

Q1 2022 interim report

GOOD START TO 2022

- Unchanged full-year earnings outlook of more than 20% growth
- Q1 EBITDA increased 9% to DKK 822m
- Logistics boosted by HSF integration and margin improvement
- Passenger recovery ahead of expectations
- Baltic Sea freight volumes lowered by war in Ukraine



Highlights Q1

Q1 2022

- Freight ferry volumes continued to grow
- Passenger ferry markets recovered through the quarter
- HSF in line with expectations

Outlook 2022

- EBITDA range DKK 3.9-4.4bn (2021: DKK 3.4bn)
- Revenue growth increased to around 30% (previously 23-27%)

“Continuously adapting to challenges and opportunities, we remain on track to raise earnings more than 20% in 2022.”

Torben Carlsen, CEO

Ferry Division’s revenue was increased by higher freight and passenger activity as well as a rise in bunker surcharge revenue. Logistics Division’s revenue was increased by the acquisition of HSF Logistics Group in September 2021 and ICT Logistics in January 2022 as well as higher activity and yield increases for the existing activities. Group revenue increased 52% to DKK 5.7bn.

EBITDA increased 9% to DKK 822m. The total freight EBITDA for ferry and logistics activities before special items increased 10% to DKK 926m driven mainly by growth in the Mediterranean business unit, improved logistics performance, and the acquisition of HSF Logistics Group. The war in Ukraine reduced Baltic Sea’s freight volumes and the result.

The total EBITDA for passenger activities in the Baltic Sea, Channel, and Passenger business units decreased 12% to DKK -104m. Earnings were reduced by the re-opening of Oslo-Frederikshavn-Copenhagen in a low season market environment with passenger numbers still recovering from Covid-19. This offset higher Channel earnings as all ferries have continuously operated in this market.

Outlook 2022

The revenue growth outlook is increased to around 30% compared to 2021 due to significantly higher revenue from oil surcharges as well as higher passenger revenue (previously 23-27%). EBITDA before special items is unchanged DKK 3.9-4.4bn (2021: DKK 3.4bn). The outlook is detailed on page 10.

KEY FIGURES

DKK m	2022 Q1	2021 Q1	Change, %	2021-22 LTM	2020-21 LTM	Change, %	2021 FY
Revenue	5,725	3,768	51.9	19,826	13,925	42.4	17,869
EBITDA before special items	822	750	9.5	3,482	2,872	21.2	3,411
EBIT before special items	214	278	-23.0	1,249	1,003	24.5	1,313
Profit before tax and special items	147	202	-27.3	980	687	42.6	1,035
Profit before tax	149	192	-22.5	1,026	562	82.7	1,069

11 May 2022. Conference call today at 10.00am CET

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Key figures

DKK m	2022 Q1	2021 Q1	2021-22 LTM	2021 Full year
Income statement				
Revenue	5,725	3,768	19,826	17,869
• Ferry Division	3,369	2,594	12,581	11,806
• Logistics Division	2,666	1,426	8,394	7,155
• Non-allocated items	162	136	551	526
• Eliminations	-472	-389	-1,700	-1,618
Operating profit before depreciation (EBITDA) and special items	822	750	3,482	3,411
• Ferry Division	598	641	2,810	2,852
• Logistics Division	216	101	708	593
• Non-allocated items	7	8	-36	-34
Profit/loss on disposal of non-current assets, net	4	1	6	2
Operating profit (EBIT) before special items	214	278	1,249	1,313
Special items, net	2	-10	46	34
Operating profit (EBIT)	216	268	1,295	1,348
Financial items, net	-68	-77	-269	-278
Profit before tax	149	192	1,026	1,069
Profit for the period	114	172	918	976
Profit for the period excluding non-controlling interest	111	168	902	958
Capital				
Total assets	32,450	27,820	-	30,721
DFDS A/S' share of equity	11,353	10,775	-	11,446
Equity	11,462	10,868	-	11,554
Net interest-bearing debt	14,638	11,435	-	13,481
Invested capital, end of period	26,424	22,462	-	25,369
Invested capital, average	25,897	22,291	24,185	23,324

DKK m	2022 Q1	2021 Q1	2021-22 LTM	2021 Full year
Cash flows				
Cash flows from operating activities, before financial items and after tax	789	493	3,781	3,484
Cash flows from investing activities	-953	-347	-3,816	-3,210
• Acquisition of enterprises and activities	-35	0	-1,801	-1,765
• Other investments, net	-918	-347	-2,015	-1,444
Free cash flow	-163	146	-35	274
Repayment of lease liabilities and lease interest	-336	-196	-1,070	-929
Adjusted free cash flow (FCFF)	-500	-50	-1,104	-655
Key operating and return ratios				
Average number of employees (FTE)	10,832	7,965	8,816	8,874
Number of ships	80	74	-	80
Revenue growth (reported), %	51.9	-1.2	11.0	27.9
EBITDA-margin before special items, %	14.4	19.9	17.6	19.1
Operating margin before special items, %	3.7	7.4	6.3	7.3
Revenue/invested capital average, (times)	-	-	0.8	0.8
Return on invested capital (ROIC), %	-	-	4.7	5.3
ROIC before special items, %	-	-	4.5	5.2
Return on equity, %	-	-	8.2	8.7
Key capital and per share ratios				
Equity ratio, %	35.3	39.1	-	37.6
Net interest-bearing debt/EBITDA, (times)*	-	-	4.0	3.7
Earnings per share (EPS), DKK	1.94	2.91	15.72	16.69
Dividend paid per share, DKK	4.00	0.00	4.00	0.00
Number of shares, end of period, '000	58,632	58,632	-	58,632
Weighted average number of circulating shares, '000	57,323	57,558	-	57,416
Share price, DKK	288.4	324.8	-	349.0
Market value	16,511	18,695	-	20,018

* The ratio LTM and full-year 2021 includes a pro forma EBITDA for HSF Logistics Group.

Definitions on page 30.

ESG key figures

Environmental data	Unit	2022 Q1	2021 Q1	2021 Full year*
Total number of days operated	Days	5,870	5,757	23,197
CO2 emissions				
CO2 emissions per GT nautical mile (Own fleet)	gCO2	13.3	13.4	13.0
CO2 emissions per GT nautical mile (Route network)	gCO2	13.8	14.0	13.6
Energy consumption				
Total fuel consumption (Route network)	Tonnes HFOe	200,196	180,179	771,738
Oil spills				
Spills (>1 barrel)	Number	0	0	0
Social data	Unit	2022 Q1	2021 Q1	2021 Full year*
Representation of women				
Total workforce:	%	23	24	24
• Non-office based	%	12	12	13
• Office based	%	43	43	44
Senior management	%	17	17	17
Managers	%	15	10	14
Employees	%	25	26	27
Safety at sea				
Lost-time injury frequency (LTIF)	Incidents/mill. hours	3.8	5.3	4.3
Safety on land				
Lost-time injury frequency (LTIF)	Incidents/mill. hours	10.9	5.8	7.4
Fatalities				
Colleagues	Accidents	0	0	1
Contractors	Accidents	0	0	0
Governance data	Unit	2022 Q1	2021 Q1	2021 Full year
Representation of women in the Board (AGM elected members)	%	33	33	33
Board nationality - non-Danish (AGM elected members)	%	33	17	17
Independent directors (AGM elected members)	%	83	83	83
Attendance at Board meetings (All Board members)	%	97	100	100
Whistle-blower reporting	Cases	11	6	29

Definitions on page 31.

Quarterly reporting of selected key figures for ESG (Environment, Social, Governance) was included in the quarterly report from Q2 2021.



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

Management review

Market overview

The European freight market was negatively impacted by the war in Ukraine that started on 24 February 2022 as eastbound volumes stalled. Although the Ukraine war and expectations of rising inflation have increased uncertainty about economic growth in 2022, demand for freight services remain robust.

The 2022 outlook for Turkey's GDP-growth has been lowered in view of rising inflation and further depreciation of the Turkish Lira (TRY) in the quarter. However, industrial production in the country's export sector continued to grow. Activity levels also continued to grow in Scandinavia and the UK as well as most parts of Continental Europe.

European supply chains continue to be challenged by the availability of haulage capacity and personnel. The introduction of EU's Mobility Package during Q1 2022 and wage inflation are likely to put further pressure on the supply of haulage capacity. There is thus a risk that supply chain bottlenecks may occur again in 2022.

Travel restrictions related to Covid-19 were to a large extent removed in most European travel markets towards the end of Q1 2022. Ferry passenger numbers began to recover during the quarter and normalised further in April

with Easter passenger ferry numbers approaching pre-Covid-19 historic levels.

The main changes in average exchange rates in Q1 2022 vs Q1 2021 were depreciation of TRY/DKK by 43%, appreciation of GBP/DKK by 5% and NOK/DKK by 4%.

Major events in Q1

Exposure and response to war in Ukraine

The war in Ukraine is expected to reduce freight volumes in the Baltic Sea ferry network, particularly in the Germany-Lithuania and Sweden-Lithuania corridors. In addition, a large part of ICT Logistics' revenue was related to Russia and Ukraine. Assistance has been provided to the 12 employees in Ukraine and their families to bring them to safety and uphold their employment. Employment has also been upheld for around 40 employees in Russia even though all activities in Russia have been discontinued. DFDS stopped transporting vehicles registered in Russia from the beginning of March 2022 ahead of the EU's sanction that came into effect on 16 April 2022. Russian goods have been removed from shops on our passenger ferries. ICT Logistics has provided and continues to provide logistics support in Ukraine to international relief organisations.

Channel market capacity changes

From 17 March 2022, a competitor deploying four ferries between Dover and Calais suspended all sailings. Sailings were partly resumed towards the end of April.

Baltic Sea route network boosted by new ferries

The freight capacity and passenger experience is being boosted by deployment of two ferry new-buildings in 2022.

In late January 2022, the first of two combined freight and passenger ferry newbuildings (ro-pax) was deployed on the Karlshamn-Klaipeda route. The second ferry was deployed on 29 April 2022. The new ferries can each carry 4,500 lane metres of freight and cars as well as 600 passengers. CO2 emissions per trailer are expected to be lowered by more than 20% by the new ferries that comply with the new design standards of EEDI (Energy Efficiency Design Index).

Capacity was increased by one ferry on the Paldiski-Kapellskär route following deployment of the new ferries. Two other ferries previously deployed on Karlshamn-Klaipeda were moved to other routes in the network.

Acquisition of ICT Logistics

The acquisition of ICT Logistics agreed on 15 September 2021 was approved by relevant competition authorities in

January 2022. ICT Logistics provides transport solutions between Scandinavia and Eastern Europe, particularly Russia, Ukraine, Romania, Latvia, and Lithuania. The war in Ukraine has reduced activity levels as operations were stopped in Russia while activities in other regions are being adapted to the new market circumstances. The company had 80 employees and revenue of DKK 260m in 2021.

Major events after Q1

Expansion of rail logistics

In May 2022, DFDS entered into an agreement to acquire 100% of primeRail, a German logistics company specialised in rail transport solutions. The company is located in Cologne with 14 employees.

primeRail has since June 2021 partnered with DFDS to improve the efficiency and supply of sustainable solutions to customers. The initial focus has been on rail solutions between Trieste and European destinations. This focus will now be widened to other parts of the route network.

Rail transport is one of the most environmentally friendly transport modes with an average CO₂ emission per ton-kilometer (tkm) of 15.6 g / tkm compared to 139.8 g / tkm for road transport (EEA: European Environment Agency).

Dividend

The Board of Directors' proposal to distribute an ordinary dividend of DKK 4.00 per share was approved by the annual general meeting in March 2022 and subsequently paid out. The intention of the Board of Directors remains to be to distribute an extraordinary dividend of DKK 4.00 per share in August 2022 in accordance with the authority delegated to it.

ESG actions and plans

This section provides an overview of ESG (Environment, Social, Governance) actions and plans to supplement the key figures reported on page 4.

Environment

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

Short-term actions and plans

In 2022, the following key initiatives are planned for completion to lower emissions from the existing ferry fleet:

- Testing of 100% biofuel on ferries is progressing and expected to be introduced in 2022
- Application of anti-fouling hull paint to reduce friction in the water and hence fuel consumption expected to

be completed on 18 ferries, of which 8 were initiated or completed in Q1 2022

- Installation on 13 ferries of new injection systems to optimise engine combustion and save fuel (PMI VIT)
- 13 other projects, including waste heat recovery, excess energy management, and hull modifications.

Fuel and emission savings from the applications are continuously documented and subsequently applied to the rest of the fleet as appropriate. In Q1 2022, the CO₂ emissions from ferries were 13.8 g/CO₂/GT mile, a reduction of 1.4% compared to 14.0 g/CO₂/GT mile in Q1 2021. The improvement was primarily due to a positive impact from speed reduction of chartered ferries.

For Logistics, the deployment plan is underway for the first batch of 125 electric trucks ordered from Volvo, including charging facilities, customer needs, and route planning. Tests of solar powered reefer trailers are proving successful and more such units will be added in the UK.

Long-term transformative actions and plans

Work continues to enable deployment of a green freight ferry in the route network by 2025. The development of 'green transport corridors' are done in partnership with stakeholders that includes companies in different parts of the value chain - agricultural suppliers, food producers, fuel suppliers, and logistics and transport providers. The aim is to accelerate the green transition - from incremental steps to full climate neutrality - by knowledge sharing across sectors, efficient use of resources, and large-scale implementation of de-carbonisation initiatives.

In Logistics, the use of hydrogen powered trucks are being assessed with several manufacturers.

Social

Diversity & Inclusion

The total female representation in the workforce decreased to 23% by 1 ppt compared to Q1 2021 primarily due to the consolidation of HSF Logistics Group with a female gender ratio below DFDS. The office female gender ratio of 43% was on level with 2021 and thus above DFDS' 30% target. The female gender ratio for non-office employees remained below target at 12%, a level that reflects the historic high male gender ratios in, for example, port terminals and transport operations. The senior management female gender ratio remained at 17% while the ratio for managers increased to 15% from 10% in 2021. The latter increase was mainly due to structural changes related to furloughing that lowered the female gender ratio in 2020 and 2021. The Q1 2022 ratio thus equals the level pre-Covid-19.

Safety

For sea-based operations, the lost-time injury frequency (LTIF) was reduced from 5.3 in Q1 2021 to 3.8 in Q1 2022, which was just above the target level of 3.5.

For land-based operations, the (LTIF) increased from 5.8 in Q1 2021 to 10.9 in Q1 2022. The increase mostly reflects improved and more widespread reporting as well as integration of former HSF entities into DFDS' Health & Safety reporting structure.

Revenue

DKK m	Q1 2022	Q1 2021	Change, %	Change
Ferry Division	3,369	2,594	29.9	775
Logistics Division	2,666	1,426	86.9	1,239
Non-allocated items	162	136	18.6	25
Eliminations	-472	-389	-21.1	-82
DFDS Group	5,725	3,768	51.9	1,957

Responsible employer

To develop as a responsible employer, both internally and through our value chain, new actions have been launched:

- Haulage Compliance program to ensure compliance with EU Mobility Package. It aims to ensure that logistics suppliers adhere to regulation describing working conditions for EU truck drivers, including minimum wages, working hours, and decent accommodation during longer breaks
- DFDS' new Labour Code of Conduct (LCoC) is set for launch in Q2. The aim of the LCoC is to define a general standard for working conditions with relation to wages, leave, working hours, equality, harassment and discrimination, and child and forced labour.

Governance

Implementation of the DFDS Data Ethics policy is supported by awareness initiatives. New colleagues from the HSF integration and new joiners must all receive GDPR training. Cyber security awareness continues to be a high priority.

The war in Ukraine has entailed increased focus on monitoring of sanctions and intensified dialogue with stakeholders.

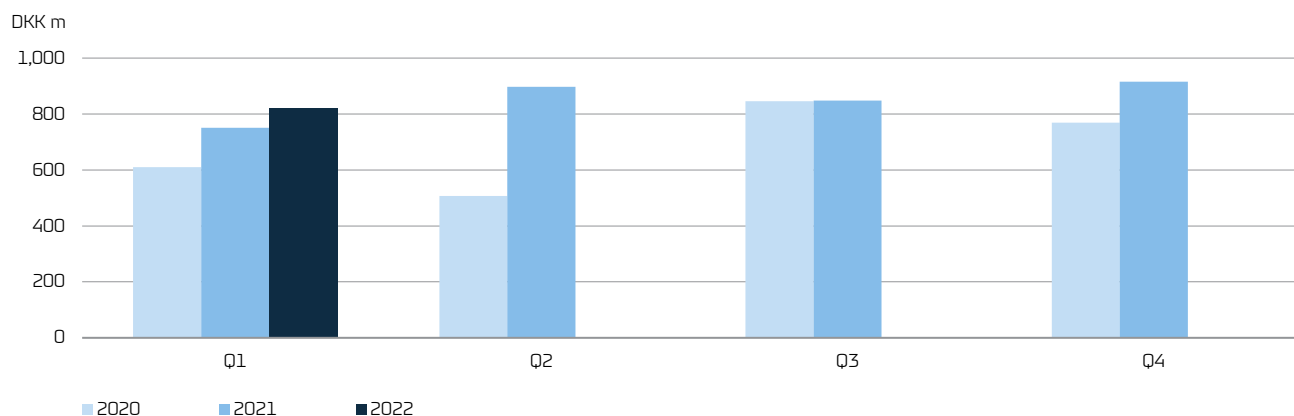
Financial performance

Revenue

The Group's Q1 revenue was DKK 5,725m, an increase of 51.9% compared to 2021.

Ferry Division's Q1 revenue increased 29.9% to DKK 3,369m reflecting a significant increase in passenger revenue as volumes started to recover following easing of Covid-19 travel restrictions. Moreover, the Oslo-Frederikshavn-Copenhagen route was suspended in the first half-year of 2021. Higher freight volumes and rates increased revenue in primarily the North Sea and Mediterranean business units. In addition, revenue from bunker surcharges increased considerably due to higher oil prices throughout the quarter.

Logistics Division's Q1 revenue increased 86.9% to DKK 2,666m. Around 70% of the increase was due to the

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

DKK m	Q1 2022	Q1 2021	Change, %	Change
Ferry Division	598	641	-6.7	-43
Logistics Division	216	101	114.3	115
Non-allocated items	7	8	-14.0	-1
DFDS Group	822	750	9.5	71
EBITDA-margin, %	14.4	19.9	-27.9	-5.6

Associates and joint ventures, profits on disposals and depreciation

DKK m	Q1 2022	Q1 2021	Change, %	Change
EBITDA before special items	822	750	9.5	71
Associates and joint ventures	-4	-3	-27.6	-1
Profit on disposals	4	1	n.a.	4
Depreciation and impairment	-608	-470	-29.4	-138
EBIT before special items	214	278	-23.0	-64

Financial items

DKK m	Q1 2022	Q1 2021	Change, %	Change
Interests, net	-72	-70	-2.9	-2
Foreign exchange gains/losses, net	11	-3	n.a.	13
Other items, net	-6	-4	-52.9	-2
Total finance, net	-68	-77	11.8	9

acquisitions of HSF Logistics Group and ICT Logistics. Organic revenue growth for the existing activities was almost 30% reflecting higher activity, including new warehousing and customs activities, and price increases across regions. The latter included surcharges for higher fuel prices and the introduction of the EU Mobility Package as well as increases to cover higher costs, particularly for haulage providers.

Operating profit before depreciation (EBITDA) and special items

The Group's Q1 EBITDA increased 9% to DKK 822m driven by higher freight earnings.

Ferry Division's Q1 EBITDA decreased 7% to DKK 598m. The EBITDA for freight ferry activities decreased 4% to DKK 702m due to one-off income in Q1 2021 from standby agreements related to Brexit in the North Sea and Channel business units. The underlying earnings trend was positive driven mainly by growth in the Mediterranean and North Sea business units. Baltic Sea's result was reduced by the war in Ukraine and higher ferry costs.

The EBITDA for the passenger activities decreased 12% to DKK -104m due to an EBITDA decrease in the Passenger business unit of DKK 47m which offset higher earnings in Channel. The decrease in Passenger was due to the re-opening of Oslo-Frederikshavn-Copenhagen in a low season market environment with passenger numbers still recovering from Covid-19. The route was suspended in the first half-year of 2021. The result of Passenger is expected to improve as passenger volumes and revenue recover.

Logistics Division's Q1 EBITDA more than doubled to DKK 216m. This was driven by the acquisition of HSF Logistics Group, included in the Cold Chain business unit, and higher earnings for the Dry Goods business unit. In the latter, most activities increased earnings driven by higher activity and improved cost coverage.

Depreciation and operating profit (EBIT) before special items

Depreciation in Q1 of DKK 608m increased 29% or DKK 138m compared to 2021 of which around half of the increase was due to the acquisition of HSF Logistics Group. The other half of the increase was primarily related to depreciation on additional chartered vessels. Depreciation was also increased by new leased logistics warehouses.

The Group's Q1 EBIT before special items decreased 23% to DKK 214m following the higher depreciation cost.

Special items and operating profit (EBIT) after special items

In Q1 2022, special items were a net income of DKK 2m. The Group's Q1 EBIT after special items decreased 19% to DKK 216m.

Financial items

Total finance, net in Q1 was a cost of DKK 68m, a decrease of DKK 9m compared to Q1 2021. The net interest cost was on level with 2021 while the variance for net currency adjustments was positive by DKK 13m.

Profit before special items and tax

The Q1 profit before special items and tax decreased 27% to DKK 147m and the profit for the period of DKK 114m was 34% below 2021.

Earnings per share

Q1 earnings per share (EPS) of DKK 1.94 was 33% below Q1 2021.

Cash flow and investments

The Q1 cash flow from operating activities increased 60% to DKK 858m due to the improved operating result and a positive development in working capital.

Net investments in Q1 were a negative cash flow of DKK 953m of which DKK 784m was related to ferry investments that included a final payment of DKK 509m for a newbuilding. In addition, DKK 155m was invested in port terminals and cargo carrying equipment, including tug-masters, trailers, and containers.

The Q1 free cash flow (FCFF) was DKK -163m and DKK -500m adjusted for payment of lease liabilities including interest.

The Q1 cash flow from financing activities was positive by DKK 216m. This included a net cash inflow from loans of DKK 812m and payment of lease liabilities of DKK 304m.

Invested capital and ROIC

Invested capital increased 18% to DKK 26.4bn at the end of Q1 2022 compared to the same period in 2021. The increase was mostly due to the addition of the invested

capital from the acquisition of HSF Logistics Group, purchase of a ferry newbuilding as well as capitalisation of additional ferry and logistics leases.

The return on invested capital, ROIC, for Q1 2022 (last twelve months) was 4.5% before special items compared to 5.2% for 2021.

Capital structure

At the end of Q1 2022 net-interest-bearing debt (NIBD) was DKK 14.6bn, an increase of 28% compared to the end of Q1 2021. The increase was primarily due to the acquisition of HSF Logistics Group. Financial leverage, as measured by the ratio of NIBD to EBITDA before special items, was 4.0 for the last twelve months (LTM) compared to 3.7 at year-end 2021. The ratio for LTM Q1 2022 includes a pro forma EBITDA for HSF Logistics Group for the last twelve months.

Equity

Equity amounted to DKK 11,462m at the end of Q1 2022, including non-controlling interests of DKK 110m. This was an increase of 6% compared to the end of Q1 2021. Total comprehensive income for Q1 2022 was DKK 165m. Transactions with owners of DKK -256m included a dividend payment of DKK 229m.

The equity ratio was 35% at the end of Q1 2022 compared to 39% at Q1 2021. The decrease was mainly due to the consolidation of HSF Logistics Group.

Outlook 2022

The outlook for 2022 builds on multiple assumptions that may change significantly as the year progresses. The war in Ukraine has an immediate negative impact on the Baltic Sea ferry business unit and to a lesser extent on logistics activities in the region. In addition, the war in Ukraine may entail wider spill-over effects on, for example, European growth in general and energy prices.

Key freight outlook assumptions for 2022

The following key freight ferry and logistics assumptions were outlined in the annual report:

- Growth in UK and Mediterranean freight volumes
- Overcapacity in Channel market due to entry of a third ferry operator
- Positive full-year impact of HSF acquisition
- Margin improvement for existing logistics activities
- Cost increase from EU Mobility Package.

Baltic ferry and logistics volumes were previously also expected to grow but due to the war in Ukraine, volumes are now expected to be lower than in 2021. The deployment of two new combined freight and passenger ferries is still expected to strengthen the customer offering in 2022.

Freight flows may also in 2022 be impacted by supply chain bottlenecks.

A Channel competitor's temporary suspension of sailings provided a short-term uplift in freight volumes.

OUTLOOK 2022

DKK m	Outlook 2022	2021
Revenue growth	Around 30%*	17,869
EBITDA before special items	3,900-4,400	3,411
Per division:		
Ferry Division	3,050-3,450	2,852
Logistics Division	900-1,000	593
Non-allocated items	-50	-35
Investments	-2,300	-3,210
Types:		
Operating	-1,400	-975
Ferries: sale & purchase and newbuildings	-800	-490
Acquisitions	-100	-1,745

*Increased from previously 23-27%

Key passenger outlook assumptions for 2022

The following key passenger assumptions were outlined in the annual report:

- Covid-19 reduced the passenger EBITDA by DKK 1bn in 2020, and last year remained on level with 2020
- Overcapacity in Channel market due to entry of a third ferry operator
- UK duty-free sales to mitigate Channel overcapacity somewhat.

It is now assumed that around 60% of the EBITDA decrease will be regained in 2022 compared to previously around 50%.

A Channel competitor's temporary suspension of sailings provided a short-term uplift in the number of passengers.

Revenue outlook

The revenue growth outlook is increased to around 30% compared to 2021 due to significantly higher revenue from oil surcharges as well as higher passenger revenue (previously 23-27%).

Other main revenue growth drivers are the full-year impact of the acquisition of the HSF Logistics Group and the expected recovery in passenger volumes. In addition, freight volumes are expected to grow in most markets in 2022.

Earnings outlook

Based on the above assumptions, the Group's EBITDA before special items is still expected to be within a range of DKK 3.9-4.4bn (2021: DKK 3.4bn). See outlook table for divisional split.

Investments

The outlook for investments in 2022 of around DKK 2.3bn is unchanged:

- One combined freight and passenger ferry newbuilding and exercise of a purchase option to buy one freight ferry: DKK 800m
- Dockings and ferry upgrades, including energy efficiency projects: DKK 600m
- Port terminals and other equipment: DKK 300m
- Cargo carrying equipment and warehouses, mainly related to Logistics Division: DKK 400m
- Other investments, including digital and the acquisitions of ICT Logistics and primeRail: DKK 200m.

Capital structure

The financial leverage, as measured by the ratio between NIBD and EBITDA, is expected to decrease from 4.0 at the end of Q1 2022 towards the target range of 2.0-3.0 by year-end 2022.

Various risks and uncertainties pertain to the outlook

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

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

Demand can also be impacted by competitor actions, supply chain disruptions, and extraordinary events such as virus outbreaks and geopolitical instability. Covid-19 continues to constitute a risk, particularly for the passenger ferry services.

The outlook can moreover be impacted by political changes, first and foremost within the EU and Turkey. Brexit, the new trade agreement between the EU and the UK, is yet to be fully implemented and its possible consequences on trade therefore still constitute a risk.

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

Future financial results may therefore differ significantly from the outlook expectations.

First electric cold chain trailers introduced

Together with Danish Crown, three new cold chain trailers powered by electricity was introduced in January 2022 to transport perishable foods. The e-trailers emit no CO2 or particle emissions and also generate less noise.



Ferry Division

The division is organised in five business units:

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

Q1 market, activity, and result trends

Total Q1 freight volumes increased 3.6% compared to Q1 2021. For the last twelve months, freight volumes increased 5.3%.

Total Q1 passenger volumes increased 243.3% compared to Q1 2021 and equalled 38.7% of volumes in Q1 2019. For the last twelve months, passenger volumes increased 6.8%.

North Sea

Q1 freight volumes were up 4.5% driven by higher volumes on all UK routes as the Brexit transition lowered volumes in the first two months of 2021. Volumes between Sweden and Belgium were just below last year

Ferry Division

DKK m	2022	2021				2021-22	2021
	Q1	Q1	Q2	Q3	Q4	LTM	Full year
Revenue	3,369	2,594	2,960	3,029	3,223	12,581	11,806
EBITDA before special items	598	641	766	704	741	2,810	2,852
Share of profit/loss of associates and joint ventures	-4	-3	-2	-3	-4	-13	-13
Profit/loss on disposal of non-current assets, net	2	1	0	1	2	5	4
Depreciation and impairment	-445	-387	-420	-422	-455	-1,741	-1,684
EBIT before special items	151	251	343	281	284	1,060	1,160
EBIT margin before special items, %	4.5	9.7	11.6	9.3	8.8	8.4	9.8
Special items, net	0	0	20	0	-8	13	12
EBIT	151	251	364	281	277	1,072	1,172
Invested capital, average	20,780	20,299	20,668	20,539	20,371	20,621	20,442
ROIC before special items, %	-	-	-	-	-	4.7	5.3
Average number of employees	5,705	-	-	-	-	5,352	5,381
Lane metres, '000	10,617	10,246	11,078	10,602	10,918	43,215	42,844
Tons, '000	169	167	147	162	157	634	633
Passengers, '000	283	83	109	388	289	1,070	869

as supply chain bottlenecks continued to dampen automotive volumes.

Q1 EBITDA increased 4% to DKK 314m as the higher volumes and rate increases offset income from Brexit standby agreements in 2021.

Mediterranean

Q1 freight volumes increased 14.5% reflecting continued growth in Turkish exports to Europe supported by the depreciation of the Turkish lira. Volumes were also increased by the opening of a new route in Q1 2021 between Turkey and Spain. To accommodate volume

growth, the route network was expanded compared to Q1 2021 with three ferries to a total of 21.

Q1 EBITDA increased 18% to DKK 293m driven by the higher volumes as well as improved results for the port terminal and rail activities.

Channel

Q1 freight volumes increased 2.2% driven by higher volumes on the Dover routes, partly due to a positive impact from additional volumes related to a competitor's suspension of sailings from 17 March. . The number of departures between Ireland and France was reduced due to deployment of two ferries versus three in 2021. A third

ferry was again added to the route from the beginning of May 2022.

Q1 passenger volumes were up 237.8%. Volumes recovered through the quarter as travel restrictions were gradually eased. The number of passengers was likewise increased by a competitor's suspension of sailings from 17 March. Duty-free sales increased average onboard sales per passenger, including truck drivers.

Q1 EBITDA decreased 7% to DKK 69m as 2021 included income from a Brexit standby agreement. The underlying earnings trend was thus positive driven by the recovery in passenger volumes and higher on board spending which increased the result for passenger services. The freight result was reduced by a suspension, for most of the quarter, of the freight-only (ro-ro) route opened between Calais and Sheerness last year.

Baltic Sea

Q1 freight volumes were down 9.5%. From the end of February, the war in Ukraine reduced volumes, especially between Germany and Lithuania, as the transport of vehicles registered in Russia was stopped from the beginning of March 2022. Lower capacity between Sweden and Estonia, from two ferries in 2021 to one ferry in this quarter, also reduced volumes.

Passenger volumes were on level with 2021 as fewer passengers between Sweden and Estonia due to the capacity reduction was offset by a higher number of passengers on other routes.

The Baltic route network's capacity was adapted following the deployment of two combined freight and passenger newbuildings (ro-pax) on Karlshamn-Klaipeda in January and April, respectively. The two new ferries replaced three ferries, one of which was moved to Paldiski-Kapellskär to restore a two-ferry setup. Another was moved to Rosslare-Dunkirk as mentioned above under Channel. Capacity was reduced by one freight ferry (ro-ro) on Kiel-Klaipeda due to the Ukraine war. These changes made two freight ferries available for deployment elsewhere in DFDS' route network.

Q1 EBITDA dropped 38% to DKK 51m. This was partly due to the war in Ukraine that reduced freight volumes. In addition, ferry operating costs were increased by a higher number of dockings requiring replacement ferries as well as general cost increases.

Passenger

Passenger volumes increased to 116k from 5k in Q1 2021. The increase was mainly driven by the return of passengers to Oslo-Frederikshavn-Copenhagen as the route was suspended in the first half of 2021 due to Covid-19. The number of passengers between the UK and the Netherlands also increased towards the end of the quarter.

Q1 EBITDA decreased DKK 47m to DKK -147m. The decrease was mainly due to the re-opening of Oslo-Frederikshavn-Copenhagen in a low season market environment with passenger numbers still recovering from Covid-19. The route result is expected to improve as

passenger numbers recover. In addition, the net bunker cost increased.

Non-allocated items

These items primarily include external charter activities. Q1 EBITDA decreased 51% to DKK 18m.

Ferry Division

DKK m	2022	2021				2021-22	2021
	Q1	Q1	Q2	Q3	Q4	LTM	Full year
North Sea							
Revenue	1,165	971	1,117	991	1,081	4,354	4,161
EBITDA before special items	314	301	378	284	325	1,300	1,287
EBIT before special items	159	150	229	142	169	699	690
Invested capital*	6,038	6,762	6,811	6,253	5,930	6,359	6,362
ROIC before special items, %	-	-	-	-	-	10.6	10.6
Lane metres freight, '000	3,510	3,358	3,609	3,362	3,439	13,921	13,769
Tons, '000	169	167	147	162	157	634	633
Mediterranean							
Revenue	903	670	743	740	841	3,226	2,993
EBITDA before special items	293	248	257	276	297	1,123	1,078
EBIT before special items	151	155	154	160	166	631	635
Invested capital*	9,291	9,558	9,408	9,182	9,192	9,326	9,375
ROIC before special items, %	-	-	-	-	-	6.1	6.3
Lane metres freight, '000	1,363	1,191	1,265	1,229	1,349	5,206	5,034
Channel							
Revenue	685	568	643	681	728	2,736	2,619
EBITDA before special items	69	74	104	78	102	352	358
EBIT before special items	-21	-16	7	-18	10	-21	-16
Invested capital*	2,172	1,701	2,250	2,133	2,040	2,059	1,939
ROIC before special items, %	-	-	-	-	-	-1.4	-1.2
Lane metres freight, '000	4,629	4,531	4,923	4,767	4,927	19,247	19,149
Passengers, '000	127	38	50	224	130	531	441
Baltic Sea							
Revenue	334	306	361	382	333	1,410	1,381
EBITDA before special items	51	83	111	118	80	360	391
EBIT before special items	16	51	68	80	26	190	226
Invested capital*	2,250	1,525	1,320	1,689	1,620	1,681	1,600
ROIC before special items, %	-	-	-	-	-	11.2	14.0
Lane metres freight, '000	999	1,104	1,199	1,108	1,056	4,362	4,467
Passengers, '000	40	40	53	79	41	214	214
Passenger							
Revenue	184	31	40	184	208	617	463
EBITDA before special items	-147	-100	-120	-85	-87	-439	-392
EBIT before special items	-168	-124	-147	-109	-108	-532	-488
Invested capital*	798	629	731	751	699	721	677
ROIC before special items, %	-	-	-	-	-	-73.9	-72.6
Lane metres freight, '000	114	61	82	136	147	479	425
Passengers, '000	116	5	6	84	118	325	214
Non-allocated items							
Revenue	140	86	102	105	164	510	456
EBITDA before special items	18	36	36	34	25	113	131
EBIT before special items	14	35	33	25	22	94	115

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

Logistics Division

The division is organised in two business units:

- Dry Goods
- Cold Chain

Q1 market, activity and result trends

HSF Logistics Group was consolidated from 14 September 2021 in the Cold Chain business unit.

Dry Goods

Forwarding volumes increased in the Nordic region as well as between Nordic and the UK, while Continent-UK volumes were more subdued. Imbalances between Sweden and the Continent were improved in the quarter. Demand for contract logistics solutions continued to increase with high utilisation of new warehousing facilities in Sweden, the Netherlands, and the UK. The existing Swedish contract logistics activities also saw high growth.

Q1 EBITDA increased 55% to DKK 109m as most activities in the Nordic and Continent regions improved earnings which were negatively impacted by the Brexit transition in Q1 2021. The activities in Ireland and Northern Ireland also improved earnings. The increases were driven by a mix of higher activity, also from new warehousing and

Logistics Division

DKK m	2022	2021				2021-22	2021
	Q1	Q1	Q2	Q3	Q4	LTM	Full year
Revenue	2,666	1,426	1,554	1,633	2,541	8,394	7,155
EBITDA before special items	216	101	126	155	211	708	593
Share of profit/loss of associates and joint ventures	-1	0	0	0	0	-1	0
Profit/loss on disposal of non-current assets, net	2	0	1	0	-2	1	-1
Depreciation and impairment	-144	-62	-61	-73	-127	-404	-322
EBIT before special items	74	39	66	83	81	305	269
EBIT margin before special items, %	2.8	2.7	4.2	5.1	3.2	4	3.8
Special items, net	2	0	-19	25	-4	4	2
EBIT	77	39	47	109	77	309	271
Invested capital, average	4,418	1,469	1,497	2,720	4,091	3,158	2,520
ROIC before special items, %	-	-	-	-	-	7.3	8.6
Average number of employees	4,355	-	-	-	-	2,741	2,774

customs activities, as well as improved cost coverage from both higher rates and surcharges related to fuel and the Mobility Package.

Cold Chain

The number of units transported in Q1 increased 53.6% as volumes from HSF Logistics Group were included from the beginning of the year. Activity levels in the Nordic and Continent regions were overall in line with expectations except for lower meat volumes in the Nijmegen facility due to supply side market dynamics. The activity level for the existing UK activities increased through the quarter although Scottish aquaculture volumes were below last year due to harvesting issues.

The integration of HSF Logistics Group is overall progressing as planned. Commercial growth opportunities are being explored, including growth of customs services,

and the first new contracts are signed. In operations, loads have started to be shared to improve equipment and ferry utilisation. Procurement and back-office savings are being achieved, and the longer-term IT-integration is on track.

Q1 EBITDA more than tripled to DKK 107m from DKK 30m in Q1 2021. The increase was driven by the addition of HSF Logistics Group that overall performed slightly below expectations due to the lower volumes in the Netherlands and an initial negative impact from the Mobility Package on the Polish based trucking operation. The result for the existing UK activities was on level with last year apart from the Scottish aquaculture activities.

Logistics Division

DKK m	2022	2021				2021-22	2021
	Q1	Q1	Q2	Q3	Q4	LTM	Full year
Dry Goods							
Revenue	1,606	1,208	1,297	1,254	1,407	5,564	5,166
EBITDA before special items	109	70	83	93	66	308	312
EBIT before special items	44	23	38	44	20	145	125
Invested capital**	1,562	1,038	989	922	1,103	1,123	1,009
ROIC before special items, %	-	-	-	-	-	9.6	9.8
Cold Chain							
Revenue	1,329	359	407	544	1,360	3,640	2,669
EBITDA before special items	107	31	43	63	145	350	281
EBIT before special items	30	16	28	39	62	159	145
Invested capital**	3,048	475	492	3,037	3,122	2,035	1,512
ROIC before special items, %	-	-	-	-	-	6.0	7.7

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

Management statement

The Board of Directors and the Executive Board have reviewed and approved the interim report of DFDS A/S for the period 1 January – 31 March 2022.

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

In our opinion, the interim report gives a true and fair view of the DFDS Group's assets, liabilities and financial position at 31 March 2022 and of the results of the DFDS Group's operations and cash flow for the period 1 January – 31 March 2022.

Further, in our opinion, the Management review p. 2-17 gives a true and fair review of the development in the 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, 11 May 2022



Executive Board Torben Carlsen, CEO. Karina Deacon, CFO

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

DFDS Group Income statement

DKK m	Note	2022 Q1	2021 Q1	2021-22 LTM	2021 Full year
Revenue	3)	5,725	3,768	19,826	17,869
Costs					
Ferry and other ship operation and maintenance		-1,405	-699	-4,586	-3,880
Freight handling		-738	-575	-2,761	-2,598
Transport solutions		-1,439	-854	-4,478	-3,893
Employee costs		-1,075	-746	-3,773	-3,444
Costs of sales and administration		-246	-143	-746	-643
Operating profit before depreciation (EBITDA) and special items		822	750	3,482	3,411
Share of profit/loss of associates and joint ventures		-4	-3	-14	-13
Profit/loss on disposal of non-current assets, net		4	1	6	2
Depreciation, ferries and other ships		-361	-300	-1,382	-1,322
Depreciation, other non-current assets		-246	-169	-843	-766
Operating profit (EBIT) before special items		214	278	1,249	1,313
Special items, net	4)	2	-10	46	34
Operating profit (EBIT)		216	268	1,295	1,348
Financial income		16	1	46	29
Financial costs		-83	-78	-315	-307
Profit before tax		149	192	1,026	1,069
Tax on profit		-34	-20	-108	-94
Profit for the period		114	172	918	976
Attributable to:					
Equity holders of DFDS A/S		111	168	902	958
Non-controlling interests		3	4	16	18
Profit for the period		114	172	918	976
Earnings per share					
Basic earnings per share (EPS) of DKK 20, DKK		1.94	2.91	15.72	16.69
Diluted earnings per share (EPS-D) of DKK 20, DKK		1.94	2.91	15.69	16.67

DFDS Group – Statement of Comprehensive income

DKK m	2022 Q1	2021 Q1	2021-22 LTM	2021 Full year
Profit for the period	114	172	918	976
Other comprehensive income				
Items that will not be reclassified subsequently to the Income statement:				
Remeasurement of defined benefit pension obligations	0	0	140	140
Tax on items that will not be reclassified to the Income statement	0	0	-25	-25
Items that will not be reclassified subsequently to the Income statement	0	0	115	115
Items that are or may be reclassified subsequently to the Income statement:				
Value adjustment of hedging instruments:				
Value adjustment for the period	57	1	99	42
Value adjustment transferred to operating costs	0	-8	-48	-56
Value adjustment transferred to financial costs	4	4	1	1
Value adjustment transferred to non-current tangible assets	7	33	-165	-139
Tax on items that may be reclassified to the Income statement	0	0	-1	-1
Foreign exchange adjustments, subsidiaries	-17	16	-5	28
Items that are or may be reclassified subsequently to the Income statement	51	47	-120	-124
Total other comprehensive income after tax	51	47	-5	-9
Total comprehensive income	165	219	913	966
Attributable to:				
Equity holders of DFDS A/S	162	214	898	950
Non-controlling interests	3	4	15	16
Total comprehensive income	165	219	913	966

DFDS Group - Balance sheet

Assets

DKK m	2022 Q1	2021 Q1	2021 Full year
Goodwill	4,307	3,439	4,280
Other non-current intangible assets	1,644	1,163	1,659
Software	310	237	298
Development projects in progress	5	60	14
Non-current intangible assets	6,267	4,899	6,252
Land and buildings	432	190	427
Terminals	787	733	718
Ferries and other ships	12,232	11,507	11,460
Equipment, etc.	1,328	699	1,289
Assets under construction and prepayments	1,089	689	1,368
Right-of-use assets	4,291	3,153	3,926
Non-current tangible assets	20,158	16,971	19,188
Investments in associates, joint ventures and securities	23	45	35
Receivables	16	17	16
Prepaid costs	194	309	222
Deferred tax	36	55	31
Pension assets	30	0	25
Derivative financial instruments	124	96	36
Other non-current assets	423	522	366
Non-current assets	26,849	22,391	25,807
Inventories	348	201	269
Trade receivables	3,326	2,419	2,772
Receivables from associates and joint ventures	27	25	26
Other receivables	662	619	624
Prepaid costs	329	346	299
Derivative financial instruments	27	115	22
Cash	882	1,522	902
Current assets	5,601	5,247	4,914
Assets classified as held for sale	0	182	0
Total current assets	5,601	5,429	4,914
Assets	32,450	27,820	30,721

Equity and liabilities

DKK m	2022 Q1	2021 Q1	2021 Full year
Share capital	1,173	1,173	1,173
Reserves	-347	-222	-396
Retained earnings	10,527	9,824	10,435
Proposed dividends	0	0	235
Equity attributable to equity holders of DFDS A/S	11,353	10,775	11,446
Non-controlling interests	110	93	108
Equity	11,462	10,868	11,554
Interest-bearing liabilities	9,297	9,651	8,707
Lease liabilities	3,392	2,390	3,118
Deferred tax	360	213	366
Pension and jubilee liabilities	80	203	76
Other provisions	123	44	117
Derivative financial instruments	20	86	6
Non-current liabilities	13,272	12,587	12,390
Interest-bearing liabilities	2,038	439	1,791
Lease liabilities	840	571	721
Trade payables	3,468	2,413	3,119
Payables to associates and joint ventures	19	47	51
Other provisions	58	79	56
Corporation tax	125	31	113
Other payables	759	654	679
Derivative financial instruments	42	10	77
Prepayments	366	119	171
Current liabilities	7,715	4,365	6,778
Liabilities	20,987	16,952	19,167
Equity and liabilities	32,450	27,820	30,721

DFDS Group - Statement of changes in equity 1 January - 31 March 2022

DKK m	Reserves						Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
	Share capital	Translation reserve	Hedging Reserve	Treasury shares	Retained earnings	Proposed dividends			
Equity at 1 January 2022	1,173	-366	-5	-25	10,435	235	11,446	108	11,554
Comprehensive income for the period									
Profit for the period					111		111	3	114
Other comprehensive income									
Items that are or may be reclassified subsequently to the Income statement:									
Value adjustment of hedging instruments for the period			57				57		57
Value adjustment transferred to financial costs			4				4		4
Value adjustment transferred to non-current tangible assets			7				7		7
Foreign exchange adjustments, subsidiaries		-17					-17	0	-17
Items that are or may subsequently be reclassified to the Income statement	0	-17	68	0	0	0	51	0	51
Total other comprehensive income after tax	0	-17	68	0	0	0	51	0	51
Total comprehensive income	0	-17	68	0	111	0	162	3	165
Transactions with owners									
Acquisition, non-controlling interests					0		0	-1	0
Dividend paid						-229	-229		-229
Dividend on treasury shares					5	-5	0		0
Share-based payments					5		5		5
Purchase of treasury shares				-2	-30		-32		-32
Transactions with owners	0	0	0	-2	-19	-235	-256	-1	-256
Equity at 31 March 2022	1,173	-383	63	-28	10,527	0	11,353	110	11,462

DFDS Group - Statement of changes in equity 1 January - 31 March 2021

DKK m	Reserves						Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
	Share capital	Translation reserve	Hedging Reserve	Treasury shares	Retained earnings	Proposed dividends			
Equity at 1 January 2021	1,173	-394	147	-25	9,611	0	10,511	89	10,600
Comprehensive income for the period									
Profit for the period					168		168	4	172
Other comprehensive income									
Items that are or may be reclassified subsequently to the Income statement:									
Value adjustment of hedging instruments for the period			1				1		1
Value adjustment transferred to operating costs			-8				-8		-8
Value adjustment transferred to financial costs			4				4		4
Value adjustment transferred to non-current tangible assets			33				33		33
Foreign exchange adjustments, subsidiaries		16					16	0	16
Items that are or may subsequently be reclassified to the Income statement	0	16	31	0	0	0	47	0	47
Total other comprehensive income after tax	0	16	31	0	0	0	47	0	47
Total comprehensive income	0	16	31	0	168	0	214	4	219
Transactions with owners									
Share-based payments					2		2		2
Cash from sale of treasury shares related to exercise of share options				4	44		48		48
Transactions with owners	0	0	0	4	46	0	49	0	50
Equity at 31 March 2021	1,173	-378	177	-21	9,824	0	10,775	93	10,868

DFDS Group – Statement of cash flows

DKK m	2022 Q1	2021 Q1	2021-22 LTM	2021 Full year
Operating profit before depreciation (EBITDA) and special items	822	750	3,482	3,411
Cash flow effect from special items related to operating activities	-1	-12	-41	-51
Adjustments for non-cash operating items, etc.	17	6	73	62
Change in working capital	27	-200	374	148
Payment of pension liabilities and other provisions	-7	-7	-33	-33
Cash flow from operating activities, gross	858	538	3,856	3,536
Interest received, etc.	5	9	20	26
Interest paid, etc.	-78	-61	-318	-302
Taxes paid	-69	-45	-75	-52
Cash flow from operating activities, net	716	441	3,483	3,208
Investments in ferries including dockings, etc.*	-784	-296	-1,634	-1,145
Sale of ferries	21	0	120	99
Investments in other non-current tangible assets	-155	-45	-531	-421
Sale of other non-current tangible assets	15	4	75	64
Investments in non-current intangible assets	-14	-14	-62	-62
Acquisition of enterprises, associates, joint ventures, and activities	-35	0	-1,801	-1,765
Sale of shares in associated company	0	0	20	20
Other investing cash flows	0	3	-3	1
Cash flow to/from investing activities, net	-953	-347	-3,816	-3,210
Cash flow before financing activities, net	-237	94	-332	-1
Proceed from bank loans and loans secured by mortgage in ships	1,601	364	2,999	1,762
Repayment and instalments of bank loans and loans secured by mortgage in ships	-790	-66	-2,073	-1,349
Payment of lease liabilities	-304	-180	-958	-834
Settlement of forward exchange contracts related to leases	2	0	92	90
Acquisition of treasury shares	-32	0	-107	-75
Cash received from exercise of share options	0	48	0	48
Other financing cash flows	-33	0	-33	0
Dividends paid to equity holders of DFDS A/S	-229	0	-229	0
Cash flow to/from financing activities, net	216	166	-309	-359
Net increase (decrease) in cash and cash equivalents	-20	260	-641	-360
Cash and cash equivalents at beginning of period	902	1,261	1,522	1,261
Foreign exchange and value adjustments of cash and cash equivalents	0	1	0	1
Cash and cash equivalents at end of period **	882	1,522	882	902

* The cash flow for Full year 2021 and LTM 2021-22 includes an amount of DKK 19m related to a net settlement of a vessel swap where DFDS buys a vessel of DKK 332m, sells a vessel of DKK 165m, and settles a loan receivable of DKK 149m.

** At 31 March 2022 DKK 167m (31 March 2021: DKK 147m) of the cash was deposited on restricted bank accounts.

Note 1 Accounting policies and significant estimates

Basis of reporting

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

Accounting policies

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

Implementation of new or changed accounting standards and interpretations

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

Significant estimates

In the view of Management, the areas where accounting estimates and assessments are significant remain the same as per DFDS' latest annual report. However, considering Covid-19 and the current war in Ukraine certain significant estimates have been revisited in Q1 2022 compared to year-end 2021, particularly related to passenger traffic and DFDS' activities in Russia and Ukraine. A review of the significant accounting estimates did not give rise to a change in estimates.

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

Impairment considerations due to Covid-19 and the war in Ukraine

Impairment testing is undertaken at year-end unless indications of impairment occur during the year. In Q1 2022 Management has revisited forecasts for all CGUs and concludes that no impairments nor reversals are necessary.

Note 2 Segment Information

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
Q1 2022				
External revenue	3,074	2,648	3	5,725
Intragroup revenue	296	17	158	472
Total revenue	3,369	2,666	162	6,197
Operating profit (EBITDA) before special items	598	216	7	822
Operating profit (EBIT) before special items	151	74	-12	214
Operating profit after special items (EBIT)	151	77	-12	216
Invested capital, average	20,780	4,418	699	25,897

DKK m	Ferry Division*	Logistics Division	Non- allocated	Total
Q1 2021				
External revenue	2,354	1,410	4	3,768
Intragroup revenue	240	17	133	389
Total revenue	2,594	1,426	136	4,157
Operating profit (EBITDA) before special items	641	101	8	750
Operating profit (EBIT) before special items	251	39	-12	278
Operating profit after special items (EBIT)	251	39	-22	268
Invested capital, average	20,299	1,469	523	22,291

Note 3 Revenue

DKK m	Q1 2022			Total
	Ferry Division	Logistics Division	Non-allocated	
Geographical markets				
North Sea	1,138	-	0	1,138
Mediterranean	898	-	0	898
English Channel	717	-	0	717
Baltic Sea	321	-	0	321
Continent	-	982	0	982
Nordic	-	1,082	0	1,082
UK/Ireland	-	584	0	584
Other	0	0	3	3
Total	3,074	2,648	3	5,725
Product and services				
Seafreight and shipping logistics solutions	2,339	12	0	2,350
Transport solutions	7	2,479	0	2,485
Passenger seafare and on board sales	310	0	0	310
Terminal services	236	2	0	237
Charters	118	6	0	124
Agency and other revenue	64	150	3	218
Total	3,074	2,648	3	5,725

DKK m	Q1 2021			Total
	Ferry Division	Logistics Division	Non-allocated	
Geographical markets				
North sea	826	-	0	826
Mediterranean	666	-	0	666
English Channel	571	-	0	571
Baltic sea	292	-	0	292
Continent	-	622	0	622
Nordic	-	405	0	405
UK/Ireland	-	383	0	383
Other	0	0	4	4
Total	2,354	1,410	4	3,768
Product and services				
Seafreight and shipping logistics solutions	1,944	50	0	1,994
Transport solutions	4	1,340	0	1,344
Passenger seafare and on board sales	87	0	0	87
Terminal services	203	1	0	205
Charters	69	0	0	69
Agency and other revenue	46	18	4	68
Total	2,354	1,410	4	3,768

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

On board sales is recognised according to the “a point in time” principle and amount to DKK 163m (Q1 2021: DKK 34m).

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 124m (Q1 2021: DKK 69m).

Note 4 Special items

DKK m	2022 Q1	2021 Q1
Acquisition and integration planning costs relating to HSF Logistics Group	0	-10
ICT value adjustment, net	2	0
Special items, net	2	-10

Note 5 Acquisition of enterprises and sale of activities

2022

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

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

2021

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

Note 6 Fair value measurement of financial instruments

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

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

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

Techniques for calculating fair values

Derivatives

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

DKK m	Q1 2022		Q1 2021	
	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets				
Derivatives (Level 2)	152	152	211	211
Securities (Level 3)	2	2	10	10
Financial liabilities				
Derivatives (Level 2)	62	62	96	96

Note 7 Supplementary financial information on the Parent Company

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

The Parent Company's revenue increased by DKK 441m, equivalent to 24% compared to Q1 2021. Operating profit before depreciation and special items (EBITDA) decreased by DKK 124m from DKK 408m in Q1 2021 to DKK 284m in Q1 2022, equivalent to a decrease of 30%.

Profit before tax decreased from DKK -37m in Q1 2021 to DKK -80m in Q1 2022.

The Parent Company's net interest-bearing debt increased from DKK 6,264m at 31 December 2021 to DKK 7,171m at 31 March 2022.

DKK m	2022 Q1	2021 Q1	2021-22 LTM	2021 Full year
Income statement				
Revenue	2,257	1,816	8,691	8,250
Operating profit before depreciation (EBITDA) and special items	284	408	1,647	1,771
Operating profit (EBIT) before special items	-77	-18	18	77
Special items, net	9	-10	-37	-55
Operating profit (EBIT)	-68	-27	-19	22
Financial items, net	-12	-10	82	85
Profit before tax	-80	-37	63	106
Profit for the period	-79	-38	90	131
Assets				
Non-current intangible assets	427	405		423
Non-current tangible assets	6,713	5,620		6,088
Right-of-use assets	1,236	1,117		1,209
Investments in affiliated companies, associates and joint ventures	8,473	6,766		8,387
Non-current receivables from affiliated companies	35	260		47
Other non-current assets	151	129		70
Non-current assets	17,036	14,298		16,224
Current receivables from affiliated companies	776	732		712
Receivables from associates and joint ventures	24	24		23
Cash	389	912		475
Other current assets	1,430	1,549		1,195
Current assets	2,620	3,217		2,405
Assets	19,656	17,515		18,629
Equity and liabilities				
Equity	9,085	9,425		9,355
Non-current liabilities	3,952	3,290		3,193
Current liabilities to affiliated companies	2,122	2,215		3,429
Other current liabilities	4,497	2,584		2,652
Current liabilities	6,619	4,799		6,082
Equity and liabilities	19,656	17,515		18,629
Equity ratio, %	46.2%	53.8%		50.2%
Net interest-bearing debt	7,171	4,583		6,264

Definitions

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

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

ESG definitions

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

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Disclaimer

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

About DFDS

DFDS provides ferry and transport services in and around Europe, generating annual revenues of more than DKK 20bn.

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

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

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