

Q4 and full-year 2023 interim report

# SOLID RESULT FOR 2023

- EBITDA of DKK 5.0bn in line with Win23
- Revenue up 2% to DKK 27.3bn
- Ferry & Logistics network expanded
- Adjusted free cash flow of DKK 2.8bn
- Total dividend and share buyback of DKK 600m
- EBIT 2024 outlook of DKK 2.0-2.4bn  
(2023: DKK 2.3bn)



# Highlights Q4

## Q4 2023

- Challenging freight markets
- EBITDA reduced 5% to DKK 1.0bn
- Cash inflow of DKK 1.5bn from sale and leaseback of three ferries
- CO2 ferry emission intensity lowered 2%

## Outlook 2024

- EBIT of DKK 2.0-2.4bn
- Revenue growth of 5-8%
- Adjusted free cash flow of around DKK 1.5bn

“We’re pleased to deliver a solid result for 2023 despite challenging freight markets. Our ferry and logistics network has been expanded significantly, and in 2024 we will focus on unlocking value as we start executing our new strategic and financial ambitions.”

Torben Carlsen, CEO

Q4 revenue increased 4.4% to DKK 6.8bn and increased 9.1% adjusted for ferry bunker surcharges. The adjusted growth was driven by higher ferry revenue from both freight and passengers as well as revenue from logistics acquisitions.

The Q4 EBITDA of DKK 1,030m was 5.3% below Q4 2022. The freight ferry EBITDA of DKK 669m was 8.2% below 2022 due to a spike in oil price spreads in Q4 2022. Underlying freight ferry earnings were above 2022 as higher rates and cost control offset lower volumes. The Q4 passenger EBITDA decreased 12.3% to DKK 115m due to reversal of a provision in Q4 2022. Logistics Division’s EBITDA increased 11.5% to DKK 310m driven by acquisitions while underlying performance was reduced by lower activity levels and one-off costs.

Full-year revenue increased 1.6% to DKK 27,304m compared to 2022 and EBITDA increased 1.2% to DKK 5,034m.

The full-year Adjusted free cash flow was DKK 2,773m, including an inflow of DKK 1,466m from a sale and leaseback of three ferries. NIBD/EBITDA was 2.9x at year-end.

## Outlook 2024

Revenue is expected to grow by 5-8% in 2024. The EBIT outlook for 2024 is DKK 2.0-2.4bn (2023: DKK 2.3bn), and the Adjusted free cash flow is expected to be around DKK 1.5bn. The outlook is detailed on page 10.

## KEY FIGURES

DKK m	2023 Q4	2022 Q4	Change, %	2023 Full-year	2022 Full-year	Change, %
Revenue	6,832	6,542	4.4	27,304	26,873	1.6
<b>Operating profit before depreciation and amortisation (EBITDA)</b>	<b>1,030</b>	<b>1,088</b>	<b>-5.3</b>	<b>5,034</b>	<b>4,974</b>	<b>1.2</b>
Operating profit before amortisation (EBITA)	409	488	-16.2	2,504	2,603	-3.8
Operating profit (EBIT)	358	452	-20.8	2,326	2,468	-5.8
<b>Profit before tax</b>	<b>170</b>	<b>378</b>	<b>-54.9</b>	<b>1,652</b>	<b>2,139</b>	<b>-22.8</b>

## 9 February 2024. Conference call today at 10.00am CET

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

Follow live-streaming of call via this [link](#).

# Key figures

DKK m	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
<b>Income statement</b>				
Revenue	6,832	6,542	27,304	26,873
Ferry Division	3,990	4,052	16,493	16,831
Logistics Division	3,173	2,832	12,096	11,423
Non-allocated items	189	144	729	624
Eliminations	-521	-486	-2,013	-2,006
Operating profit before depreciation and amortisation (EBITDA)	1,030	1,088	5,034	4,974
Ferry Division	783	859	3,907	3,984
Logistics Division	310	278	1,273	1,066
Non-allocated items	-63	-49	-146	-76
Operating profit before amortisation (EBITA)	409	488	2,504	2,603
Operating profit (EBIT)	358	452	2,326	2,468
Financial items, net	-188	-74	-673	-329
Profit for the period	178	384	1,505	2,019
<b>Capital</b>				
Total assets	-	-	34,873	34,084
Equity	-	-	13,918	13,135
Net interest-bearing debt	-	-	14,689	14,109
Invested capital, end of period	-	-	28,996	27,554

DKK m	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
<b>Cash flows</b>				
Cash flows from operating activities	598	1,026	3,811	4,480
Cash flows from investing activities	1,057	-491	-1,149	-2,989
Free cash flow	1,655	534	2,662	1,491
Adjusted free cash flow	1,392	326	2,773	825
<b>Key operating and return ratios</b>				
Average number of employees (FTE)	-	-	13,191	11,510
Revenue growth (reported), %	4.4	17.2	1.6	47.0
EBITDA-margin, %	15.1	16.6	18.4	18.5
EBITA-margin, %	6.0	7.5	9.2	9.7
EBIT-margin, %	5.2	6.9	8.5	9.2
Return on invested capital (ROIC), %	-	-	7.6	8.7
ROIC before acquisition intangibles (ROIC BAI), %	-	-	10.4	11.7
Return on equity, %	-	-	11.2	16.4
<b>Key capital and per share ratios</b>				
Financial leverage, times	-	-	2.9	2.8
Equity ratio, %	-	-	39.9	38.5
Earnings per share (EPS), DKK	3.17	6.71	26.64	35.09
Dividend paid per share, DKK	-	-	5.00	8.00
Number of shares, end of period, '000	-	-	58,632	58,632
Share price, DKK	-	-	223.0	256.4

Definitions on page 33.

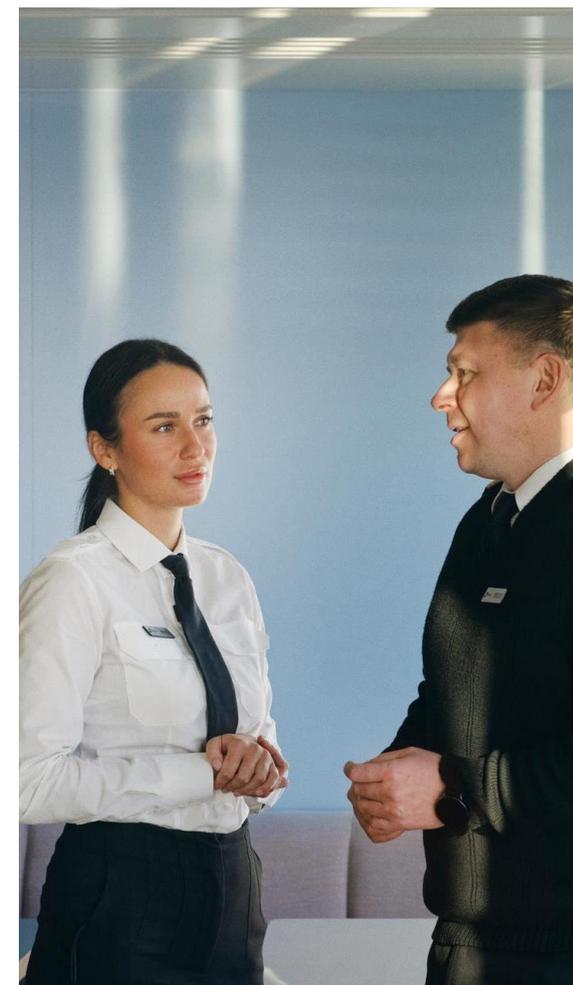
# ESG key figures

		2023	2022	2023	2022
	Unit	Q4**	Q4*	Full-year**	Full-year*
<b>Environmental data</b>					
Total distance sailed	Nautical miles	1,409,087	1,426,876	5,660,684	5,839,619
<b>CO2 emissions</b>					
CO2 emissions per GT nautical mile (Own fleet)	gCO2	12.2	12.3	12.1	12.5
CO2 emissions per GT nautical mile (Route network)	gCO2	12.4	12.7	12.3	13.0
<b>Energy consumption</b>					
Total fuel consumption (Route network)	Tonnes	188,995	201,734	745,189	799,515
<b>Oil spills</b>					
Spills (>1 barrel)	Number	0	0	0	0
<b>Social data</b>					
<b>Representation of women</b>					
Total workforce:	%	-	-	23	24
Non-officed based	%	-	-	11	12
Office based	%	-	-	44	43
Senior management	%	-	-	18	16
Managers	%	-	-	18	14
<b>Safety at sea</b>					
Lost-time injury frequency (LTIF)	Incidents/mio. hours	4.0	3.4	3.8	4.5
<b>Safety on land</b>					
Lost-time injury frequency (LTIF)	Incidents/mio. hours	8.3	8.2	8.1	7.9
<b>Fatalities</b>					
Colleagues	Accidents	0	1	0	1
Contractors	Accidents	0	0	0	0
<b>Governance data</b>					
Representation of women in the Board (AGM elected members)	%	-	-	33	33
Board nationality - non-Danish (AGM elected members)	%	-	-	33	33
Independent directors (AGM elected members)	%	-	-	83	83
Attendance at Board meetings (All Board members)	%	100	100	99	99
Whistle-blower reporting	Cases	16	11	51	33

\* 2022 social data excludes ICT Logistics Group (acquired in January 2022), primeRail for LTIF figures (acquired in May 2022) and Lucey Transport Logistics (acquired in September 2022).

\*\* LTIF figures for McBurney Transport Group (acquired in February 2023) and Lucey Transport Logistics (acquired in September 2022) have been incorporated from June 2023. 2023 data excludes Estron Group (acquired in September 2023).

Definitions on page 33.



# Management review

## Market overview

Activity levels in Europe remained subdued during Q4 2023 as higher interest rates and inflation raised living costs for consumers and impacted business earnings negatively as well. In addition, uncertainty about the level and direction of economic growth in 2024 has not receded, not least due to continued geopolitical tensions.

The economic slowdown led to a general decline in freight volumes in Q4. Energy prices increased in the quarter but remained considerably below last year.

On a sector level, volumes from the automotive sector remained robust as it continued to fulfil demand backlogs. Conversely, transport flows of construction materials decreased further during the quarter. Trade imbalances between continental Europe and the UK widened in the quarter.

Türkiye's growth slowed as expected in Q4 as further interest rate hikes were introduced to curb inflation by slowing domestic demand. Export volumes were stable in the quarter.

Ferry passenger tourist volumes were in general stable in the quarter while passenger transport volumes slowed down in some regions.

The main changes in average exchange rates in Q4 2023 vs Q4 2022 were depreciation of TRY/DKK by 38%, NOK/DKK by 11%, and SEK/DKK by 4%.

## Major events in Q4

### Sale and leaseback of three freight ferries lowered asset ownership

On 17 October 2023, DFDS entered into an agreement with Navigare Capital to sell and leaseback three freight ferries for a sales price of DKK 1.5bn.

The leasing period is five years and the agreement includes a right of first refusal to purchase the ferries at the end of the leasing period. The three ferries are Flandria Seaways, Humbria Seaways, and Scandia Seaways built in 2020/2020/2021, respectively.

The transaction entailed a financial gain of DKK 95m, a net reduction of invested capital by DKK 0.6bn, and a decrease of net interest-bearing debt (NIBD) by DKK 0.7bn. Financial leverage, as measured by NIBD/EBITDA, decreased 0.15x in 2023 due to the transaction.

### CFO steps down

Karina Deacon is stepping down from her position as CFO and member of DFDS' Executive Board to pursue a non-executive career. Karina Deacon will remain in

her position until no later than end of June 2024 to ensure continuity and a smooth transition to the new CFO. A recruitment process for a new CFO has been initiated.

### Strategy update – Moving Together Towards 2030

On 13 December 2023, updated strategy and financial ambitions were announced as the Win23 strategy period, 2018-2023, came to an end. Win23's key financial ambitions were achieved already in 2022, and again in 2023, as the revenue of DKK 27bn exceeded the ambition of DKK 25bn and the EBITDA of DKK 5.0bn was in line with the earnings ambition.

The new strategy shifts focus to unlocking value of the expanded network by accelerating organic growth through increased exposure to high-growth markets, the enhanced network capabilities, and raised relevance for freight customers requiring bundled transport and logistics solutions.

The strategy's green transition pathway includes an ambition to deploy six green ferries by 2030 which will contribute to achieve the short-term Ferry emission intensity reduction target of 45%. The reduction target for land emission intensity is 75% which will be achieved through electrification of trucks, port terminals, and warehouses.

The short-term financial ambitions of the strategy for 2024-2026 are:

- o Increase ROIC to around 10%
- o Annual Adjusted free cash flow of minimum DKK 1.5bn
- o Financial leverage, NIBD/EBITDA, of 2.5x by 2026.

The new strategy and financial ambitions were presented at a Capital Markets Day. All materials are available from this [link](#) on dfds.com.

## Major events after Q4

### Ferry network expansion to Strait of Gibraltar

On 10 January 2024, the acquisition of FRS Iberia/Maroc was completed. The company has a leading position on the Strait of Gibraltar short-sea ferry market connecting Spain and Morocco.

The acquisition expands DFDS' network to a region where growth in the coming years is expected to be supported by nearshoring of supply chains closer to Europe.

FRS Iberia/Maroc has three routes operated by a total of 850 staff of which just over 400 are own employees. Revenue was DKK 1.0bn for 2023.

The main focus of the integration and business plan is to deploy DFDS' freight and passenger capabilities to grow and optimise operations building on expected

annual trade growth of 8% between Morocco and Europe for the next five years.

DFDS has acquired FRS Iberia/Maroc for a debt-free price equal to an EV/EBITDA multiple of 6x based on the expected EBITDA for 2024. The transaction is financed by a combination of loan financing and use of existing cash funds. The transaction increases DFDS' financial leverage, NIBD/EBITDA, by 0.1x on a pro forma basis. The transaction is expected to be ROIC accretive vs the current return level and to be accretive to earnings per share (EPS) from closing.

## Capital distribution to shareholders

The Board of Directors proposes to distribute a total of DKK 600m to shareholders in 2024 through a combination of a dividend and a share buyback.

An ordinary dividend of DKK 3.00 per share equal to DKK 169m will be proposed for approval by the annual general meeting (AGM) in March 2024.

The remaining DKK 431m will be distributed through a share buyback under the Safe Harbour rules starting on 12 February 2024 and expiring on 31 December 2024. The share buyback corresponds to around 3% of the market value of DFDS' share capital at the current share price.

Lauritzen Fonden Holding has committed to participate pro rata in the share buyback program with a

share of 41.6%. The share buyback can be stopped or suspended at any time. See separate announcement for details.

## ESG actions and plans

### Environment

Across DFDS' network our decarbonisation transition plan is dependent on four main capabilities, which are increasing efficiency, transitioning to green fuels, electrifying assets, and implementing circularity in our value chain.

In Q4 2023, the distance sailed was reduced 1% and at the same time fuel consumption was reduced 6% compared to Q4 2022. The increased efficiency was achieved for both own and chartered vessels deployed across the route network. Own fleet emissions were reduced 0.8% to 12.2 g/CO<sub>2</sub>/GT per nautical mile from 12.3 g/CO<sub>2</sub>/GT per nautical mile in Q4 2022. Emissions from the entire route network were lowered 2.4% to 12.4 g/CO<sub>2</sub>/GT per nautical mile from 12.7 g/CO<sub>2</sub>/GT per nautical mile in Q4 2022.

Ferry improvements continue to be driven by various incremental vessel upgrades and the schedule optimisation program Every Minute Counts focused on reducing turnaround time in port terminals, schedules enabling lower speed, and reduced fuel consumption.

Logistics decarbonisation initiatives were in Q4 focused on further deployment of e-trucks, installation

of charging stations, and continued development of a more robust data foundation for the green transition. 40 e-trucks were deployed during Q4 2023, resulting in a total of 90 e-trucks in operation in Sweden, Denmark, Lithuania, Belgium, and the Netherlands by the end of 2023.

More information on emission reduction initiatives is available in the Division sections.

## Social

### Diversity, Equity & Inclusion (DE&I)

The continued focus on driving awareness and targeting selected employee segments is beginning to show strong results. Women's representation has increased across management as both senior management and managers were up from 16% to 18%.

There was an increase for the office based female employees from 43% in 2022 to 44% in 2023. Due to the impact of acquisitions, there has been a decline of one percentage point of women across the total workforce and the non-office based employees.

In Q4 2023, the results of the annual employee engagement survey MyVoice was presented. The survey showed that general employee engagement and perception of Diversity, Equity and Inclusion is at the same level as in 2022.

## Safety

Focus remains high on ensuring DFDS is a safe place to work and employees feel secure and protected

## Revenue

DKK m	Q4 2023	Q4 2022	Change, %	Change
Ferry Division	3,990	4,052	-1.5	-62
Logistics Division	3,173	2,832	12.1	341
Non-allocated items	189	144	31.6	45
Eliminations	-521	-486	-7.2	-35
<b>DFDS Group</b>	<b>6,832</b>	<b>6,542</b>	<b>4.4</b>	<b>290</b>

from work related illness and injuries. Focus continues to be on developing an effective safety culture, increase awareness, and improve reporting and knowledge sharing. In Q4 2023, the implementation of the new Health & Safety reporting system continued as planned – raising awareness, improving the speak up culture, and more reports being made.

LTIF (Lost Time Injury Frequency) for land-based operations saw a minor increase to 8.3 in Q4 2023 from 8.2 in Q4 2022. The LTIF for the sea-based operation increased from 3.4 in Q4 2022 to 4.0 in Q4 2023 following a rise in minor incidents.

See divisional sections for more details.

## Governance

The number of reported whistleblower cases increased to 16 in Q4 2023 from 11 in Q4 2022 indicating that efforts to raise awareness of the whistleblower system are having an impact. Within the whistleblower system reports can be raised anonymously, and whistleblowers are safeguarded against potential retaliation. All cases are handled and treated

confidentially and appropriate consequences are applied case by case.

## Financial performance

### Revenue

The Group's Q4 revenue increased 4.4% to DKK 6,832m and increased 9.1% compared to 2022 adjusted for bunker surcharges.

The Ferry Division's Q4 revenue decreased 1.5% to DKK 3,990m but increased 5.8% adjusted for bunker surcharges. Freight ferry revenue, adjusted, was 4.6% above 2022 as higher rates and ancillary revenue more than offset a negative impact from lower volumes. Passenger revenue increased 3.4%.

The Logistics Division's Q4 revenue increased 12.1% to DKK 3,173m but decreased 5.1% adjusted for acquisitions.

The Group's full-year revenue was DKK 27,304m, an increase of 1.6% compared to 2022.

**EBITDA**

The Group's Q4 EBITDA decreased 5.3% to DKK 1,030m as higher Logistics earnings were offset by lower Ferry earnings.

Ferry Division's Q4 EBITDA decreased 8.8% to DKK 783m. The EBITDA for freight ferry activities decreased 8.2% to DKK 669m due to a negative impact from a reduction in oil price spreads compared to the exceptional and temporary spike in spread levels in Q4 2022. The underlying freight contribution excluding bunker was above last year as rate increases and cost savings offset 1.7% lower volumes.

The EBITDA for passenger activities across the network decreased 12.3% to DKK 115m following the reversal of a provision in Q4 2022. The underlying result was thus above 2022 on the back of 5.7% higher passenger volumes.

Logistics Division's Q4 EBITDA increased 11.5% to DKK 310m and decreased 13.3% adjusted for a positive earnings impact from acquisitions. The adjusted decrease equalled one-off and restructuring costs in the quarter, and the underlying result was overall on level with 2022.

The Group's full-year EBITDA increased 1.2% to DKK 5,034m.

**EBITA and EBIT**

Depreciation in Q4 of DKK 719m was 18.7% or DKK 113m higher than last year. Around half of the

increase was due to acquisitions and to sale and leaseback of three freight ferries. The remaining increase was related to primarily addition of warehouses, dry dockings, and impacts from changes in ferry leasing agreements.

The Group's Q4 EBITA decreased 16.2% or DKK 79m to DKK 409m. Amortisation in Q4 increased 40.4% or DKK 15m which included a one-off write-down. One third of the increase was due to acquisitions.

The Group's Q4 EBIT hereafter decreased 20.8% or DKK 94m to DKK 358m.

For the full-year, EBITA decreased 3.8% or DKK 99m to DKK 2,504m and EBIT decreased 5.8% or DKK 143m to DKK 2,326m.

**Financial items**

Total net financial items in Q4 were a cost of DKK 188m, an increase of DKK 113m compared to Q4 2022. The net interest cost increased DKK 63m driven by higher interest rates on both financial and leasing debt as total interest-bearing debt decreased 0.5% compared to last year.

Exchange rate adjustments amounted to a net loss of DKK 31m which was a decrease of DKK 57m compared to a gain of DKK 25m reported in Q4 2022.

The full-year net financial items was a cost of DKK 673m, an increase of DKK 344m compared to 2022 driven primarily by higher interest rates.

**Profit before and after tax**

The Q4 profit before tax decreased DKK 207m to DKK 170m. The tax was an income of DKK 7m and the profit for the period was DKK 178m.

The full-year profit before tax decreased 22.8% to DKK 1,652m. The tax cost was DKK 149m and the profit for the period was DKK 1,505m, a decrease of 25.5% compared to 2022.

The effective tax rate for 2023 was 8.9% compared to 5.6% in 2022. Excluding prior year adjustments the effective tax rate was 7.5% compared to 7.1% in 2022.

**Earnings per share**

Q4 earnings per share (EPS) decreased to DKK 3.17 from DKK 6.71 in Q4 2022, and for the full-year EPS decreased 24.1% to DKK 26.64.

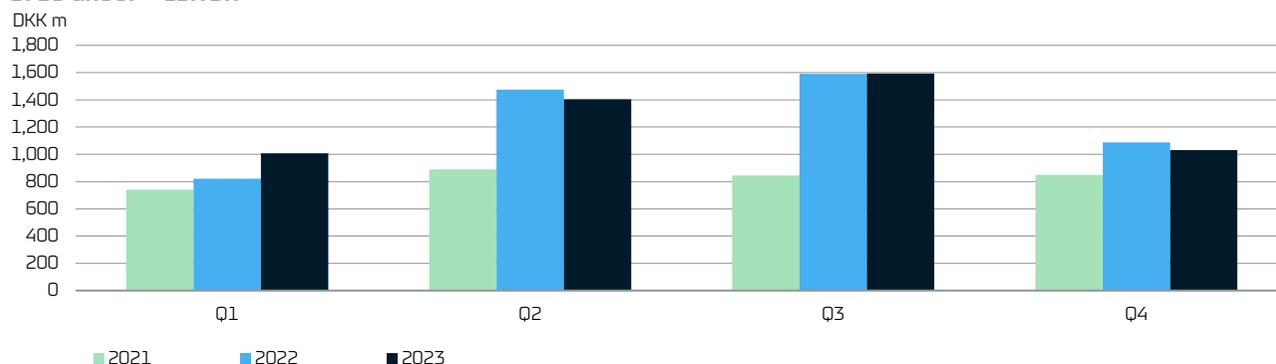
**Cash flow and investments**

The Q4 cash flow from operating activities decreased 41.7% to DKK 598m driven mainly by a negative cash flow from working capital, higher net interest payments, and more taxes paid.

Q4 investments was a cash inflow of DKK 1,057m following proceeds of DKK 1,466m from the sale and leaseback of three freight ferries. Operating capex was DKK -409m excluding the sale.

The Q4 cash flow from financing activities was negative by DKK 2,101m and included a net loan outflow of DKK 1,838m which to a large extent was linked to

**DFDS GROUP - EBITDA**



**Operating profit before depreciation (EBITDA)**

DKK m	Q4 2023	Q4 2022	Change, %	Change
Ferry Division	783	859	-8.8	-76
Logistics Division	310	278	11.5	32
Non-allocated items	-63	-49	-28.5	-14
<b>DFDS Group</b>	<b>1,030</b>	<b>1,088</b>	<b>-5.3</b>	<b>-58</b>
EBITDA-margin, %	15.1	16.6	-9.3	-1.5

**EBITA and EBIT**

DKK m	Q4 2023	Q4 2022	Change, %	Change
EBITDA	1,030	1,088	-5.3	-58
Associates and joint ventures	-6	-5	-6.0	0
Profit/loss on disposals	103	12	n.a.	91
Depreciation and impairment	-719	-606	-18.5	-112
<b>EBITA</b>	<b>409</b>	<b>488</b>	<b>-16.2</b>	<b>-79</b>
Amortisation	-51	-36	-41.7	-15
<b>EBIT</b>	<b>358</b>	<b>452</b>	<b>-20.8</b>	<b>-94</b>

**Financial items**

DKK m	Q4 2023	Q4 2022	Change, %	Change
Interests, net	-176	-113	-55.2	-63
Foreign exchange gains/losses, net	-31	25	n.a.	-57
Other items, net	19	13	44.4	6
<b>Total finance, net</b>	<b>-188</b>	<b>-74</b>	<b>-152.3</b>	<b>-113</b>

repayment of the mortgage liabilities of the three sold ferries. Payment of lease liabilities was DKK 266m.

The net decrease in cash was DKK 446m and at the end of 2023 cash amounted to DKK 737m.

The Q4 adjusted free cash flow (FCFE) was DKK 1,392m, including the inflow from the sale of three ferries.

The full-year cash flow from operating activities was DKK 3,811m and after a cash outflow of DKK 1,149m from investments, the free cash flow was DKK 2,662m. The cash flow from financing activities was a net outflow of DKK 3,115m bringing the net cash flow for the full-year to an outflow of DKK 454m.

**Invested capital and ROIC**

Invested capital increased 5.2% or DKK 1.4bn to DKK 29.0bn at the end 2023 compared to 2022. The Logistics Division's invested capital increased DKK 1.9bn to DKK 6.9bn due to acquisitions and expansion of warehousing capacity. The Ferry Division's invested capital decreased on the other hand by DKK 0.5bn due to mainly the sale and leaseback of three freight ferries.

The return on invested capital before acquisition intangibles, ROIC BAI, was 10.4% in 2023 compared to 11.7% for 2022. ROIC was 7.6% in 2023 compared to 8.7% for 2022.

### Capital structure

At the end of 2023 net-interest-bearing debt (NIBD) was DKK 14.7bn, an increase of 4.2% from the end of 2022 driven by the increase in the invested capital.

Financial leverage, as measured by the ratio of NIBD to EBITDA for the last twelve months (LTM), was 2.9x at the end of 2023 compared to 2.8x at year-end 2022.

### Equity

Equity amounted to DKK 13,918m at the end of 2023, including non-controlling interests of DKK 91m, an increase of 6.0% compared to the end of 2022. Total comprehensive income for 2023 was DKK 1,343m while transactions with owners was DKK -560m, including a dividend of DKK 281m and a share buyback of DKK 300m.

The equity ratio increased to 40% at year-end 2023 compared to 39% at year-end 2022.

## Outlook 2024

Outlook visibility for 2024 is clouded by an elevated level of financial uncertainty owing to continued high inflation and interest rates as well as geopolitical tensions that may or may not result in events which could further impact economic activity levels in and around Europe.

DKK m	New outlook 2024	2023
Revenue growth	5-8%	27,304
EBIT	2,000-2,400	2,326
Per division:		
Ferry Division	1,675-1,975	2,094
Logistics Division	525-625	474
Non-allocated items	-200	-242
Capex	-1,500	-115
Types:		
Operating	-1,500	-1,581
Ferries: sale & purchase and new-buildings	n.a.	1,466
Adjusted free cash flow	Around 1,500	2,773

The outlook for 2024 builds on multiple assumptions and may therefore change significantly as the year progresses.

### General market growth prospects

The current consensus 2024 outlook for Europe's and Türkiye's GDP-growth (Gross Domestic Product) is 0.5% and 2.9%, respectively (Source: Thomson Reuters).

Europe's economic growth in 2024 is expected to only rebound slightly as the cost of living remains elevated by the increase in interest rates. Inflation is expected to ease during the year and employment levels are resilient which could support growth in consumption. The slight rebound is expected to pick up through the year and activity levels are likely to be weaker in the first half-year than in the second half-year. Growth in

northern Europe, including Germany and the UK, is expected to be lower than in southern Europe. Türkiye's expected economic growth is expected to be supported by a rebound in exports as measures to curb inflation are likely to hold back domestic demand.

### Key freight outlook assumptions for 2024

Freight market volumes are in northern Europe overall expected to be flattish with a possible volume decrease in the first half-year balanced by higher volumes in the second half-year. Rates are targeted to reflect inflation and cost levels, but demand levels and competitive dynamics are also likely to impact rate levels.

Mediterranean freight volumes are expected to regain some growth momentum in 2024 following disruptions

in 2023 from an earthquake and a prolonged election period.

Nearshoring of supply chains closer to European end markets is also expected to support volume growth.

The war in Ukraine is assumed to continue to stall freight volume growth in the Baltic region in 2024.

Margin pressure in transport markets is expected to continue in 2024 driven by overcapacity in haulage markets, especially in the first half-year.

#### Key passenger outlook assumptions for 2024

Due to FRS Iberia/Maroc's overweight of passenger revenue, the new activity will be reported as part of the Ferry Division's passenger result that includes three other business units with passenger activities – Passenger, Channel, and Baltic Sea.

Organic passenger volume growth is expected to be positive in 2024 driven by mainly higher Channel volumes and a smaller positive impact from a continued recovery in the number of overseas passengers. The integration of FRS Iberia/Maroc is in addition expected to add around 1.3m passengers in 2024.

#### Revenue outlook

The Group's revenue is expected to grow by 5-8% compared to 2023 driven by a mix of organic growth and revenue from acquisitions completed during 2023 and in the beginning of 2024.

The Ferry Division's revenue is expected to be increased by primarily the addition of FRS Iberia/Maroc and the introduction of ETS surcharges that will be passed through to both freight customers and passengers. Organic volume and price growth is expected to be offset by lower revenue from bunker surcharges.

The Logistics Division's revenue is expected to be increased by a full-year impact of acquisitions completed in 2023 and organic growth.

#### Earnings outlook - EBIT

Based on the above assumptions, the Group's EBIT is expected to be within a range of DKK 2.0-2.4bn (2023: DKK 2.3bn).

In comparison to 2023, EBIT will in 2024 be negatively impacted by several one-off items reported in 2023. The net bunker cost will be higher in the first half-year due to a positive earnings impact in 2023 from elevated oil price spreads and related hedging. Passenger earnings were in Q3 increased by the reversal of a provision related to Covid-19. The sale and leaseback of three freight ferries in Q4 2023 entailed a one-off gain of DKK 95m and will moreover increase depreciation in 2024. The total EBIT impact of the above items is around DKK -300m.

See outlook table for divisional split.

#### Capital expenditure (Capex)

Operating Capex, i.e. excluding acquisitions and other transactions, is expected to amount to around DKK 1.75bn in 2024. No purchases of new or second-hand ferries are expected.

#### Adjusted free cash flow

The Adjusted free cash flow is expected to be around DKK 1.5bn in 2024.

#### Acquisitions

The acquisition of FRS Iberia/Maroc was completed on 10 January 2024.

### **Various risks and uncertainties pertain to the outlook**

The most important risks and uncertainties 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 Türkiye.

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 Türkiye. 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, interest rates, and exchange rates, can furthermore impact earnings.

Future financial results may therefore differ significantly from outlook expectations.



**Ferry optimisations lower emissions**

Short-term emission reductions are achieved through incremental fleet upgrades, including coating of hulls with silicone-based antifouling paints and hull modifications, as well as a schedule optimisation program, Every Minute Counts, to enable bunker savings.

# Ferry Division

- Solid underlying Q4 earnings despite lower volumes
- Bunker cost raised considerably by lower oil price spreads vs 2022
- 2% lower CO2 ferry emission intensity

## Q4 volumes and activity changes

Total Q4 freight volumes decreased 1.6% compared to Q4 2022 as volumes were lower in all route networks except for 2.0% higher Channel volumes. The lower volumes were in general caused by the economic slowdown in Europe through the quarter. Baltic Sea volumes continued in addition to be impacted by the war in Ukraine and a consequent reduction of capacity. The total Dover Strait market contracted 1.3% in the quarter while total ferry market volumes were up 6.9%.

Q4 passenger volumes increased 5.7% to 0.9m compared to 2022 driven by more passengers on the Channel. Volumes on the Baltic Sea as well as on the Norway-Denmark and Netherlands-UK routes were in total below Q4 2022, partly due to fewer departures following adverse weather conditions.

## Ferry Division

DKK m	2023			2023		2022				2022
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year
Revenue	3,820	4,176	4,506	3,990	16,493	3,482	4,544	4,753	4,052	16,831
Freight	3,269	3,184	2,994	3,235	12,683	3,125	3,680	3,428	3,322	13,555
Passenger	551	992	1,512	755	3,810	357	864	1,325	730	3,276
Operating costs	-2,248	-2,188	-2,275	-2,306	-9,017	-2,130	-2,520	-2,541	-2,349	-9,541
Ferry operations	-527	-495	-510	-514	-2,046	-457	-397	-505	-528	-1,886
Bunker	-752	-713	-791	-865	-3,120	-817	-1,135	-1,135	-942	-4,030
Port terminal operations	-793	-796	-809	-755	-3,153	-722	-814	-765	-690	-2,991
Transport and warehouse solutions	-176	-184	-165	-173	-698	-134	-174	-137	-190	-634
Employee costs	-630	-639	-668	-666	-2,603	-544	-601	-609	-609	-2,363
Sales, general and administration	-216	-246	-268	-235	-965	-209	-206	-293	-235	-943
EBITDA	727	1,103	1,294	783	3,907	598	1,218	1,310	859	3,984
Freight	717	754	535	669	2,675	689	944	722	728	3,083
Passenger	9	350	758	115	1,232	-91	274	587	131	901
Other income/costs, net	-4	-8	-14	90	65	-2	-2	-5	-3	-12
Depreciation and impairment	-430	-445	-457	-509	-1,841	-435	-456	-442	-445	-1,778
EBITA	293	651	823	365	2,131	161	760	863	411	2,194
Amortisation	-9	-9	-9	-9	-38	-10	-10	-10	-9	-38
EBIT	283	642	813	356	2,094	151	750	854	401	2,156
Invested capital, end of period *	21,689	21,609	21,912	21,263	21,263	21,325	20,864	21,411	21,716	21,716
EBITDA-margin, %	19.0	26.4	28.7	19.6	23.7	17.2	26.8	27.6	21.2	23.7
EBITA-margin, %	7.7	15.6	18.3	9.2	12.9	4.6	16.7	18.2	10.1	13.0
EBIT-margin, %	7.4	15.4	18.1	8.9	12.7	4.3	16.5	18.0	9.9	12.8
Gross Capex (excl. acquisitions and leases)	438	150	264	281	1,132	836	328	621	247	2,031
ROIC before acquisition intangibles, %, LTM	-	-	-	-	12.1	-	-	-	-	12.6
ROIC, %, LTM *	-	-	-	-	9.5	-	-	-	-	9.8
Average number of employees	-	-	-	-	6,546	-	-	-	-	6,138
Number of ships	-	-	-	-	66	-	-	-	-	64
Lane metres, '000	9,647	9,795	9,455	9,545	38,443	10,613	11,528	9,900	9,705	41,748
North Sea **	3,508	3,600	3,408	3,327	13,843	3,625	3,701	3,465	3,421	14,212
Mediterranean	1,345	1,375	1,274	1,412	5,407	1,360	1,431	1,315	1,462	5,568
Channel	3,993	4,026	3,953	3,979	15,950	4,629	5,410	4,220	3,904	18,164
Baltic Sea	802	794	820	827	3,243	999	986	900	918	3,804
Capacity utilisation freight, %	59	56	53	60	57	66	68	56	57	61
Number of cars, '000	152	301	495	206	1,154	100	309	508	208	1,124
Passengers, '000	619	1,205	1,812	866	4,502	283	984	1,704	801	3,772

\* Comparison figures have been restated as part of goodwill from a prior acquisition has been reallocated from Logistics Division to Ferry Division.

\*\* Includes volumes for the routes Oslo-Frederikshavn-Copenhagen and Amsterdam-Newcastle.  
Definitions on page 33.

### Financial performance

Q4 revenue decreased 1.5% to DKK 3,990m compared to 2022 but increased 5.8% adjusted for bunker surcharges. Passenger revenue increased 3.4% driven by growth in passenger volumes and spend. Freight ferry revenue, adjusted, was up 7.0% as higher rates and ancillary revenue offset the revenue impact of the volume decrease.

EBITDA decreased 8.8% or DKK 76m to DKK 783m. The freight ferry EBITDA decreased DKK 60m to DKK 669m as a considerable increase in the bunker cost offset higher underlying earnings. The bunker cost was elevated by a reduction in oil price spreads compared to the spike in 2022. Underlying earnings were raised by higher rates and operational cost savings which offset a negative impact from lower volumes in some markets. The passenger EBITDA decreased DKK 16m to DKK 115m following the reversal of a provision in Q4 2022. The underlying result was above 2022 driven by the increase in the number of passengers and higher spend per passenger.

EBITA decreased 11.1% or DKK 45m to DKK 365m. The result includes a one-off financial gain of DKK 95m from the sale and leaseback of three freight ferries. The gain was partly offset by higher depreciation of DKK 64m driven by mostly dry dockings and impacts from changes in ferry leasing agreements, including a higher level of depreciation for the three leased-back ferries.

The invested capital at the end of 2023 decreased 2.1% or DKK 453m to DKK 21.3bn compared to year-end 2022. The decrease was due to mainly the sale and leaseback of three ferries. The invested capital was DKK 16.9bn excluding acquisition intangibles.

The return on invested capital before acquisition intangibles, ROIC BAI, was 12.1% compared to 12.6% in 2022, and ROIC was 9.5% compared to 9.8% in 2022.

### Decarbonisation activities

The key environmental challenge is to decarbonise ferry operations by continually increasing efficiency and in parallel replace fossil fuels with low- and zero-emission fuels.

DFDS' Climate Action Plan includes short-term actions to reduce emissions from the existing fleet and transformative long-term actions to decarbonise.

Short-term emission reductions were achieved through incremental fleet upgrades, including coating

hulls with silicone-based antifouling paints and hull modifications, as well as the Every Minute Counts schedule optimisation program.

The improvement of fuel efficiency continued in Q4 2023. CO2 emissions per GT nautical mile decreased across the entire route network, including both owned and chartered vessels. Own fleet emissions were reduced 0.8% to 12.2 gCO2 per GT NM from 12.3 gCO2 per GT NM in Q4 2022. Emissions from the entire route network decreased 2.4% to 12.4 gCO2 per GT NM from 12.7 gCO2 per GT NM in Q4 2022.

For the full-year, CO2 emissions were reduced 5.4% across the route network from 13.0 gCO2 per GT NM in 2022 to 12.3 gCO2 per GT NM in 2023. Own fleet emissions were reduced 3.2% to 12.1 gCO2 per GT NM from 12.5 gCO2 per GT NM in 2022.

### Social performance

The representation of women has been stable in 2023 for both the land-based and the sea-based

### Ferry Division

	2023			2023	2023	2022				2022
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year
Representation of women, Sea, %	19	20	20	19	19	18	19	20	19	19
Representation of women, Land, %	30	31	30	30	30	29	30	30	30	30
Lost-time injury frequency (LTIF), Sea*	4.3	4.0	3.7	4.0	3.8	3.8	4.8	5.2	3.4	4.5
Lost-time injury frequency (LTIF), Land*	14.9	14.1	4.1	11.7	11.3	14.2	7.7	13.6	8.1	11.1

\* 2022 LTIF figures excludes primeRail, acquired in May 2022

organisations within the Ferry Division. In the land-based organisation, the representation of women stayed at the same level of 30% in Q4 2023 compared to the same quarter last year. In the sea-based organisation, the ratio of 19% in Q4 2022 was likewise maintained in Q4 2023.

The land-based LTIF increased from 8.1 in Q4 2022 to 11.7 in Q4 2023. Root causes were mainly behavioral with slips, trips, and fall accidents as the most common. Accidents in northern European terminals had a major impact on performance in Q4 and going forward focus will be on boosting the Ferry health & safety focus through the newly established Terminal Excellence function.

The sea-based LTIF increased from 3.4 in Q4 2022 to 4.0 in Q4 2023. The sea-based safety organisation continues to focus on a true safety culture and on sharing lessons learned from accidents and near-misses throughout the organisation.

# Logistics Division

- Earnings reduced by continued slowdown in transport markets and one-off costs
- Contract logistics markets more robust
- Acquisitions performing as expected
- 90 e-trucks in operation

## Q4 overview and activity changes

Road transport volumes, for both dry and cold chain goods, were lower in most corridors in Q4 reflecting the general economic slowdown in Europe. The over-capacity in haulage markets continued which raised price pressure in the quarter as customers increased tender activity. Automotive volumes continued to be quite firm while transports of construction materials remained at a low level in the quarter.

Activity levels for contract logistics solutions, including warehousing, remained more robust compared to the transport market and utilisation in the new warehousing facilities in Sweden, the Netherlands, the UK, and Poland developed in line with expectations.

## Logistics Division

DKK m	2023			2023	2023	2022				2022
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year
Revenue	2,849	3,088	2,985	3,173	12,096	2,666	2,979	2,947	2,832	11,423
Dry Goods	1,562	1,586	1,506	1,577	6,231	1,418	1,618	1,553	1,569	6,158
Cold Chain	1,278	1,487	1,484	1,583	5,831	1,251	1,349	1,388	1,252	5,240
Operating costs										
Transport and warehousing costs	-1,864	-1,917	-1,864	-1,991	-7,636	-1,850	-2,084	-2,045	-1,925	-7,904
Gross profit	985	1,172	1,121	1,182	4,460	816	894	902	907	3,520
Sales, general and administration	-169	-179	-182	-176	-706	-158	-142	-116	-84	-499
Employee costs	-517	-648	-620	-696	-2,481	-442	-478	-490	-545	-1,955
EBITDA	299	345	319	310	1,273	216	274	297	278	1,066
Other income/costs, net	4	5	5	7	20	-5	4	3	10	12
Depreciation and impairment	-163	-180	-190	-201	-733	-132	-135	-135	-149	-551
EBITA	140	169	135	116	560	79	143	165	139	526
Amortisation	-18	-24	-16	-27	-86	-12	-12	-13	-15	-52
EBIT	122	145	118	89	474	68	131	152	123	474
Gross profit margin, %	34.6	37.9	37.6	37.2	36.9	30.6	30.0	30.6	32.0	30.8
EBITDA-margin, %	10.5	11.2	10.7	9.8	10.5	8.1	9.2	10.1	9.8	9.3
EBITA-margin, %	4.9	5.5	4.5	3.7	4.6	3.0	4.8	5.6	4.9	4.6
EBIT-margin, %	4.3	4.7	4.0	2.8	3.9	2.5	4.4	5.2	4.4	4.1
Invested capital, end of period *	6,396	6,401	6,591	6,877	6,877	4,312	4,442	4,829	4,984	4,984
Gross Capex (excl. acquisitions and leases)	144	74	94	126	438	68	198	138	294	698
ROIC before acquisition intangibles, %	-	-	-	-	11.4	-	-	-	-	14.9
ROIC, %, LTM *	-	-	-	-	5.9	-	-	-	-	8.2
Average number of employees	-	-	-	-	5,696	-	-	-	-	4,544

\* Comparison figures have been restated as part of goodwill from a prior acquisition has been reallocated from Logistics Division to Ferry Division.

Definitions on page 33.

## Financial performance

Q4 revenue increased 12.1% to DKK 3,173m compared to Q4 2022 and decreased 5.1% adjusted for acquisitions. The adjusted decrease was driven by primarily lower activity for road transport, especially of cold chain products and construction materials. The closure of the Bruges office also reduced revenue as did a decline in surcharge levels for amongst other

things fuel and energy costs. Warehousing and other contract logistics revenue was overall above 2022.

EBITDA increased 11.5% to DKK 310m and decreased 13.3% adjusted for acquisitions. A large part of the adjusted decrease of DKK 37m was due to one-off and restructuring costs, including closure of the

Bruges office. Earnings were moreover reduced by the decline in volumes.

EBITA decreased 16.2% or DKK 22m to DKK 116m and the EBITA-margin decreased to 3.7% from 4.9% in Q4 2022.

The invested capital increased 38.0% or DKK 1.9bn to DKK 6.9bn at the end of 2023. Invested capital added by acquisitions amounted to DKK 1.5bn. The remaining increase was primarily related to expansion of warehousing capacity. The invested capital was DKK 4.5bn excluding acquisition intangibles.

The return on invested capital before acquisition intangibles, ROIC BAI, was 11.4% compared to 14.9% in 2022, and ROIC decreased to 5.9% compared to 8.2% in 2022.

### Decarbonisation activities

In Q4 2023 our preliminary decarbonisation target of a 75% reduction in CO<sub>2</sub>e intensity from road transport and warehousing was confirmed and extended to all land-based activity.

In parallel, the deployment of more e-trucks in several countries continued in Q4 with the deployment of an additional 40 of the total 125 e-trucks ordered. By year-end 2023, DFDS operated the largest fleet of heavy-duty e-trucks in Europe with 90 trucks deployed in Sweden, Denmark, Belgium, Lithuania, and Netherlands.

### Social performance

The share of women's representation in the Logistics Division was reduced from 17% in Q4 2022 to 15% in Q4 2023. The decline was due to acquisitions made during the year. Despite the structural challenges within the industry DFDS continues to maintain a strong and dedicated focus on Diversity, Equity & Inclusion to improve minority representation.

The safety performance for the Logistics division improved in Q4 2023 as the LTIF was reduced to 8.2 compared to 10.1 in Q4 2022. For the full year, the LTIF increased to 8.0 from 7.5 in 2022. The increase was partly related to acquisition of companies with trucking operations that due to the nature of the business have more incidents compared to other types of logistics activities.

### Logistics Division

	2023			2023	2023	2022				2022
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year
Representation of women, Land, %*	17	17	15	15	15	17	17	17	17	17
Lost-time injury frequency (LTIF), Land*	10.7	5.7	5.9	8.2	8.0	11.2	5.7	4.1	10.1	7.5

\* 2022 ESG data excludes ICT Logistics Group (acquired in January 2022), Lucey Transport Logistics (acquired in September 2022). LTIF figures for MoBurney Transport Group (acquired in February 2023) and Lucey Transport Logistics (acquired in September 2022) have been incorporated from June 2023. 2023 data excludes Estron Group (acquired in September 2023)

# 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 – 31 December 2023.

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 31 December 2023 and of the results of the DFDS Group's operations and cash flow for the period 1 January – 31 December 2023.

Further, in our opinion, the Management review p. 2-18 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, 9 February 2024



**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

DKK m	Note	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Revenue	3	6,832	6,542	27,304	26,873
<b>Costs</b>					
Ferry and other ship operation and maintenance		-1,420	-1,557	-5,485	-6,426
Port terminal operations		-788	-732	-3,264	-3,090
Transport and warehouse solutions		-1,795	-1,679	-6,743	-6,657
Employee costs		-1,501	-1,265	-5,572	-4,726
Cost of sales, general and administration		-297	-221	-1,206	-1,000
<b>Operating profit before depreciation and amortisation (EBITDA)</b>		<b>1,030</b>	<b>1,088</b>	<b>5,034</b>	<b>4,974</b>
Share of profit/loss of associates and joint ventures		-6	-5	-26	-14
Profit/loss on disposal of non-current assets, net		103	12	111	14
Depreciation, ferries and other ships		-409	-347	-1,477	-1,447
Depreciation and impairment losses, other non-current assets		-310	-260	-1,138	-924
<b>Operating profit before amortisation (EBITA)</b>		<b>409</b>	<b>488</b>	<b>2,504</b>	<b>2,603</b>
Amortisation and impairment losses, intangibles		-51	-36	-178	-135
<b>Operating profit (EBIT)</b>		<b>358</b>	<b>452</b>	<b>2,326</b>	<b>2,468</b>
Financial income		57	53	80	80
Financial costs		-244	-128	-753	-409
<b>Profit before tax</b>		<b>170</b>	<b>378</b>	<b>1,652</b>	<b>2,139</b>
Tax on profit		7	6	-148	-120
<b>Profit for the period</b>		<b>178</b>	<b>384</b>	<b>1,505</b>	<b>2,019</b>
Attributable to:					
Equity holders of DFDS A/S		178	385	1,501	2,010
Non-controlling interests		0	-1	3	10
<b>Profit for the period</b>		<b>178</b>	<b>384</b>	<b>1,505</b>	<b>2,019</b>
<b>Earnings per share</b>					
Basic earnings per share (EPS) of DKK 20, DKK		3.17	6.71	26.64	35.09
Diluted earnings per share (EPS-D) of DKK 20, DKK		3.16	6.70	26.58	35.04

## DFDS Group – Statement of Comprehensive income

DKK m	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Profit for the period	178	384	1,505	2,019
<b>Other comprehensive income</b>				
Items that will not be reclassified subsequently to the Income statement:				
Remeasurement of defined benefit pension obligations	-21	-46	-21	-46
Tax on items that will not be reclassified to the Income statement	6	10	6	10
<b>Items that will not be reclassified subsequently to the Income statement</b>	<b>-15</b>	<b>-36</b>	<b>-15</b>	<b>-36</b>
Items that are or may be reclassified subsequently to the Income statement:				
Value adjustment of hedging instruments:				
Value adjustment for the period	-137	66	-119	270
Value adjustment transferred to operating costs	0	10	-110	9
Value adjustment transferred to financial costs	30	-5	20	5
Value adjustment transferred to non-current tangible assets	0	0	0	7
Tax on items that may be reclassified to the Income statement	0	-8	0	-41
Foreign exchange adjustments, subsidiaries	32	-32	63	-177
<b>Items that are or may be reclassified subsequently to the Income statement</b>	<b>-76</b>	<b>31</b>	<b>-146</b>	<b>72</b>
<b>Total other comprehensive income after tax</b>	<b>-91</b>	<b>-5</b>	<b>-161</b>	<b>36</b>
<b>Total comprehensive income</b>	<b>87</b>	<b>378</b>	<b>1,343</b>	<b>2,055</b>
<b>Attributable to:</b>				
Equity holders of DFDS A/S	88	379	1,341	2,045
Non-controlling interests	-1	0	2	10
<b>Total comprehensive income</b>	<b>87</b>	<b>378</b>	<b>1,343</b>	<b>2,055</b>

## DFDS Group - Balance sheet

### Assets

DKK m	Note	2023 31 Dec.	2022 31 Dec.
Goodwill		4,952	4,407
Other non-current intangible assets		1,821	1,701
Software		346	324
Development projects in progress		17	12
<b>Non-current intangible assets</b>		<b>7,136</b>	<b>6,444</b>
Land and buildings		759	559
Terminals		823	836
Ferries and other ships		11,782	13,186
Equipment, etc.		1,939	1,600
Assets under construction and prepayments		415	369
Right-of-use assets		5,826	4,648
<b>Non-current tangible assets</b>		<b>21,543</b>	<b>21,197</b>
Investments in associates, joint ventures and securities		2	13
Receivables		1	16
Prepaid costs		1	124
Deferred tax		79	49
Derivative financial instruments		155	299
<b>Other non-current assets</b>		<b>238</b>	<b>500</b>
<b>Non-current assets</b>		<b>28,918</b>	<b>28,141</b>
Inventories		339	324
Trade receivables		3,758	3,343
Receivables from associates and joint ventures		38	23
Other receivables		663	649
Prepaid costs		400	368
Derivative financial instruments		20	48
Cash		737	1,189
<b>Current assets</b>		<b>5,956</b>	<b>5,943</b>
<b>Assets</b>		<b>34,873</b>	<b>34,084</b>

### Equity and liabilities

DKK m	2023 31 Dec.	2022 31 Dec.
Share capital	1,173	1,173
Reserves	-451	-284
Retained earnings	13,105	12,133
<b>Equity attributable to equity holders of DFDS A/S</b>	<b>13,827</b>	<b>13,022</b>
Non-controlling interests	91	114
<b>Equity</b>	<b>13,918</b>	<b>13,135</b>
Interest-bearing liabilities	8,116	8,481
Lease liabilities	5,018	3,916
Deferred tax	467	359
Pension and jubilee liabilities	90	88
Other provisions	22	44
Derivative financial instruments	43	8
<b>Non-current liabilities</b>	<b>13,756</b>	<b>12,896</b>
Interest-bearing liabilities	1,281	2,349
Lease liabilities	1,055	788
Trade payables	3,461	3,661
Payables to associates and joint ventures	3	12
Other provisions	113	52
Corporation tax	83	170
Other payables	901	756
Derivative financial instruments	52	40
Prepayments	251	223
<b>Current liabilities</b>	<b>7,199</b>	<b>8,053</b>
<b>Liabilities</b>	<b>20,955</b>	<b>20,949</b>
<b>Equity and liabilities</b>	<b>34,873</b>	<b>34,084</b>

## DFDS Group - Statement of changes in equity 1 January - 31 December 2023

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 2023	1,173	-543	286	-28	12,133	13,022	114	13,135
<b>Comprehensive income for the period</b>								
Profit for the period					1,501	1,501	3	1,505
<b>Other comprehensive income</b>	0	62	-208	0	-14	-160	-1	-161
<b>Total comprehensive income</b>	0	62	-208	0	1,487	1,341	2	1,343
<b>Transactions with owners:</b>								
Acquisition, non-controlling interests					17	17	-25	-8
Dividend paid					-293	-293		-293
Dividend on treasury shares					12	12		12
Share-based payments					29	29		29
Share buyback				-21	-279	-300		-300
Cash from sale of treasury shares related to exercise of share options				1	-1	0		0
<b>Transactions with owners</b>	0	0	0	-21	-515	-536	-25	-560
<b>Equity at 31 December 2023</b>	<b>1,173</b>	<b>-480</b>	<b>78</b>	<b>-48</b>	<b>13,105</b>	<b>13,827</b>	<b>91</b>	<b>13,918</b>

**DFDS Group - Statement of changes in equity** 1 January - 31 December 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
<b>Comprehensive income for the period</b>								
Profit for the period					2,010	2,010	10	2,019
<b>Other comprehensive income</b>	0	-177	291	0	-78	36	0	36
<b>Total comprehensive income</b>	0	-177	291	0	1,931	2,045	10	2,055
<b>Transactions with owners:</b>								
Acquisition, non-controlling interests					1	1	-1	0
Addition related to acquisition, non-controlling interests						0		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					20	20		20
Purchase of treasury shares				-2	-30	-32		-32
<b>Transactions with owners</b>	0	0	0	-2	-468	-470	-4	-474
<b>Equity at 31 December 2022</b>	<b>1,173</b>	<b>-543</b>	<b>286</b>	<b>-28</b>	<b>12,133</b>	<b>13,022</b>	<b>114</b>	<b>13,135</b>

## DFDS Group – Statement of cash flows

DKK m	Note	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
<b>Operating profit before depreciation and amortisation (EBITDA)</b>		<b>1,030</b>	<b>1,088</b>	<b>5,034</b>	<b>4,974</b>
Adjustments for non-cash operating items, etc.		-3	26	53	45
Change in working capital		-113	56	-338	6
Payment of pension liabilities and other provisions		-19	-25	-44	-97
Interest received, etc.		64	29	79	50
Interest paid, etc.		-253	-127	-734	-388
Taxes paid		-109	-20	-240	-109
<b>Cash flows from operating activities</b>		<b>598</b>	<b>1,026</b>	<b>3,811</b>	<b>4,480</b>
Investments in ferries including dockings, etc.		-255	-171	-998	-1,747
Sale of ferries		1,466	0	1,466	21
Investments in other non-current tangible assets		-151	-359	-578	-1,026
Sale of other non-current tangible assets		27	56	92	113
Investments in non-current intangible assets		-26	-20	-83	-70
Acquisition of enterprises, associates, joint ventures, and activities, net of cash acquired incl. earn-outs	4	0	0	-1,033	-280
Divestment of enterprises and associates		0	0	0	-2
Other investing cash flows		-3	3	-14	3
<b>Cash flows from investing activities</b>		<b>1,057</b>	<b>-491</b>	<b>-1,149</b>	<b>-2,989</b>
<b>Free cash flows</b>		<b>1,655</b>	<b>534</b>	<b>2,662</b>	<b>1,491</b>
Proceed from bank loans and loans secured by mortgage in ferries		120	2	1,556	3,903
Repayment and instalments of bank loans and loans secured by mortgage in ferries		-1,959	-590	-4,141	-2,632
Proceed from issuance of corporate bonds		0	0	981	0
Repayment of corporate bonds incl. settlement of cross currency swap		0	0	0	-1,000
Payment of lease liabilities		-266	-213	-935	-963
Settlement of forward exchange contracts related to leases		3	4	12	15
Acquisition of treasury shares and share buyback		0	0	-300	-32
Other financing cash flows		0	0	-8	-33
Dividends paid to non-controlling interests		0	0	0	-3
Dividends paid to equity holders of DFDS A/S		0	0	-281	-459
<b>Cash flows from financing activities</b>		<b>-2,101</b>	<b>-797</b>	<b>-3,115</b>	<b>-1,203</b>
<b>Net cash flows</b>		<b>-446</b>	<b>-263</b>	<b>-454</b>	<b>288</b>
Cash and cash equivalents at beginning of period		1,182	1,452	1,189	902
Foreign exchange and value adjustments of cash and cash equivalents		0	0	2	-2
<b>Cash and cash equivalents at end of period *</b>		<b>737</b>	<b>1,189</b>	<b>737</b>	<b>1,189</b>

\* At 31 December 2023 DKK 14m (31 December 2022: DKK 175m) 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 2022 except as described below.

### Special Items

As from 2023 special items are not presented separately in the income statement, reference is made to note 2.6 of the 2022 annual report. Comparative figures have been restated.

### Reallocation of goodwill

During the year comparison figures for segments and divisions have been restated as part of goodwill from a prior acquisition has been reallocated from Logistics Division to Ferry Division. Hence the primary financial statements has not been impacted.

### Introducing EBITA as a new sub-total

To improve comparability of results, management has, in 2023, introduced EBITA in the income statement defined as result before interest, tax and amortisation.

### 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 2023 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.

In the preparation of the Interim Report, Management undertakes several accounting estimates and judgements 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, judgements 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, judgements, and assumptions.

### Impairment considerations due to the current macro environment

Impairment testing is undertaken at year-end unless indications of impairment occur during the year. In Q4 2023 Management has performed an impairment test for all cash generating units (CGUs) and concluded that no impairments nor reversals of prior year impairments are necessary.

### IFRS 16 practical expedient

From Q1 2024, DFDS will no longer apply the practical expedient not to account for each lease component within lease contracts separately. DFDS will instead separate the non-lease components from the lease components. In addition, DFDS has elected to no longer capitalise short-term leases of ferries, but only those expected to be extended resulting on a total lease term exceeding 12 months from commencement date. The changes are assessed to give more relevant information, better aligned with market practice. The changes are considered a change in accounting policy and comparable figures will be restated retrospectively.

DFDS's accounting policy has historically been not to separate the non-lease components from the lease components (except for terminals), and instead accounted for the contracts in their entirety (the practical expedient). Furthermore, short term leases (with a term below one year) for ferries have historically been recognised on

the balance sheet as a lease liability and a right-of-use asset that is depreciated instead of expensing the lease cost directly in the income statement.

DFDS's preliminary assessment indicates that this change in policy will reduce the 31 December 2023 right-of-use assets (DKK -232m), right-of-use liabilities (DKK -221m) and retained earnings (DKK -11m). Depreciation in 2023 is expected to be reduced by DKK -140m and operating cost to increase by DKK 158m. Minor impact is expected on interest cost, profit on disposal of non-current assets, exchange rate gain/loss, prepaid cost and other payables. As a result, EBITDA is expected to decrease by DKK 158m, EBIT by DKK 18m and profit before tax by DKK 16m. ROIC is not expected to be visibly impacted while leverage is expected to increase by 0.05 points.

## Note 2 Segment Information

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
<b>Full-year 2023</b>				
External revenue	15,271	12,008	25	27,304
Intragroup revenue	1,222	88	704	2,013
Total revenue	16,493	12,096	729	29,317
<b>Operating profit before depreciation and amortisation (EBITDA)</b>	<b>3,907</b>	<b>1,273</b>	<b>-146</b>	<b>5,034</b>
<b>Operating profit before amortisation (EBITA)</b>	<b>2,131</b>	<b>560</b>	<b>-187</b>	<b>2,504</b>
<b>Operating profit (EBIT)</b>	<b>2,094</b>	<b>474</b>	<b>-242</b>	<b>2,326</b>
<b>Invested capital, end of period</b>	<b>21,263</b>	<b>6,877</b>	<b>855</b>	<b>28,996</b>

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
<b>Full-year 2022</b>				
External revenue	15,503	11,352	18	26,873
Intragroup revenue	1,329	71	606	2,006
Total revenue	16,831	11,423	624	28,879
<b>Operating profit before depreciation and amortisation (EBITDA)</b>	<b>3,984</b>	<b>1,066</b>	<b>-76</b>	<b>4,974</b>
<b>Operating profit before amortisation (EBITA)</b>	<b>2,194</b>	<b>526</b>	<b>-118</b>	<b>2,603</b>
<b>Operating profit (EBIT)</b>	<b>2,156</b>	<b>474</b>	<b>-162</b>	<b>2,468</b>
<b>Invested capital, end of period</b>	<b>21,716</b>	<b>4,984</b>	<b>853</b>	<b>27,554</b>

## Note 3 Revenue

DKK m	Full-year 2023			Total
	Ferry Division	Logistics Division	Non-allocated	
<b>Geographical markets</b>				
North Sea	5,700	-	0	5,700
Mediterranean	4,624	-	0	4,624
Baltic Sea	1,256	-	0	1,256
Continent	-	4,844	0	4,844
Nordic	-	3,857	0	3,857
UK/Ireland	3,691	3,308	0	6,998
Other	0	0	25	25
<b>Total</b>	<b>15,271</b>	<b>12,008</b>	<b>25</b>	<b>27,304</b>
<b>Product and services</b>				
Seafreight and shipping logistics solutions	9,939	1	0	9,940
Transport solutions	705	11,691	0	12,396
Passenger seafare and on board sales	3,568	0	0	3,567
Terminal services	588	7	0	595
Charters	363	0	0	363
Agency and other revenue	108	310	25	442
<b>Total</b>	<b>15,271</b>	<b>12,008</b>	<b>25</b>	<b>27,304</b>

DKK m	Full-year 2022			Total
	Ferry Division	Logistics Division	Non-allocated	
<b>Geographical markets</b>				
North Sea	5,630	-	0	5,630
Mediterranean	4,471	-	0	4,471
Baltic Sea	1,496	-	0	1,496
Continent	-	4,416	0	4,416
Nordic	-	4,418	0	4,418
UK/Ireland	3,906	2,518	0	6,424
Other	0	0	18	18
<b>Total</b>	<b>15,503</b>	<b>11,352</b>	<b>18</b>	<b>26,873</b>
<b>Product and services</b>				
Seafreight and shipping logistics solutions	10,425	27	0	10,452
Transport solutions	595	10,820	0	11,415
Passenger seafare and on board sales	2,982	0	0	2,982
Terminal services	953	6	0	959
Charters	331	0	0	331
Agency and other revenue	216	498	18	733
<b>Total</b>	<b>15,503</b>	<b>11,352</b>	<b>18</b>	<b>26,873</b>

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 Türkiye 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 1,656m (Full year 2022: DKK 1,327m).

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 405m (Full year 2022: DKK 374m).

## Note 4 Acquisition of enterprises and sale of activities

### 2024

#### FRS Iberia Group

On 17 September 2023 it was announced that DFDS Group had entered an agreement to acquire FRS Iberia/Maroc, a division of the German short-sea ferry company FRS GmbH & Co. KG. Closing of the transaction was completed 10 January 2024.

The purchase price amounts to DKK 1.5bn.

FRS Iberia/Maroc operates three short-sea ferry routes across the Strait of Gibraltar connecting Spain and Morocco. The acquisition is aligned with DFDS' strategy to develop and expand the transport network focused on moving goods in trailers by ferry, road & rail as well as moving passengers.

The acquisition expands DFDS' Mediterranean route network that today connects Europe with Türkiye and Tunisia, respectively. The region's organic market growth is expected to continue to exceed growth levels in northern Europe underpinned by nearshoring of manufacturing supply chains to end markets in Europe.

Due to the acquisition date being 10 January 2024 DFDS has only had limited access to data to complete the initial accounting for the acquisition. A full overview will be disclosed in the Q1 2024 announcement.

### 2023

#### McBurney Transport Group

On 28 February 2023, the acquisition of McBurney Transport Group based in Northern Ireland was completed and the DFDS Group obtained control as from this date. The acquisition is included in the Logistics Division.

The company is focused on moving cold chain and dry goods in trailers by road and ferry between the island of Ireland and the UK. The acquisition of McBurney Transport Group is aligned with DFDS' strategic focus on cold chain logistics. It overlaps with existing activities in the region and offers opportunities to connect with other parts of DFDS' pan-European transport network.

The preliminary purchase price allocation shows the following:

DKK m	Preliminary fair value at acquisition date
Non-current intangible assets	214
Land and buildings	144
Equipment etc.	331
Inventories	4
Trade receivables including work in progress services	236
Other receivables	33
Cash at hand and in bank	229
Deferred tax liability	-93
Interest bearing debt	-159
Trade payables	-123
Other current liabilities	-67
<b>Net assets acquired</b>	<b>749</b>
<b>Goodwill</b>	<b>446</b>
<b>Total purchase price</b>	<b>1,195</b>
Contingent consideration assumed	-17
Cash and bank balances acquired	-229
<b>Fair value of the purchase price</b>	<b>949</b>

DFDS paid DKK 1,178m for the acquired company. In addition, an earn-out agreement was entered into according to which the seller is entitled to additional payment based on the McBurney Transport Groups' financial performance for the following 12 months period after the acquisition. Trade receivables have been recognised at the acquisition date at a fair value of DKK 236m equal to their face value.

In connection with the acquisition, DFDS has measured identifiable intangible assets i.e., customer relationships etc. which are recognised in the acquisition balance sheet at their fair value. The preliminary fair value is DKK 214m at the acquisition date.

## Note 4 Acquisition of enterprises and sale of activities (continued)

Following recognition of acquired identifiable assets and liabilities at their fair value, the goodwill related to the acquisition is preliminarily measured at DKK 446m.

The goodwill represents primarily the value of the staff and know-how taken over and expected synergies from combining the acquired Group with the existing DFDS activities and network. The goodwill is not deductible for tax purposes.

### Other 2023 acquisitions

On 1 September 2023 it was announced that DFDS Group had acquired all activities from Lundby Åkeri AB headquartered in Sweden. DFDS Group obtained control as from this date and following the acquisition the acquired activities are included in the Logistics Division. The purchase price for the acquired activities amounts to DKK 18m.

On 18 July 2023 it was announced that DFDS Group had entered an agreement to acquire all shares in Estron Group headquartered in Rotterdam, Netherlands. Closing of the transaction was completed on 11 September 2023. The purchase price for the acquired activities amounts to DKK 52m and the acquired cash amounted to DKK 18m.

On 22 May 2023 it was announced that DFDS Group had acquired all activities from D.R. MacLeod headquartered in Scotland. DFDS Group obtained control as from this date and the acquired activities is after the acquisition included in the Logistics Division. The purchase price for the acquired activities amounts to DKK 26m.

### 2022

The purchase price allocation for Lucey Transport Logistics (acquired 30 September 2022), primeRail (acquired 10 May 2022) and ICT Logistics (acquired 19 January 2022) are finalised and unchanged compared to 31 December 2022. For further details of these acquisitions, refer to the Annual Report for 2022.

## Note 5 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 2023.

DKK m	Full-year 2023		Full-year 2022	
	Fair value	Carrying amount	Fair value	Carrying amount
<b>Financial assets</b>				
Derivatives (Level 2)	175	175	346	346
Securities (Level 3)	2	2	2	2
<b>Financial liabilities</b>				
Derivatives (Level 2)	95	95	48	48

### 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 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 2022, except for special items that will not be presented separately in the income statement, reference is made to note 2.6 of the 2022 annual report. Comparative figures have been restated. 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 2023. For further description reference is made to note 1 Accounting policies.

The Parent Company's revenue decrease by DKK 329m, equivalent to 2.83% compared to Full year 2022. Operating profit before depreciation (EBITDA) decreased by DKK 236m equivalent to 8.87% compared to Full year 2022.

Profit before tax decreased by DKK 108m compared to Full year 2022.

The Parent Company's net interest-bearing debt increased by DKK 662m compared to 31 December 2022.

DKK m	2023 Full-year	2022 Full-year
<b>Income statement</b>		
Revenue	11,292	11,621
Operating profit before depreciation and amortisation (EBITDA)	2,422	2,658
Operating profit before amortisation (EBITA)	1,019	1,200
Operating profit (EBIT)	964	1,157
Financial items, net	536	451
Profit before tax	1,500	1,608
<b>Profit for the period</b>	<b>1,500</b>	<b>1,608</b>
<b>Assets</b>		
Non-current intangible assets	476	448
Non-current tangible assets	7,831	8,635
Investments in subsidiaries	11,465	9,289
Investments in associates, joint ventures and securities	2	2
Non-current receivables from subsidiaries	28	60
Other non-current assets	132	280
Non-current assets	19,933	18,714
Current receivables from subsidiaries	1,151	1,064
Receivables from associates and joint ventures	25	22
Cash	381	489
Other current assets	1,316	1,412
Current assets	2,872	2,988
<b>Total assets</b>	<b>22,806</b>	<b>21,702</b>
<b>Equity and liabilities</b>		
Equity	11,453	10,649
Non-current liabilities to subsidiaries	41	63
Other non-current liabilities	4,852	4,008
Non-current liabilities	4,893	4,071
Current liabilities to subsidiaries	2,479	1,868
Other current liabilities	3,981	5,114
Current liabilities	6,460	6,982
<b>Total equity and liabilities</b>	<b>22,806</b>	<b>21,702</b>
Equity ratio, %	50.2	49.1
Net interest-bearing debt	7,793	7,131

## Note 7 Events after Balance sheet date

On 10 January 2024, the Group completed the acquisition of FRS Iberia/Maroc, a key player on the Strait of Gibraltar short-sea ferry market connecting Spain and Morocco.

No other material events have occurred after 31 December 2023 that have consequences for the Q4 2023 interim report.

# Definitions

<b>Operating profit before depreciation (EBITDA)</b>	Profit before interest, tax, depreciation, amortisation, and impairment on non-current assets
<b>Operating profit before amortisation (EBITA)</b>	Profit before interest, tax, and amortisation
<b>Operating profit (EBIT)</b>	Profit before interest and tax
<b>Operating margin, %</b>	$\frac{\text{Operating profit (EBIT)}}{\text{Revenue}} \times 100$
<b>Net operating profit after taxes (NOPAT)</b>	Operating profit (EBIT) minus payable tax for the period adjusted for the tax effect of net finance cost
<b>Invested capital</b>	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
<b>Net Interest-bearing debt (NIBD)</b>	Interest-bearing liabilities (excluding provision for pensions) minus interest-bearing assets minus cash and securities
<b>LTM</b>	Last twelve months
<b>Acquisition intangibles</b>	Intangible assets recognised in connection with acquiring enterprises and activities (Goodwill and Other non-current intangible assets)
<b>Return on invested capital (ROIC), %</b>	$\frac{\text{Net operating profit after taxes (NOPAT LTM)}}{\text{Average invested capital LTM}} \times 100$
<b>ROIC before acquisition intangibles (ROIC BAI), %</b>	$\frac{\text{Net operating profit after taxes (NOPAT LTM) excluding amortisation on acquisition intangible assets}}{\text{Average invested capital excluding acquisition intangible assets LTM}} \times 100$
<b>Free cash flow</b>	Cash flow from operating activities minus cash flow from investing activities
<b>Adjusted free cash flow (FCFE)</b>	Free cash flow excluding acquisitions/divestments minus payment of lease liabilities and currency contracts related to leases
<b>Return on equity, %</b>	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Average equity excluding non-controlling interests}} \times 100$
<b>Equity ratio, %</b>	$\frac{\text{Equity at end of period}}{\text{Total assets}} \times 100$
<b>Financial leverage, times</b>	$\frac{\text{Net Interest-bearing debt (NIBD)}}{\text{EBITDA LTM incl. pro forma EBITDA for acquired companies}}$
<b>Earnings per share (EPS)</b>	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Weighted average number of ordinary shares in circulation}}$
<b>Dividend per share</b>	$\frac{\text{Dividend for the year}}{\text{Number of shares at the end of the period}}$
<b>Number of ships</b>	Owned and chartered ships, including slot charter and vessel sharing agreements
<b>Passenger</b>	Comprise activities related to persons travelling with or without car and who is carried on a ro-pax or passenger cruise ferry across the DFDS route network.

Rounding's may in general cause variances in sums and percentages in this report.

# ESG Definitions

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

**DFDS A/S**

Marmorvej 18, DK-2100 Copenhagen Ø  
CVR 14 19 47 11  
www.dfds.com

9 February 2024

Company announcement no.: 05/2023

**Contact**

Torben Carlsen, CEO: +45 33 42 32 01  
Karina Deacon, CFO: +45 33 42 33 42  
Søren Brøndholt Nielsen, IR: +45 33 42 33 59  
Dennis Kjærsgaard Sørensen, Media, +45 42 30 38 47

**Disclaimer**

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

**About DFDS**

We operate a transport network in and around Europe with an annual revenue of DKK 27bn and 13,200 full-time employees.

We move goods in trailers by ferry, road, and rail, plus we offer complementary and related logistics solutions.

We also move car and foot passengers on short sea and overnight ferry routes.

DFDS was founded in 1866 and is headquartered and listed in Copenhagen.