

DFDS CREATES LEADING PROVIDER OF COLD CHAIN LOGISTICS

- Acquisition of HSF Logistics Group expands DFDS' cold chain business to become the leading provider in Northern Europe
- HSF Logistics Group has revenue of DKK 2.8bn and 1,800 employees
- Enterprise value of DKK 2.2bn (EUR 296m)
- Transaction structure leaves DFDS' financial leverage unchanged
- Investor and analyst call today at 10.00am CET

DFDS has today entered into an agreement to acquire 100% of HSF Logistics Group. The company is one of Europe's leading cold chain logistics providers to meat producers and other food producers that operates temperature-controlled supply chains.

The Group operates four brands with HSF Logistics a leading brand in the Netherlands, Germany and the UK. N&K Spedition and Skive Køletransport are leading brands in Denmark and Scandinavia, together constituting around half of the revenue of the Group. Eurofresh is a brand focused on the German market.

The acquisition of HSF Logistics Group is aligned with DFDS' Win23 strategy of growing solutions to selected industries, including cold chain logistics customers. Following the acquisition, the revenue of DFDS' Logistics Division will increase to DKK 8bn of which around half will be generated by cold chain logistics.

"I am very excited about the acquisition of HSF Logistics Group as it significantly expands our customer offering to a wide range of food producers. It also opens the door for new growth opportunities and adds freight volumes to our ferry route network", says Torben Carlsen, CEO of DFDS.

"As part of the family that founded HSF Logistics nearly a hundred years ago in 1923, I am very happy to now become part of the DFDS family. Together, we can grow the business for the benefit of our many longstanding customers and our many loyal, dedicated employees", says Simon Frederiks, major shareholder of HSF Logistics Group.

"By becoming part of DFDS we gain access to new growth opportunities. It enables us to offer customers wider market coverage and use our combined expertise to develop even more efficient and reliable solutions", says Martin Gade Gregersen, CEO of HSF Logistics Group.

About HSF Logistics Group

HSF Logistics Group is a full-service provider of cold chain logistics solutions to the food industry with a specialist focus on meat logistics. Services include collection from food producers, packaging, storage, processing services, and distribution of both part and full loads.

DFDS A/S
Sundkrogsgade 11
DK-2100 Copenhagen Ø
CVR 14 19 47 11

www.dfds.com

Company announcement no.
4/2021

26 January 2021

Page 1/ 3

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

Nicole Seroff, Communications
+45 31 40 34 46

About DFDS

DFDS provides ferry and transport services in Europe, generating annual revenues of EUR 1.9bn.

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

For five million passengers, we provide safe overnight and short sea ferry services.

Our 8,000 employees are located on ships and in offices across 20 countries. DFDS was founded in 1866, is headquartered in Copenhagen, and listed on Nasdaq Copenhagen.

Disclaimer

The statements about the future in this announcement contain an element of risk and uncertainty which means that actual developments may diverge significantly.

The company operates from 22 locations across Europe, including key distribution and storage centres in the Netherlands, Germany, and Denmark. In addition, the company also has offices in China and Morocco.

Announcement no. 4/2021
26. 01. 2021

Page 2/ 3

The main flows handled are from the Netherlands to the UK and Germany, and from Denmark to the UK and southern Europe. Front loads are mainly meat and seafood while backloads include fruit, vegetables, frozen fries, and dairy products as well as meat.

The business model includes rental, repair, and cleaning of reusable packaging (plastic box pallets, crates, and pallets). Transports are both accompanied and unaccompanied and the company uses both in-house and outsourced trucks and drivers.

The HSF Logistics Group has revenue of DKK 2.8bn and an EBITDA of DKK 320m (before adjusting for IFRS 16). The company currently has 1,800 employees and operates around 700 trucks and 1,700 reefer trailers, including both owned and leased units.

Strategic fit and synergy

The acquisition is aligned with DFDS' Win23 strategy of growing solutions to three industries, namely automotive, forest & metal and cold chain. The growth strategy for cold chain builds on DFDS' existing cold chain offering in mainly the UK and Belgium.

Adding the HSF Logistics Group to the existing activities expands the geographical scope to the Netherlands, Scandinavia, Germany and southern Europe, as well as China and Morocco. In addition, it adds expertise in meat logistics to DFDS' expertise in aquaculture/ seafood and general food logistics.

The integration of the HSF Logistics Group is expected to generate both commercial and cost synergies as well as synergies from addition of volumes to DFDS' transport infrastructure of ferry routes and ports. Expected synergies will be described in further detail in connection with the closing of the transaction.

Transaction structure and financing

DFDS acquires the HSF Logistics Group for a debt-free price of DKK 2.2bn (EUR 296m).

The acquisition will be made by a newly established company of which DFDS owns 100% of the ordinary shares. Non-voting preference shares will be issued and owned by the sellers. DFDS has a call option to redeem the preference shares over a planned three-year period.

DKK 930m will be paid on closing. Over the following three years, DKK 270m is planned to be paid each year to redeem the preference shares. Estimated DKK 460m of net interest-bearing debt (excluding IFRS 16 lease obligations) will be taken over as part of the transaction.

DFDS will use existing cash funds for the initial payment of DKK 930m. DFDS' financial leverage, NIBD/EBITDA, is expected to be unchanged by the transaction.

The transaction structure, including preference shares, gives DFDS 100% control and the HSF Logistics Group will therefore be fully consolidated in the DFDS Group from closing.

The transaction is expected to be accretive to earnings per share (EPS) from closing.

Announcement no. 4/2021
26. 01. 2021

Closing of the transaction is expected to take place in around three months subject to regulatory approval and completion of required employee consultation processes.

Page 3/ 3

Investor and analyst call

An audio conference for investors and analysts will take place today at 10:00 CET. Please find dial-in details below:

Telephone:

DK +45 80400007

US +1 855 85 70686

UK +44 08003589473

List over international numbers:

<https://event.sharefile.com/share/view/s7bae1d9235d495a8>

Access code to conference: 55629708#

The conference will be broadcast live on www.dfds.com/group and published there for future reference.