

# On track to deliver on outlook



# Q1 2024 investor call agenda

- Strategy update
- Q1 overview
- Moving to Green
- Capital distribution
- Outlook & priorities

# Moving Together Towards 2030

## Unlocking value, 2024-2026

- Protect & Grow Profits
- Standardise to simplify
- Digitise to transform
- Moving to green
- Be a great place to work

## Green transition, 2024-2030

- 45% reduction in ferry emission intensity
- Six green ferries in operation by the end of 2030
- 75% reduction of land emission intensity

## Financial ambitions, 2024-2026/27

- Annual Adjusted free cash flow of DKK 1.5bn
- Capex of DKK 1.5-2.0bn annually
- ROIC of around 10% by 2027
- NIBD/EBITDA of 2.5x by 2026

# Strategy update

- Network expansion fulfilled with Ekol Logistics acquisition agreement
- Organic growth focus supported by network capabilities and presence in high-growth markets
- Standardise & Digitise teams in place, projects starting to yield results
- Another 100 e-trucks ordered to further decarbonise land transport
- Green corridor project application for RoRos powered by green ammonia submitted for EU funding

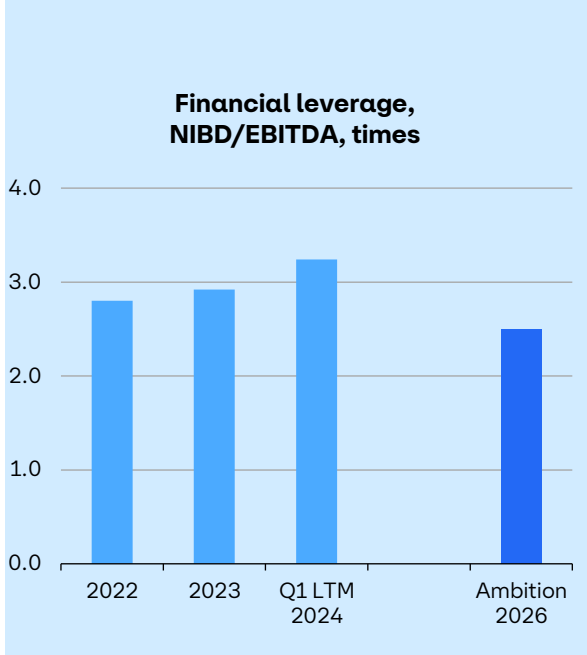
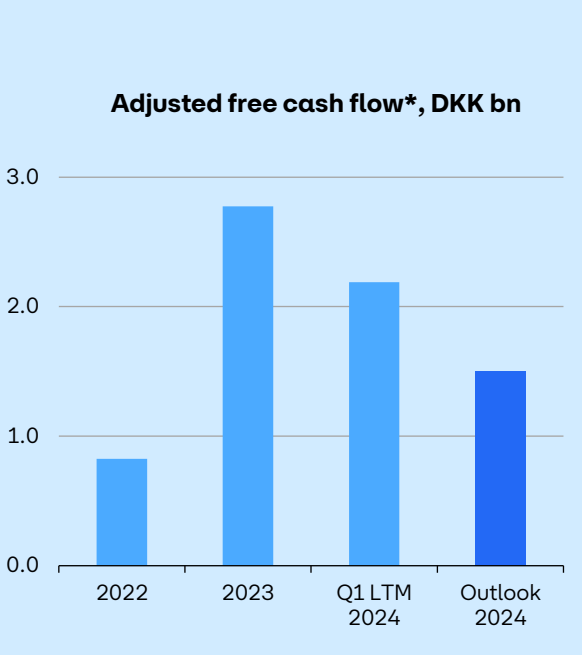
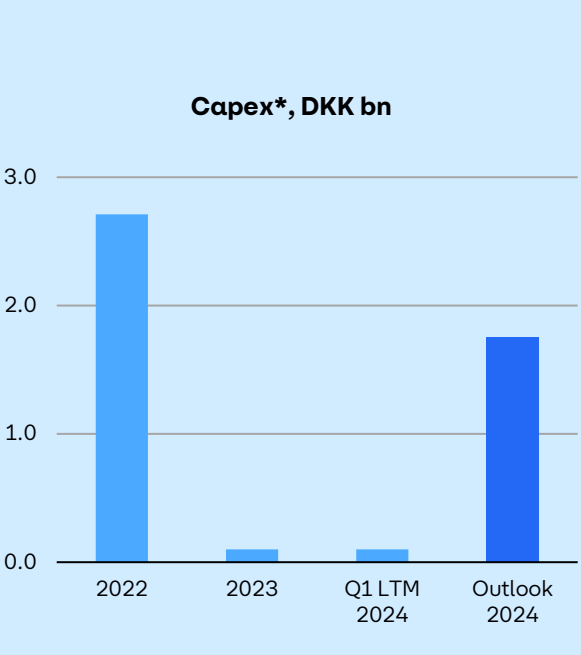
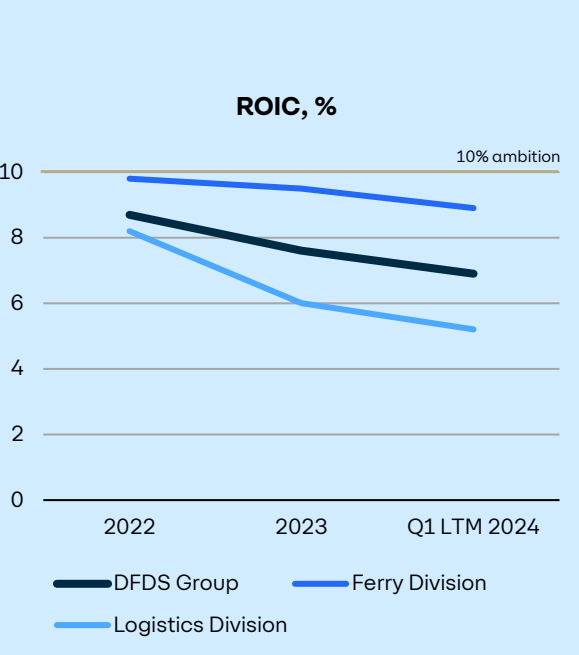
# Financial ambitions 2024-2026/27

- Group Q1 ROIC at 7%
- Ferry at 9% - Baltic Sea headwind, Channel improving
- Logistics at 5% - focus on Nordic/Continent CC improvement

- Q1 capex as expected
- Capex outlook of DKK 1.75bn on track for 2024

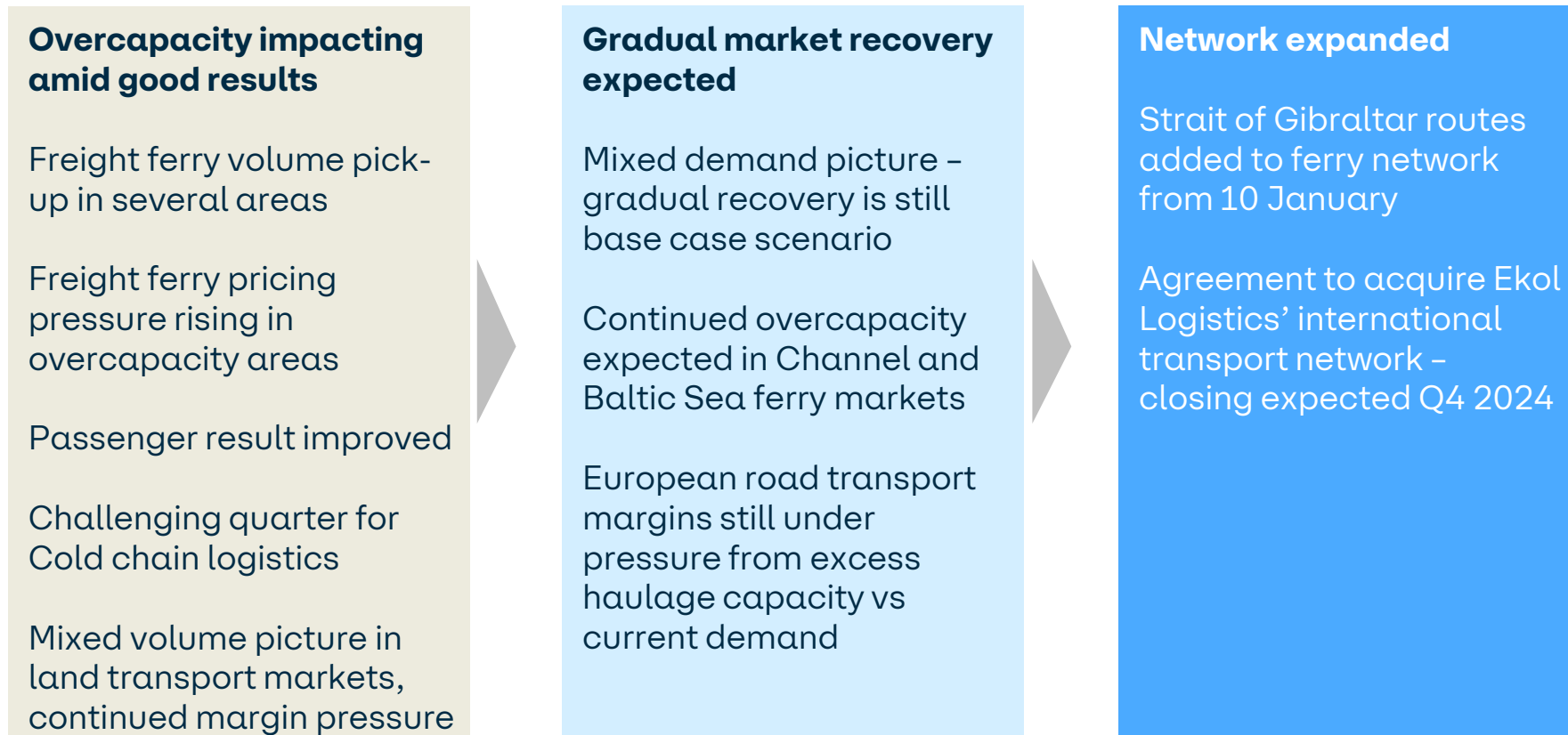
- Q1 cash flow reduced by seasonal working capital impact
- Adjusted free cash flow of DKK 1.5bn on track for 2024

- FRS acquisition increased Q1 NIBD/EBITDA to 3.2x
- Deleveraging expected Q2-3
- Ekol Logistics acquisition set to increase leverage in Q4



\*2023/Q1 LTM 2024 include DKK 1.5bn inflow from sale & leaseback of three freight ferries

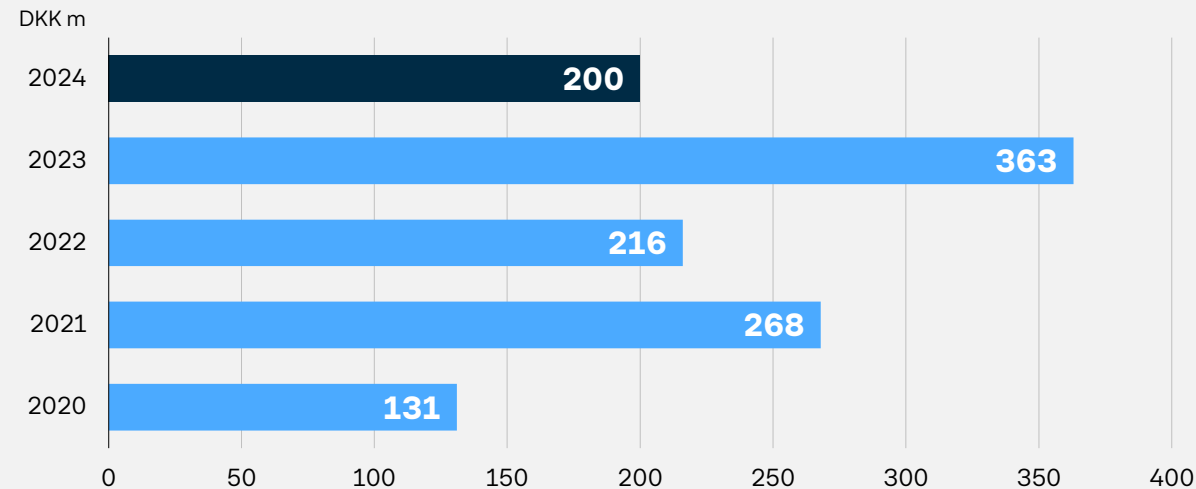
# Q1 result ahead of expectations in challenging market environment



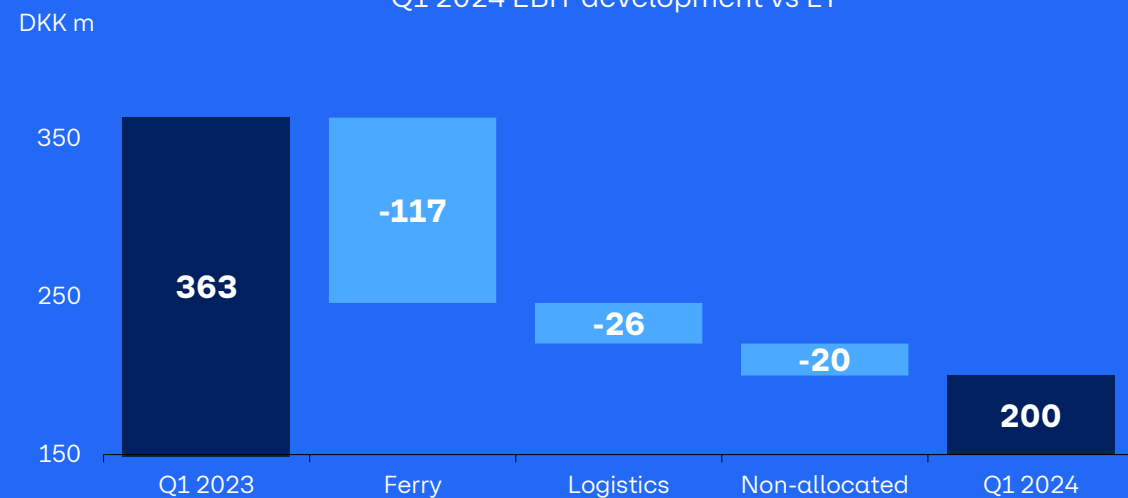
# EBIT lower than last year but ahead of expectations

- **Group Q1 revenue** up 11% and up 1% adjusted for acquisitions/bunker surcharges
- **Group Q1 EBIT** of DKK 200m down 45% due to lower results in both divisions
- **Ferry** EBIT of DKK 169m reduced as higher passenger earnings were more than offset by lower freight result
- **Logistics** EBIT of DKK 94m lowered by decrease in mainly Cold Chain earnings

DFDS Group - Q1 EBIT



Q1 2024 EBIT development vs LY



# Q1 2024 income statement

- **Revenue** growth of 11% detailed on next slide
- **EBITDA** down 2% as higher Logistics earnings were offset by Ferry Division and Non-allocated costs
- **Depreciation** up 26% or DKK 146m driven by DKK 103m increase of Ferry depreciation and DKK 44m increase of Logistics depreciation
- **Amortisation** up DKK 7m due to acquisitions
- **Finance** cost up DKK 69m driven by a higher interest rate level and NIBD increase

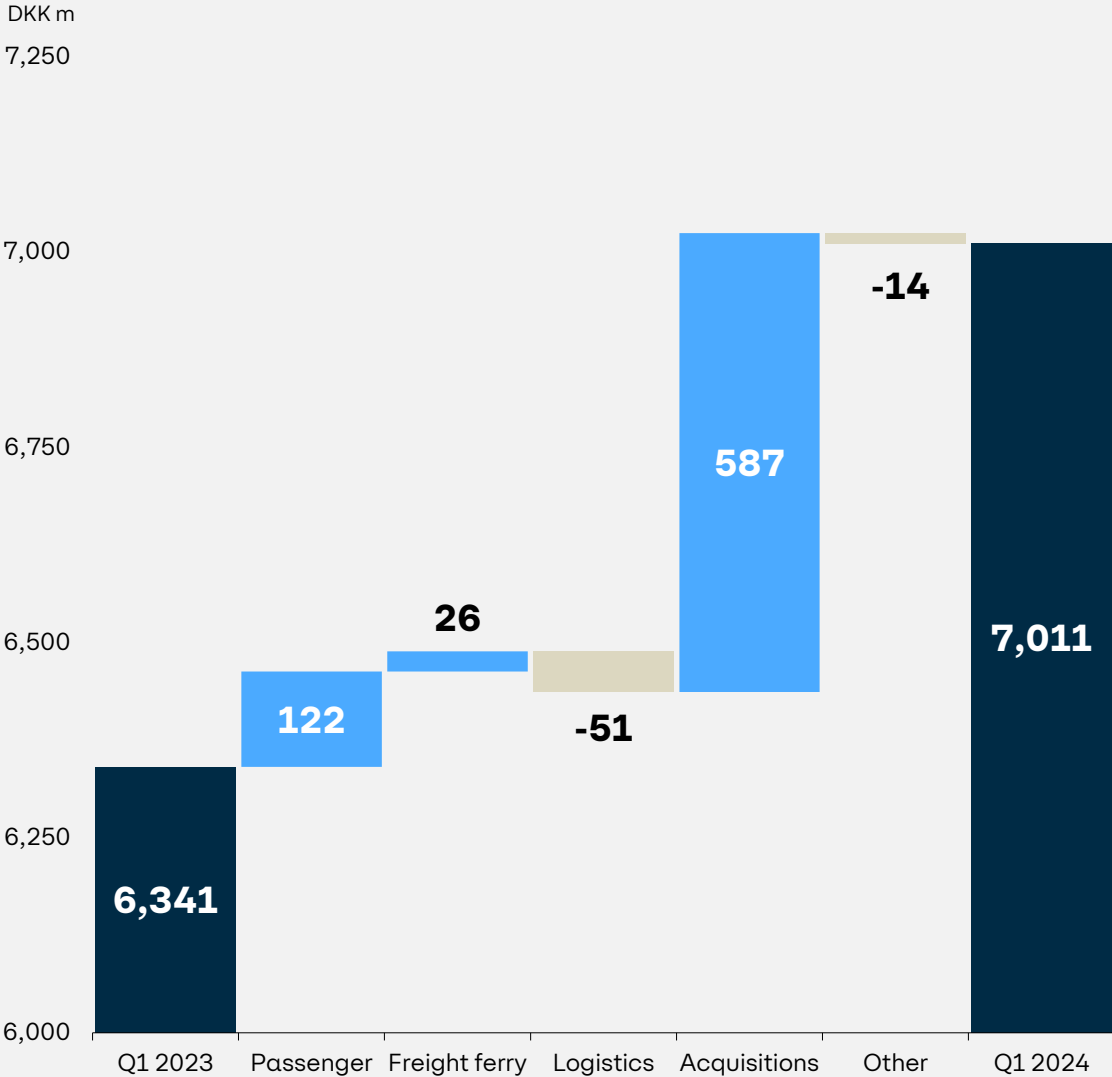
DFDS Group, DKK m	Q1 23	Q1 24	Δ	Δ
Revenue	6,341	7,011	670	11%
<b>EBITDA</b>	<b>972</b>	<b>957</b>	<b>-15</b>	<b>-2%</b>
<i>Margin</i>	<i>15.3%</i>	<i>13.6%</i>	<i>-1.7%</i>	
Other income/costs, net	2	6	5	n.a.
Depreciation and impairment	-570	-716	-146	26%
EBITA	403	247	-156	-39%
<i>Margin</i>	<i>6.4%</i>	<i>3.5%</i>	<i>-2.8%</i>	
Amortisation	-41	-47	-7	16%
<b>EBIT</b>	<b>363</b>	<b>200</b>	<b>-163</b>	<b>-45%</b>
<i>Margin</i>	<i>5.7%</i>	<i>2.9%</i>	<i>-2.9%</i>	
<i>Ferry Division</i>	286	169	-117	-41%
<i>Logistics Division</i>	120	94	-26	-22%
<i>Non-allocated</i>	-43	-63	-20	47%
Finance	-127	-195	-69	54%
<b>Profit before tax</b>	<b>236</b>	<b>5</b>	<b>-231</b>	<b>-98%</b>
Tax	-99	-52	47	-47%
<b>Profit after tax</b>	<b>137</b>	<b>-48</b>	<b>-185</b>	<b>-135%</b>

Q1 2023 has been restated to change in accounting practice applied to IFRS 16 service element since 2024

# Revenue growth driven by passengers & acquisitions

- **Strait of Gibraltar** revenue of DKK 255m included under Acquisitions
- **Passenger** revenue up 22% driven mainly by Channel
- **Freight ferry** revenue slightly up as higher North Sea/Mediterranean revenue offset lower Channel/Baltic Sea revenue
- **Logistics** revenue down 2% reflecting lower volume and surcharge levels
- **Acquisitions** added revenue of DKK 587m (McBurney, MacLeod, Estron, Strait of Gibraltar)

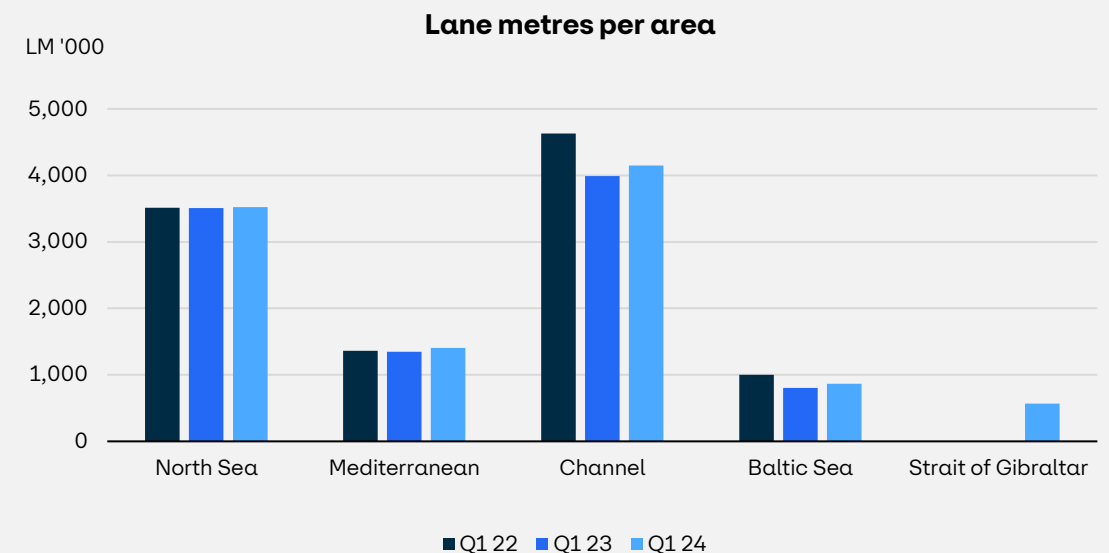
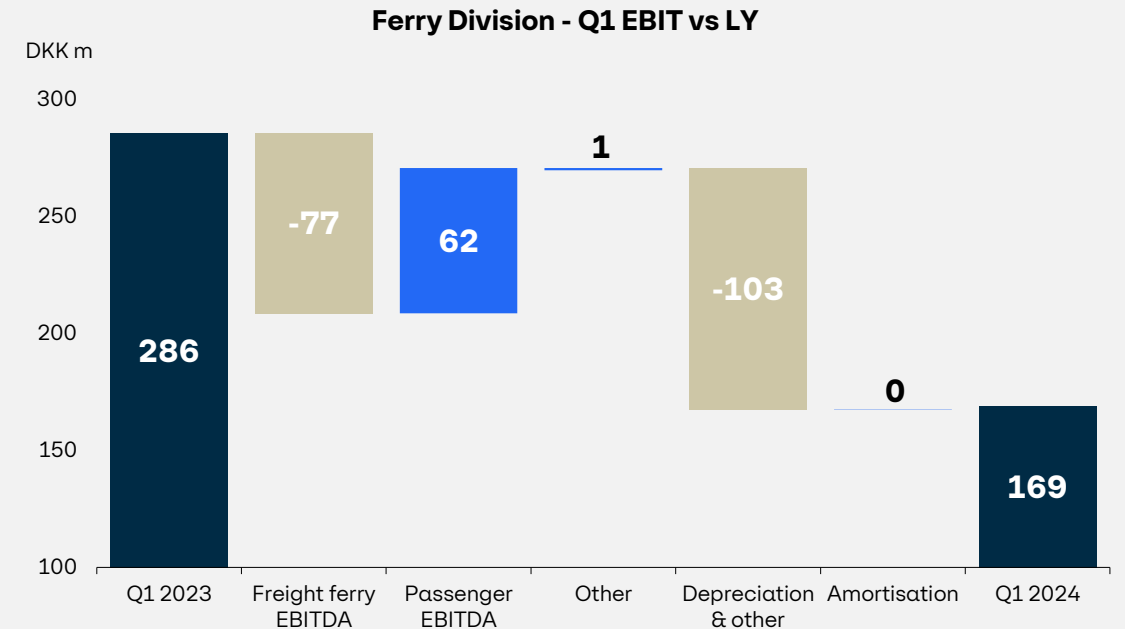
Change in revenue, Q1 2024 vs Q1 2023





# Ferry Division – contribution stable despite headwinds

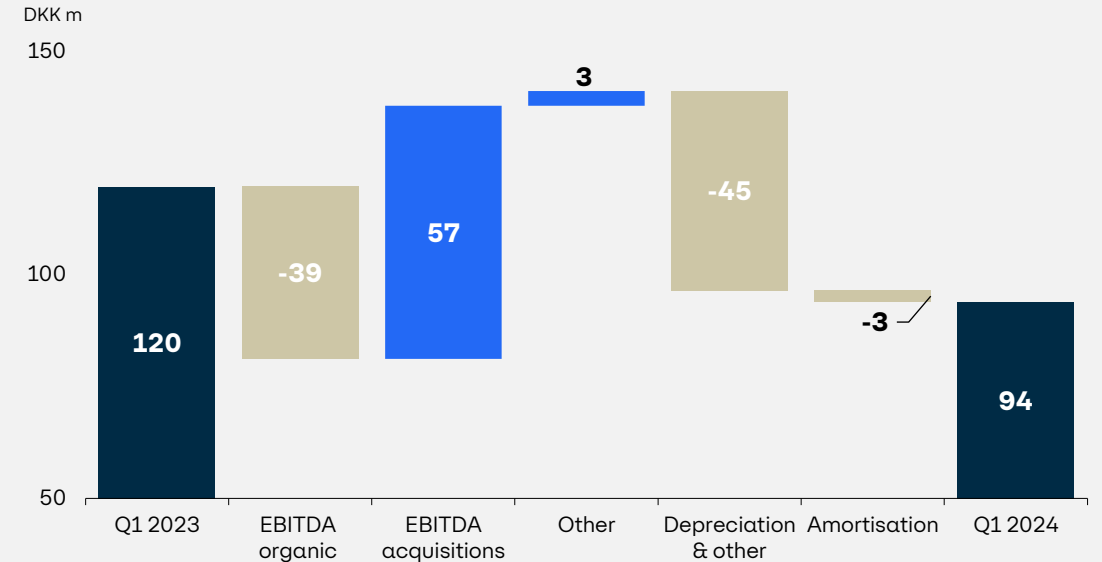
- **Freight Ferry EBITDA** down DKK 77m or 11% driven by lower Baltic Sea/Channel results and higher net bunker cost
- Volumes up 4.2% adjusted for SoG. Freight rate levels reduced in overcapacity areas
- **Passenger EBITDA** up DKK 62m mainly due to higher volumes and spending in Channel
- **Depreciation** increased DKK 103m due to sale & leaseback impact, higher level and cost of dockings, and SoG acquisition



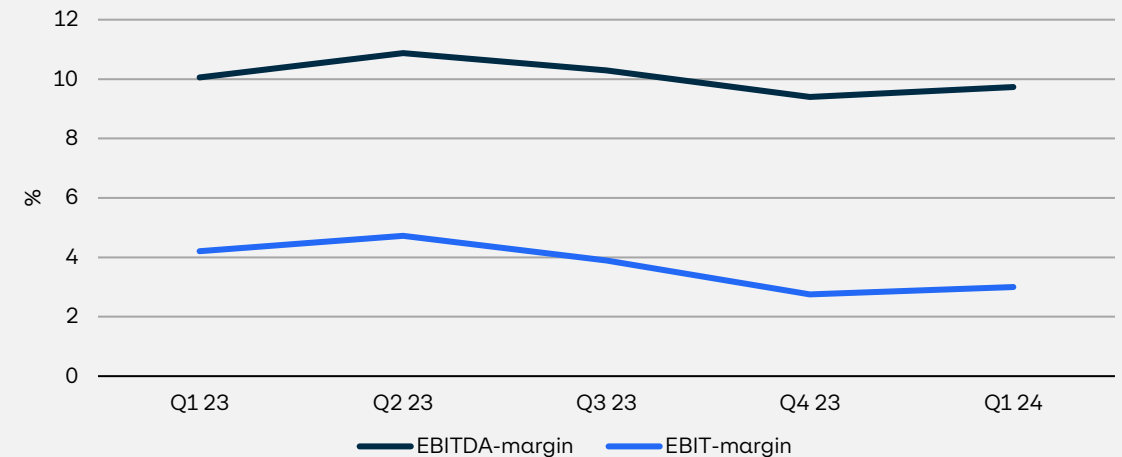
# Logistics Division - mixed results in challenging market

- **EBITDA organic** down DKK 39m or 14% due to mainly lower result for Nordic/Continent Cold Chain following continued slowdown in meat volumes and new UK border check start February
- EBITDA almost on level with 2023 for all other business areas
- **EBITDA acquisitions** up DKK 57m from full McBurney quarter and additions of MacLeod/Estron
- **Depreciation** increased DKK 45m of which DKK 28m was due to acquisitions

Logistics Division - Q1 EBIT vs LY



Logistics margins



# Cash flows & capital

- **Operating cash flow** of DKK 0.5bn reduced by seasonal working capital impact and higher interest payments
- **Operating capex** of DKK -0.6bn as expected
- **Adjusted free cash flow** for Q1 of DKK -0.3bn
- LTM Adjusted free cash flow of DKK 2.2bn includes inflow of DKK 1.5bn from sale/leaseback of three freight ferries
- **Leverage**, NIBD/EBITDA, of 3.2x above target range of 2.0-3.0x due to FRS Iberia/Maroc acquisition

DKK bn	Q1 2023	Q1 2024	Δ	Δ	Q1 LTM 2024-23
<b>Cash flows</b>					
Operating cash flow	1.0	0.5	-0.5	-53%	3.1
<i>Capex</i>					
Operating capex	-0.6	-0.6	0.0	-3%	-1.6
Ferries*	0.0	0.0	0.0	n.a.	1.5
Acquisitions	-0.9	-1.1	-0.1	16%	-1.2
Free cash flow	-0.5	-1.2	-0.7	129%	1.9
Adjusted free cash flow	0.3	-0.3	-0.6	n.a.	2.2
<b>Capital structure</b>					
NIBD	15.7	16.3	0.6	4%	n.a.
NIBD/EBITDA, times	3.0	3.2	0.2	n.a.	n.a.
Equity ratio	36%	37%	1%	n.a.	n.a.

\*Sale/purchase/new-buildings

# Moving to Green

# Progress across green and social targets

- **Ferry CO2** emission intensity reduced 3% across route network in Q1 2024
- New **shore-power** facility in Vlaardingen port terminal – 2.1-2.3k tons CO2e annual decrease
- **Green RoRo** corridor project – capex/opex funding application submitted to EU
- **E-trucks:** another 100 ordered bringing total (ordered) fleet to 225 – 105 deployed end Q1
- **Women's** representation in management positions increased
- **Safety** (LTIF) improved across both sea and land operations, including port terminals

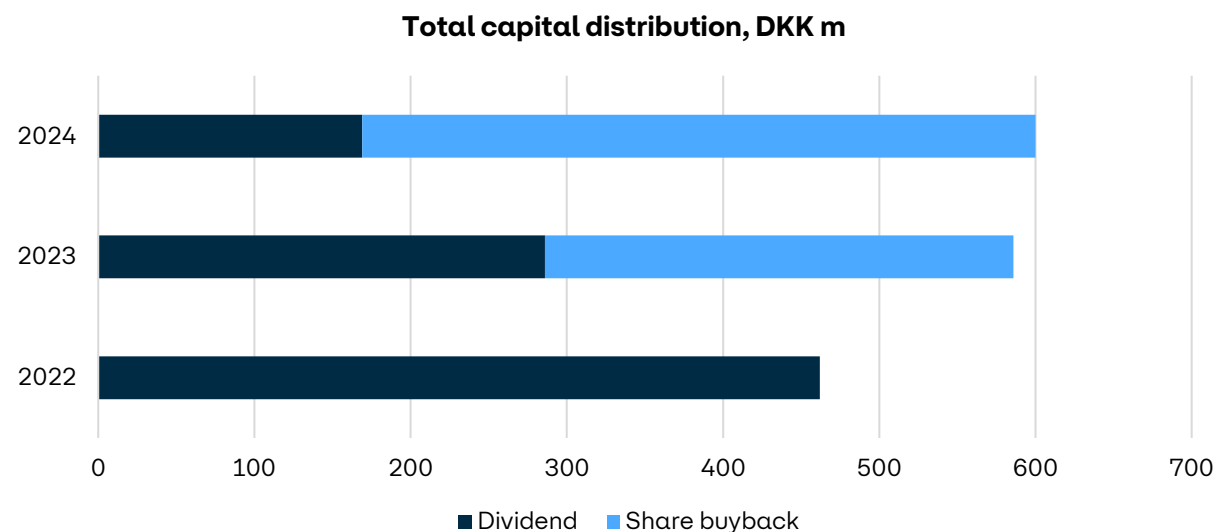


# Capital distribution, outlook & priorities

# Total capital distribution of DKK 600m on track

- **Capital distribution** total of DKK 600m equal to DKK 10.67 per share (ex. own shares)
- **Dividend** of DKK 169m paid in March equal to DKK 3.00 per share (ex. own shares)
- **Share buyback** of DKK 431m under Safe Harbour rules running from 12 February to 31 December 2024
- 935k shares bought for DKK 185m on 7 May 2024

Distribution to shareholders, DKK m	2022	2023	2024
Dividend per share, DKK	8.00	5.00	3.00
Dividend, ex. treasury shares	462	286	169
Buyback of shares	0	300	431
Total distribution to shareholders	462	586	600
Total distribution yield, %	3.1	4.6	n.a.



# Outlook 2024 still based on overall flat market environment

- **European** growth still expected to rebound slightly rest of year
- **Freight** markets mixed picture – overall flattish expectation
- **Turkish** growth expected to increase in second half of 2024
- **Passenger** market still expected to benefit from pockets of recovery





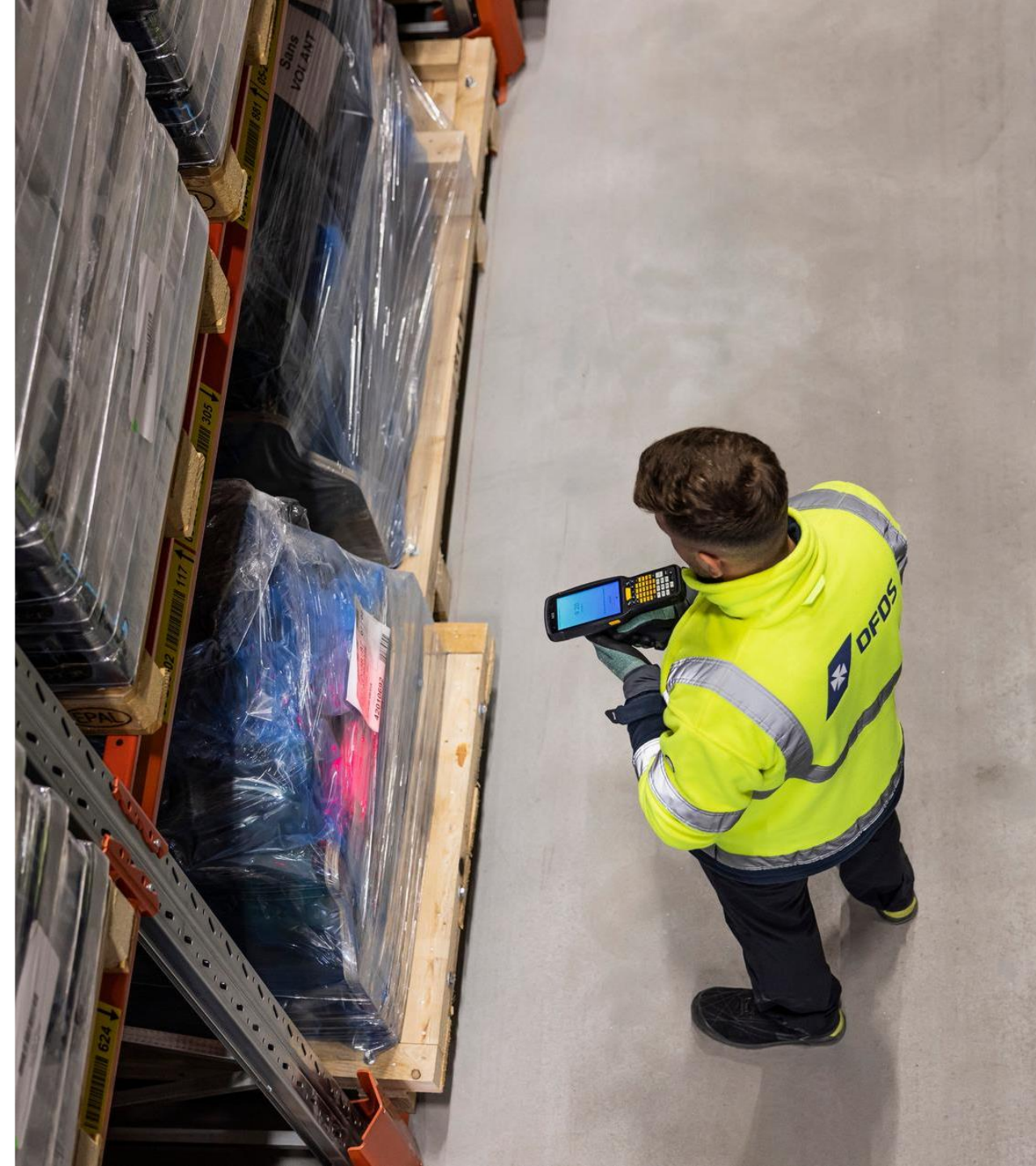
# Outlook 2024 unchanged

- **Revenue** expected to grow 8-11% driven by mix of organic growth, addition of Strait of Gibraltar routes, and ETS pass-through surcharges, plus expected addition of Ekol Logistics in Q4
- **EBIT** outlook of DKK 2.0-2.4bn
- In comparison to 2023, EBIT for 2024 will be negatively impacted by around DKK 300m of non-comparable items
- **Operating capex** of DKK 1.75bn expected
- **Adjusted free cash flow** of around DKK 1.5bn expected

DKK m	Outlook 2024	Outlook February 2024	2023
Revenue growth	8-11%	5-8%	27,304
EBIT	2,000-2,400	2,000-2,400	2,326
<i>Per division:</i>			
Ferry Division	1,675-1,975	1,675-1,975	2,098
Logistics Division	525-625	525-625	469
Non-allocated items	-200	-200	-242
Capex	-1,750	-1,750	-115
<i>Types:</i>			
Operating	-1,750	-1,750	-1,581
Ferries: sale & purchase, newbuildings	0	0	1,466
Adjusted free cash flow	Around 1,500	Around 1,500	2,773

# Key priorities for 2024 – unlocking value

- **Organic growth** focus
- **Operational efficiencies** – drive improvement in select areas
- **Green transition** – deliver on short- and long-term targets
- **Strait of Gibraltar** integration
- **Ekol Logistics** integration preparation



# Q&A