assets	18,461	15,000	-	16,224
Current receivables from affiliated companies	939	647	-	712
Receivables from associates and joint ventures	22	24	-	23
Cash	637	984	-	475
Other current assets	1,520	1,274	-	1,195
Current assets	3,119	2,930	-	2,405
Total assets	21,580	17,930	-	18,629
Equity and liabilities				
Equity	10,072	9,542	-	9,355
Non-current liabilities	4,460	2,026	-	3,193
Current liabilities to affiliated companies	1,757	2,095	-	2,072
Other current liabilities	5,291	4,267	-	4,010
Current liabilities	7,048	6,362	-	6,082
Total equity and liabilities	21,580	17,930	-	18,629
Equity ratio, %	46.7	53.2	-	50.2
Net interest-bearing debt	7,306	4,296	-	6,264

Definitions

Operating profit before depreciation (EBITDA)	Profit before depreciation and impairment on non-current assets
Operating profit (EBIT)	Profit after depreciation and impairment on non-current intangible and tangible assets
Operating margin, %	$\frac{\text{Operating profit (EBIT) before special items}}{\text{Revenue}} \times 100$
Net operating profit after taxes (NOPAT)	Operating profit (EBIT) minus payable tax for the period adjusted for the tax effect of net finance cost
Invested capital	Non-current intangible and tangible assets plus net working capital (non-interest bearing current assets minus non-interest bearing current liabilities) minus pension and jubilee liabilities and other provisions
Net Interest-bearing debt (NIBD)	Interest-bearing liabilities (excluding provision for pensions) minus interest-bearing assets minus cash and securities
LTM	Last twelve months
Return on invested capital (ROIC), %	$\frac{\text{Net operating profit after taxes (NOPAT)}}{\text{Average invested capital}} \times 100$
Adjusted free cash flow (FCFE)	Cash flow from operating activities excluding net interest received and paid minus cash flow from net investments and payment of lease liabilities and interest
Return on equity, %	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Average equity excluding non-controlling interests}} \times 100$
Equity ratio, %	$\frac{\text{Equity at end of period}}{\text{Total assets}} \times 100$
Financial leverage, times	$\frac{\text{Net Interest-bearing debt (NIBD)}}{\text{EBITDA LTM before special items incl. pro forma EBITDA for acquired companies}}$
Earnings per share (EPS)	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Weighted average number of ordinary shares in circulation}}$
Dividend per share	$\frac{\text{Dividend for the year}}{\text{Number of shares at the end of the period}}$
Market value	Number of shares, ex. treasury shares, end of period times share price end of period
Number of ships	Owned and chartered ships, including slot charter and vessel sharing agreements

Roundings may in general cause variances in sums and percentages in this report.

ESG definitions

Total number of days operated	Total number of deployment days for vessels in operation
CO2 emissions per GT nautical mile (Own fleet)	Emissions measured as gCO2 per gross tonnage nautical mile for vessels in operation (Own fleet)
CO2 emissions per GT nautical mile (Route network)	Emissions measured as gCO2 per gross tonnage nautical mile for vessels in operation (Route network)
Total fuel consumption (Route network)	Total consumption of heavy fuel oil (HFO) and marine gas oil (MGO) for vessels in operation (Route network)
Spills (>1 barrel)	Incidents of oil spills larger than one barrel into the sea from vessels in operation
Total workforce	Percentage of women in total workforce
Non-office based	Percentage of women of total number of non-office based employees
Office based	Percentage of women of total number of office based employees
Senior management	Percentage of women of total number of senior management positions defined as EVPs and VPs
Managers	Percentage of women of total number of management positions, excluding senior management, defined as positions with responsibility for at least one other employee
Employees	Percentage of women of total number of employees, excluding senior management and managers
Lost time injury frequency (LTIF), sea	Number of registered work-related accidents disabling a seafarer to work for more than 24 hours per one million exposure hours
Lost time injury frequency (LTIF), land	Number of registered work-related accidents disabling a land-based employee work for more than 24 hours per one million exposure hours
Colleagues	Number of fatalities among employees caused by work-related accidents
Contractors	Number of fatalities among third-party contractors caused by work-related accidents while operating for DFDS
Representation of women on Board of Directors (AGM elected members)	Percentage of women of total number of members of the Board of Directors, excluding staff appointed members, elected at the Annual General Meeting
Board nationality – non-Danish (AGM elected members)	Percentage of non-Danish members of total number of members of the Board of Directors elected at the Annual General Meeting
Independent directors (AGM elected members)	Percentage of independent directors of total number of members of the Board of Directors elected at the Annual General Meeting
Attendance at Board meetings (All Board members)	Percentage of total number of Board meetings attended (Not gender specific)
Whistle-blower reporting	Number of cases of whistle-blower reportings

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Disclaimer

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

About DFDS

DFDS provides ferry and transport services in and around Europe, generating annual revenues of around DKK 25bn.

To over 10,000 freight customers, we deliver high performance and superior reliability through ferry & port terminal services and transport & logistics solutions.

For millions of passengers, we provide safe overnight and short sea ferry services.

Our 11,000 employees are located on ferries, port terminals, distribution centres, and in offices across more than 20 countries. DFDS was founded in 1866, is headquartered in Copenhagen, and listed on NASDAQ Copenhagen.