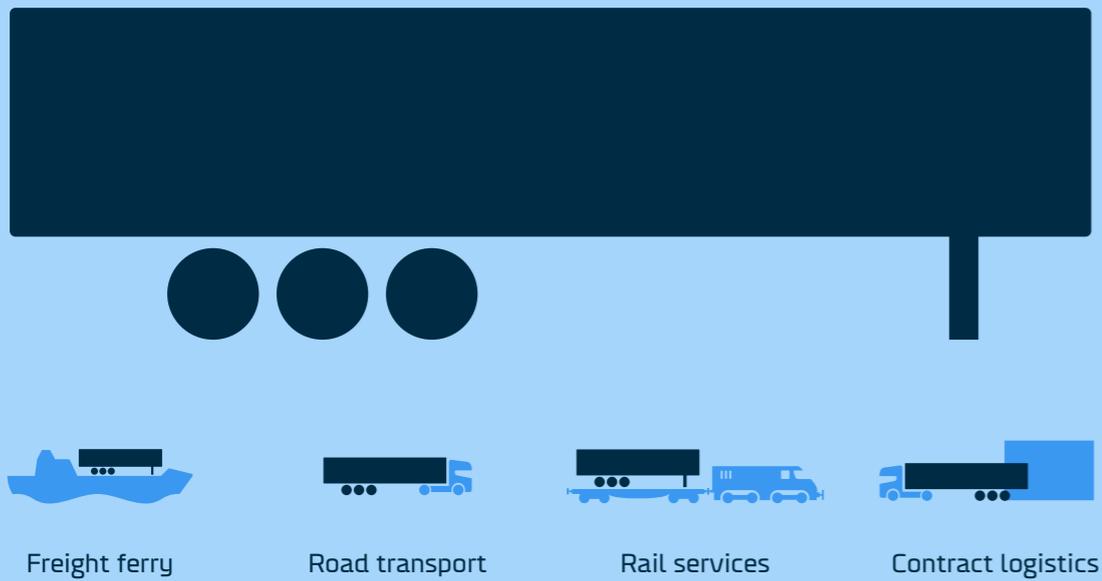




Annual Review 2022

*Freight ferry in the Pendik Port Terminal
in Istanbul about to depart for Europe
carrying Turkish export goods*

We move goods in trailers* by ferry, road & rail



*And trailer equivalents such as rolling cassettes to carry heavy industrial goods and containers as well as finished vehicles

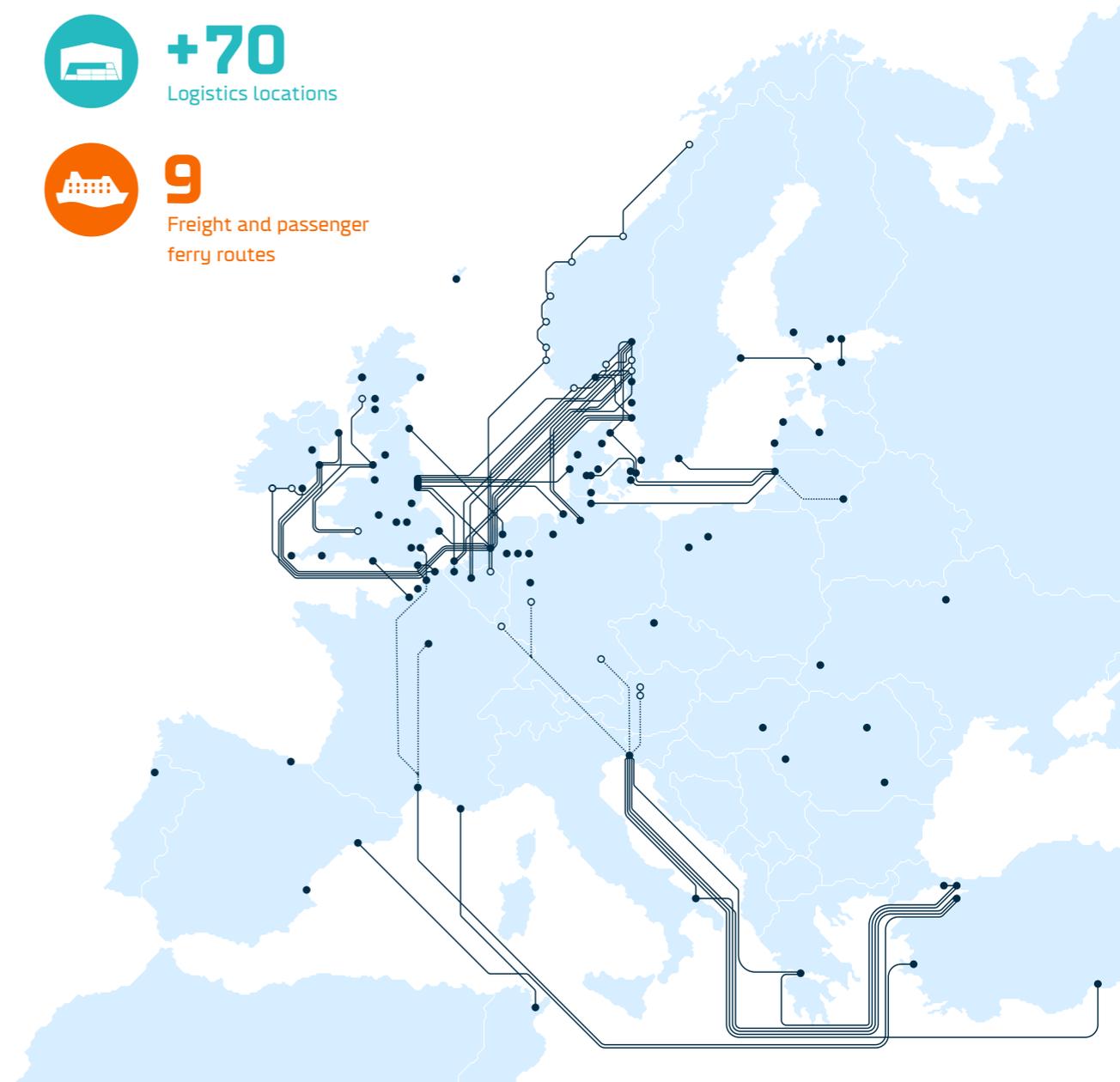
... and people in cars & on foot



Ferry passengers

We keep Europe and Türkiye moving by ferry, road & rail

- 11,500**
Employees
- 17**
Freight ferry routes
- +70**
Logistics locations
- 9**
Freight and passenger ferry routes



Our purpose



We move goods and people providing vital services for trade and travel in and around Europe

We move for



We move to provide safety & wellbeing and diversity, equity & inclusion for all

all to grow



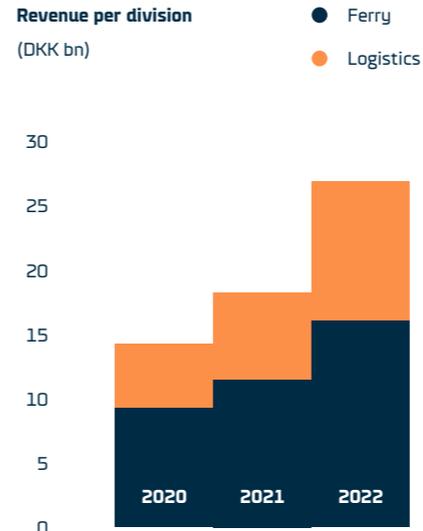
We move with our customers to grow businesses and horizons in partnership



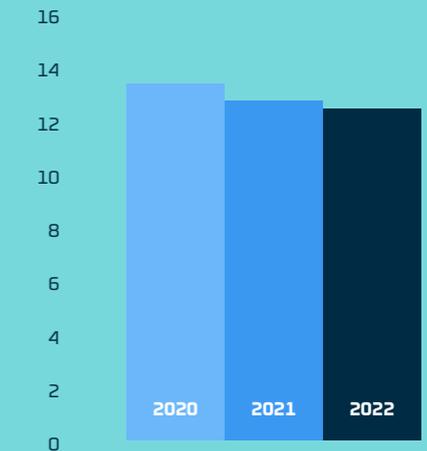
We move to make the transport of goods and people sustainable for the benefit of us all

Key results 2022

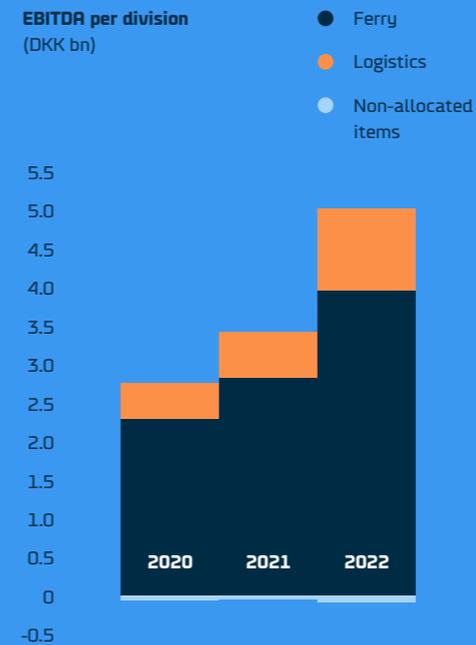
Revenue per division (DKK bn)



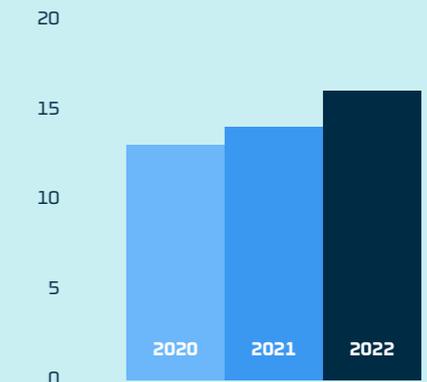
CO₂ emissions own fleet (per GT mile)



EBITDA per division (DKK bn)



Female managers ratio of total workforce (%)





Claus V. Hemmingsen,
Chair of Board of Directors and
Torben Carlsen, President & CEO

Joint letter from the Chair and CEO

Keeping people and goods moving

We are ready to face new challenges and make the most of opportunities

2022 was in many ways a good year for DFDS. Financial results surpassed the initial outlook as our freight network again proved its resilience and we kept goods moving. Passengers also returned faster than anticipated.

We raised the return on invested capital to above our 8% target, we resumed dividend payments, and from Q3 our financial leverage was back in the target range.

Despite these achievements, we have not quite felt an urge to celebrate as the war in Ukraine, rising geopolitical tensions, and elevated financial uncertainty, have all cast shadows over 2022. As it looks now, these shadows will continue to linger in the coming year.

Adapting to keep people and goods moving in spite of adverse circumstances sits at the heart of our strategy. We take comfort from the strong resilience our people and network have demonstrated through major disruptions, like Brexit and Covid, together with our proven ability to identify new growth opportunities in changing markets.

The geopolitical changes we are witnessing bring both challenges and opportunities. Activities in the Baltics, and in other parts of Europe, are adversely impacted by the war in Ukraine. In the meantime, some freight volumes are rerouted to Central Asia through our Mediterranean network. This network is also benefiting from nearshoring of manufacturing to Europe, as customers seek to reduce the risk of supply chain disruptions. As a response to Brexit, we built a new customs clearance business to assist customers trading between the EU and the UK. And we are adapting sales and marketing strategies on our route between Norway and Denmark to replace overseas Asian passengers that we no longer can take for granted.

“Despite the events of 2022, DFDS has emerged as a stronger company from the year”.

“Our diverse workforce is a strength, and we are proactively seeking to enhance diversity through more focus on gender equality, inclusion, and personal development opportunities”.

Despite the events of 2022, DFDS has emerged as a stronger company from the year.

Green transformation – progress and dilemmas

Notwithstanding the gravity of current geopolitical events, climate change and its inherent risks remain our single most significant challenge.

In the short term, we are on track to reduce ferry emissions by 45% per nautical mile by 2030. In 2022, we further set a target to reduce logistics emissions by 50% in absolute terms by 2030.

The reduction targets are underpinned by detailed plans and progress is developing as expected, hence we are confident in our ability to meet these targets. Furthermore, we put increasing efforts into external reporting to ensure transparency on our progress.

The longer-term transformation to fully de-carbonise by 2050 is, in this early phase, more challenging. Together with partners and stakeholders, we face several and significant dilemmas.

Energy infrastructure providers, fuel producers, and ferry and other shipping operators, all depend on each other to take an active part in the green transformation. We need early movers and we need commitments and investments to gain scale and speed in this early and unchartered phase of the transformation. Fortunately, we begin to see many examples of such role modelling behaviour.

Some highlights on our progress in 2022 are: a 4% reduction in ferry emission intensity, the introduction of the first of 125 e-trucks, successful test of biofuel on a freight ferry, and hosting a biodiversity conference for shipping and academia where we among other things learnt to focus more on underwater noise reduction. We also made progress on specific green transformation projects: green corridor projects for Denmark-UK and Sweden-Belgium were further developed, freight ferry retro-fittings to green methanol is on track for 2025, and we were awarded external funding to test and develop new technologies.

Moving people forward

We are paying more attention and devoting more resources to developing and retaining our people as well as attracting the right talents for the future.

As a provider of services and solutions, our people make the difference throughout the network – on the ferries, on the ground, in warehouses and in our offices. It is through our people that we adapt operations to keep goods and people moving in continually changing circumstances.

For our truck drivers, port terminal and warehousing staff, seafarers on deck and in engine rooms, we are focused on providing optimal working and living opportunities. For our commercial people,

digital specialists, and back-office staff tying it all together, a priority is to accommodate the growing demand for more flexibility in working conditions.

Our diverse workforce is a strength, and we are proactively seeking to enhance diversity through more focus on gender equality, inclusion, and personal development opportunities. More than ever, we are inviting all our people to make their mark on the company.

Strong revenue and earnings growth

Our financial position was strengthened considerably in 2022 as EBITDA increased 45% to DKK 4.9bn before special items on the back of a revenue increase of 47% to DKK 26.9bn.

As passengers came back faster than expected, almost 90% of passenger earnings that were lost to Covid-19 were regained during the year. The full-year financial impact of the acquisition of HSF Logistics Group came through as the integration progressed as expected, and recurring logistics earnings were improved as well.

Freight ferry earnings for the North Sea and Mediterranean networks increased while Channel and Baltic Sea earnings were reduced by overcapacity on the Dover Strait, created by the entry of a third ferry operator, and the war in Ukraine, respectively.

The return on invested capital (ROIC) was raised to 8.6%, not least due to the return of passengers. ROIC thereby again exceeded our target return rate of 8%.

Financial leverage came back into the target range of an NIBD/EBITDA multiple of 2.0-3.0, and proposed capital distribution totals DKK 586m comprising a dividend of DKK 286m and a share buyback of DKK 300m. The latter was successfully completed on 22 February 2023.

Moving forward in 2023

We live in a world with heightened geopolitical tensions and we are consequently more alert to our ability to adapt to unforeseen events. Adapting to a changing world is a DFDS focus area and as our ‘geopolitical’ feature stories in this report illustrate, these changes bring significant challenges but as we see it often also good and unique opportunities.

As a final remark, we wish to extend a big thank you to all our colleagues in DFDS for your ability to adapt so successfully to all the large and small changes that 2022 sent our way. We would equally like to extend our gratitude to all our customers, partners, and stakeholders for our current and continued collaboration.

2022 was eventful and turned out to be a record year for DFDS in many ways. We hope 2023 will grant us all similar opportunities. DFDS will under all circumstances be prepared to adapt and serve our customers, all whilst pursuing the green transition further.

“We live in a world with heightened geopolitical tensions and we are consequently more alert to our ability to adapt to unforeseen events”.

Head of division
Mathieu Girardin

Ferry Division

Business areas

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

Revenue

increased 38% to DKK

16.8bn

EBITDA

increased 39% to DKK

4.0bn

Ferry people

6,138

Earnings lifted by return of passengers

Mediterranean continued to improve performance as freight volumes increased 11%

Channel faces headwind from ferry overcapacity on Dover Strait

Emission intensity reduced 4% as short-term actions take effect

A highlight of 2022 was the return of passengers in numbers that exceeded initial expectations. The investments in fleet renewal and capacity in recent years underpinned the resilience and performance of the freight ferry route network.

The war in Ukraine created challenges for the Baltic Sea route network but also rerouted freight volumes to Central Asia through our Mediterranean network that continued its growth in 2022. The competitive situation on the Dover Strait worsened during the year as the entry of a third ferry operator created overcapacity whilst the market contracted.

Climate Action Plan short-term initiatives contributed to a 4% decrease in emission intensity in 2022. Preparations to retro-fit freight ferries for use of green fuels by 2025 progressed as planned.

Financial performance

The Ferry Division's revenue increased 38% to DKK 16,831m compared to 2021 driven by the return of passengers, continued freight volume growth in the Mediterranean route network, and a considerable rise in bunker surcharges due to higher oil prices.

EBITDA before special items increased 39% to DKK 3,965m and EBIT before special items increased 84% to DKK 2,138m. EBIT after special items was DKK 2,156m.

The return on invested capital, ROIC, before special items increased to 9.7% in 2022 from 5.3% in 2021 due primarily to the uplift in earnings from the return of passengers reflected mainly in the ROIC for the Passenger and Channel business units.

Decarbonisation activities and results

The key environmental challenge is to decarbonise ferry operations by replacing fossil fuels with sustainable fuels. DFDS' Climate Action

Plan includes short-term actions to reduce emissions from the existing fleet and transformative long-term actions to de-carbonise.

In 2022, several initiatives were taken to lower emissions from the existing ferry fleet:

- Anti-fouling hull paint applied to 18 ferries to reduce friction in the water
- Installation of new injection system to optimise engine combustion on two ferries to save fuel (PMI VIT).
- Installation of excess energy management systems on five ferries and exhaust gas boilers on three ferries.

Besides the technical installations, a group wide route optimisation program was initiated. One focus area was speed as slowing down and increasing time spend at sea can reduce emissions up to 10%.

In September 2022 the first biofuel trial in DFDS was initiated with the bunkering of B100 from non-food biomass on Acacia Seaways operating on the Vlaardingen–Felixstowe route. In 2022, 1,902 tonnes of biofuel was used avoiding fossil fuel emissions of 5.5 tonnes CO₂.

In 2022, CO₂ emissions were reduced 4% across the route network from 13.5 g/CO₂/GT per mile in 2021 to 13.0 g/CO₂/GT per mile in 2022.

Ferry Division

DKK m	2022	2021	Δ	Δ %
Revenue	16,831	12,216	4,615	37.8%
EBITDA before special items	3,966	2,852	1,114	39.1%
Share of profit/loss of associates and joint ventures	-13	-13	-1	n.a.
Profit/loss on disposal of non-current assets, net	2	4	-2	n.a.
Depreciation and impairment	-1,816	-1,684	-133	7.9%
EBIT before special items	2,138	1,160	978	84.3%
EBIT-margin before special items, %	12.7	9.5	3.2	n.a.
Special items, net	18	12	6	n.a.
EBIT	2,156	1,172	984	84.0%
Invested capital, average	20,931	20,442	489	2.4%
ROIC before special items, %	9.9	5.3	4.6	n.a.
Average number of employees	6,138	5,381	757	14.1%
Number of ferries	64	64	0	0.0%
Lane metres, '000	41,746	43,011	-1,265	-2.9%
Tons, '000	613	633	-20	-3.2%
Passengers, '000	3,772	869	2,903	334.2%
Scope 1+2 emissions, 1,000 ton CO ₂ e	2,556	2,489	67	2.7%
CO ₂ e intensity (kg CO ₂ e/DKK)	0.153	0.204	-0.051	-25.0%
Representation of women - Land, %	30	28	2	7.1%
Representation of women - Sea, %	19	16	3	18.8%
Lost-time injury frequency (LTIF) - Sea, Incidents/mill. hours	4.5	4.3	0	4.7%
Lost-time injury frequency (LTIF) - Land, Incidents/mill. hours	11.1	11.2	-0	-1.1%

Adapting to new trade flows

Swift decisions on employee security, sanctions, and operations were required as the outbreak of war in Ukraine disrupted lives and the flow of goods.

Overnight Yuriy Rozhkov's life as a truck driver changed dramatically when his native country Ukraine was invaded. Since the outbreak of war, business and trade flows in countries around Russia have adapted to the new circumstances.

In a matter of months, our Ukrainian logistics activities were refocused from transporting goods between Ukraine and the EU to transporting aid for international relief organisations to Ukraine such as food, medicine, medicinal equipment, and clothes.

▶ See the full story and follow Yuriy in a video as he loads a generator in Taulov, Denmark, bound for Kharkiv, Ukraine, and reflects on the impact of the war.



Head of division
Niklas Andersson

Business areas

- Dry Goods
- Cold Chain

Revenue

increased 60% to DKK

11.4bn

EBITDA

increased 80% to DKK

1.1bn

Logistics people

4,544

Logistics Division

Margins restored by cost coverage initiatives

High growth for warehousing and related contract logistics solutions

New sustainability targets set for 2030

Full-year impact of HSF Logistics Group acquisition

Margins and earnings were restored in 2022 as cost coverage initiatives came into effect and customers continued to focus on maintaining robust supply chains, which increased demand for warehousing solutions.

Haulage cost levels changed through the year as the European haulage market remained in short supply of truck drivers for most of the year. This was partly due to the introduction of the EU's Mobility Package and the war in Ukraine that reduced the pool of truck drivers.

The scope of customer offerings was expanded by three acquisitions that also added scale benefits. The integration of HSF Logistics Group progressed in line with plans and expectations, although adaptation of operations to the EU Mobility Package was more comprehensive than anticipated.

New sustainability targets for 2030 were launched in 2022, including a program for installation of solar panels on warehouses and other buildings to produce own energy. The first e-trucks were deployed in operations and interest in sustainable logistics solutions is growing among customers.

Financial performance

The Logistics Division's revenue increased 60% to DKK 11,423m compared to 2021 and by 24% adjusted for the full-year impact of HSF Logistics Group acquired in 2021 as well as ICT Logistics and Lucey Transport Logistics acquired in 2022. The adjusted growth was driven by higher activity, including new warehousing and customs clearance activities, and improved cost coverage across regions.

EBITDA before special items increased 80% to DKK 1,066m and EBIT before special items increased 78% to DKK 480m. Around half of the increase was due to the full-year impact of HSF Logistics Group. EBIT after special items increased 80% to DKK 487m.

The return on invested capital, ROIC, before special items decreased to 7.9% in 2022 from 8.6% in 2021 as a higher ROIC for Dry Goods was offset by a lower ROIC for Cold Chain.

Decarbonisation strategy and actions

Following both increased customer demand for sustainable logistics solutions, and in line with our overall climate ambitions, a focused sustainability team was established at the start of 2022 to ramp up sustainability efforts, with particular focus on climate-neutral transport solutions and transparency in emissions data.

In May 2022, preliminary climate targets were set: to achieve a 75% reduction in CO₂e intensity from road transport and warehousing by 2030, from a 2019 baseline, and carbon neutrality by 2050.

The decarbonisation roadmap for road transport indicates the share of heavy-duty electric trucks (eTrucks) in our truck fleet will reach 25% by 2030. The first eTrucks of a total of 125 ordered for delivery in 2022 and 2023 are now operational in Ghent. Work progresses on establishing trials of hydrogen trucks, aiming for deployment in 2025. By 2030 we expect at least 5% of the total trucking and trailer fleet to be hydrogen fuelled, and around 50-60% to be running on low-carbon fuels such as HVO.

A target has also been established for the production of green electricity at our own facilities, mainly via solar PV installations on warehouses. By 2030, the aim is to produce a minimum of 10m kWh per year. In 2022 we produced 1.5m kWh and we are currently on track to reach 6m kWh per year by 2025 with 14 ongoing or planned installation projects during 2023 and 2024.

Logistics Division

DKK m	2022	2021	Δ	Δ %
Revenue	11,423	7,155	4,268	59.7%
EBITDA before special items	1,066	593	473	79.8%
Profit/loss on disposal of non-current assets, net	18	-1	20	-1328.2%
Depreciation and impairment	-603	-322	-281	87.1%
EBIT before special items	480	269	211	78.6%
EBIT-margin before special items, %	4.2	3.8	0.4	n.a.
Special items, net	7	2	5	n.a.
EBIT	487	271	216	79.7%
Invested capital, average	4,797	2,520	2,277	90.4%
ROIC before special items, %	7.9	8.6	-0.7	n.a.
Average number of employees	4,544	2,774	1,770	63.8%
Scope 1+2 emissions, ton CO ₂ e	132,612	64,012	68,600	107.2%
CO ₂ e intensity (kg CO ₂ e//DKK)	0.012	0.010	0.002	14.4%
Representation of women - Land, %	17	16	1	6.3%
Lost-time injury frequency (LTIF) - Land, Incidents/mill. hours	7.5	6.0	1.5	25.3%

Our climate strategy

2030



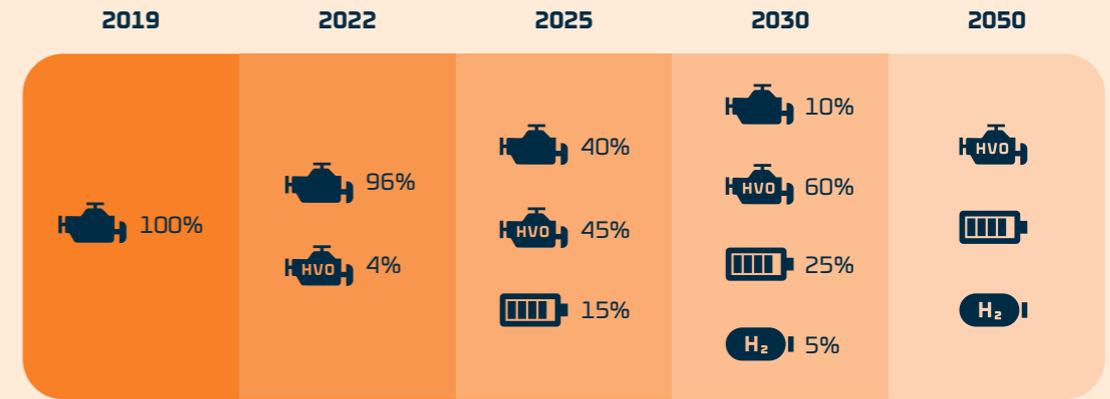
2050



* Preliminary target from a 2019 baseline - will be revised following establishment of a new 2022 baseline
 ** Relative target from 2008 baseline

Truck decarbonisation plan

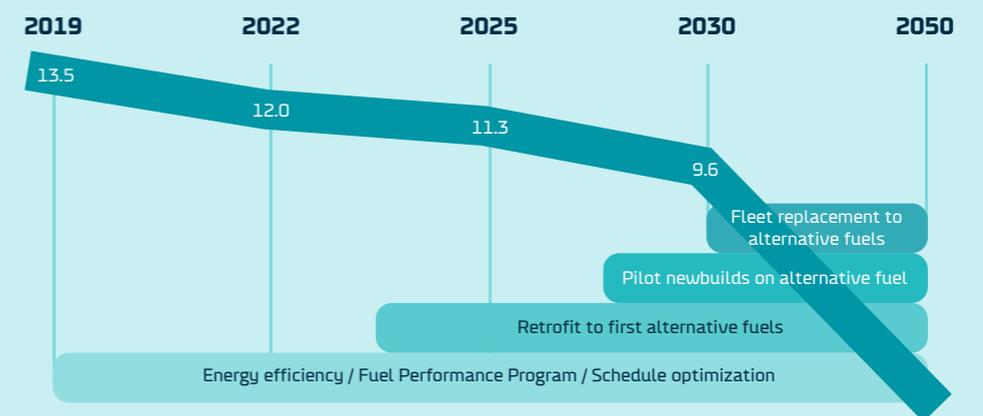
Illustrative composition of trucking fleet needed to achieve 2030 targets



Engine type: Diesel Biofuel, HVO Electricity Hydrogen
 Indicative breakdown: Actual percentages of diesel alternatives will vary depending on available technologies and fuels

Ferry decarbonisation plan

Relative TtW CO₂ emission from vessels
 gCO₂/Gross Tonnage/Nautical mile



Geopolitics bring supply chains closer to Europe

Bottlenecks and rising costs are inciting companies to move production and sourcing closer to Europe. Türkiye stands to benefit from the rise in nearshoring.

Meral Güzelisik has through 2022 welcomed many new colleagues at her workplace in the Pendik port. She keeps the trade of goods between Türkiye and Europe moving as she loads and unloads the growing number of trailers carried by DFDS' freight ferries.

Covid-19, soaring container rates, delivery delays, environmental concerns, and rising political tensions have all created incentives for companies to review their supply chains.

Manufacturing has increasingly been 'nearshored' to Türkiye in recent years as the country is an industrious nation and boasts a well-educated and large workforce. Türkiye's geography and geopolitics have also led to a rerouting of trade flows through Türkiye that previously went through Russia to reach countries in Central Asia.



See the full story and follow Meral in a video as she prepares to load a freight ferry bound for Europe from the Pendik Port in Istanbul.

27%

share price increase
in 2022

Dividend of DKK

8.00/ share

paid in 2022

The DFDS share and shareholders

Share capital

DFDS has one class of shares. The share capital at the end of 2022 was DKK 1,173m comprising 58,631,578 shares, each with a nominal value of DKK 20. There were no changes to the share capital during 2022.

Stock exchange trading

The DFDS share is listed on Nasdaq Copenhagen where 19.2m DFDS shares were traded in 2022 equal to an annual turnover of DKK 5.0bn compared to DKK 6.8bn in 2021. The average number of trades per day was 864 compared to 1,245 in 2021 and the average daily turnover was DKK 20m compared to DKK 27m in 2021. The DFDS share is part of Nasdaq's Large Cap index.

Share price development and yield

DFDS' share price was DKK 256 at year-end 2022, a decrease of 27% compared to year-end 2021. The market value at the end of 2022 was DKK 14.7bn, excluding treasury shares. By comparison, the Danish stock market's all-share index decreased 6% in 2022.

The total distribution yield of the DFDS share was 3.1% in 2022 following dividend payments totalling DKK 461m.

Distribution policy

The starting point for determining the level of capital distribution to shareholders is the current and expected future financial leverage measured as the ratio between NIBD and EBITDA. Target leverage is a ratio between 2.0 and 3.0. NIBD/EBITDA was 2.8 at year-end 2022. For shorter periods, leverage can move outside the range due to special events, e.g. larger acquisitions.

Capital is distributed through dividend and share buybacks. The latter instrument is preferred for distribution of excess capital while dividend is preferred to be ongoing and sustainable. Whether capital is in excess is assessed based on the leverage target as well as future earnings prospects and investment requirements.

Contingent on the size of the dividend, it may be preferred to pay dividend semi-annually to facilitate a faster return of capital to shareholders and to align payments with DFDS' seasonal cash flow that normally peaks during the third quarter, the high season for passenger travel.

Distribution to shareholders in 2022

A dividend of DKK 4.00 per share was paid in March 2022 and a further DKK 4.00 per share was paid in August 2022. The August dividend was announced together with the March dividend but as it is paid later in the year it is distributed according to the authority delegated by the AGM to the Board of Directors. The August dividend is therefore required to be labelled as an extraordinary dividend.

Capital distribution proposed for 2023

In view of DFDS' solid financial position and prospects, the Board of Directors proposes to distribute DKK 586m to shareholders as a combination of an ordinary dividend of DKK 286m and an auction share buyback of DKK 300m. The ordinary dividend, equal to DKK 5.00 per share, will be proposed for approval by the annual general meeting (AGM) in March 2023. The auction share buyback was completed on 22 February 2023 with the purchase of 1,071,428 shares at a price of DKK 280 per share totalling a purchase sum of DKK 300m.

Shareholders

At the end of 2022, DFDS had 23,417 registered shareholders who owned 95% of the share capital. International shareholders owned 28% (2021: 30%) of the total registered share capital. Lauritzen Fonden Holding was the largest shareholder with a holding of 42.3% of the total share capital at the end of 2022 compared to 41.7% at the end of 2021.

Investor Relations

The aim of investor relations (IR) is to facilitate an ongoing dialogue with the financial community, primarily institutional investors, and analysts. Key events during the year are quarterly reports, conference calls, and roadshows to present strategic and financial results. In addition, management and IR participate at investor conferences, roadshows, and meetings with investors and analysts in between quarters. A high share of roadshows and meetings remained virtual in 2022. There is a silent period of four weeks prior to the release of quarterly reports.

Ownership structure, year-end 2022, %¹

Lauritzen Fonden Holding	42.3
Institutional shareholders	40.3
Other registered shareholders	10.6
Treasury shares	2.2
Non-registered shareholders	4.6
Total	100.0

Shareholder distribution, year-end 2022²

No. of shares	No. of shareholders	% of share capital
1-50	10,448	0.5
51-500	10,432	3.2
501-5,000	2,224	4.9
5,001-50,000	228	5.9
50,001-	85	80.9
Total ²	23,417	95.4

Analysts covering the DFDS share

ABG Sundal Collier
– coverage currently
suspended

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¹⁾ With reference to §38 in the Danish Capital Markets Act, Lauritzen Foundation domiciled in Copenhagen, Denmark, has notified DFDS A/S that it holds more than 5% of the share capital and voting rights of the company.

²⁾ Total of registered shareholders

Share related key figures

	2022	2021	2020	2019	2018
Share price, DKK					
Price at year-end	256	349	275	325	262
Price, high	356	400	325	332	421
Price, low	194	262	134	215	239
Market value year-end, DKK m	14,680	20,038	15,772	18,593	14,990
No. of shares year-end, m	58.6	58.6	58.6	58.6	58.6
No. of circulating shares year-end, m	57.3	57.4	57.3	57.2	57.2
Distribution to shareholders, DKK m					
Dividend paid per share, DKK	8.00	0	0	4.00	4.00
Total dividend paid ex. treasury shares	461	0	0	229	219
Buyback of shares	0	0	0	0	190
Total distribution to shareholders	461	0	0	229	409
FCCFE yield, %	6.0	5.2	2.6	-0.8	5.1
Total distribution yield, %	3.1	0	0	1.2	2.7
Cash payout ratio, %	52.4	0	0	-152.7	53.2
Shareholder return					
Share price change, %	-26.6	26.8	-15.3	24.0	-1.8
Dividend return, %	2.3	0	0	1.5	1.5
Total shareholder return, %	-24.4	26.8	-15.3	25.5	-0.3
Share valuation					
Equity per share, DKK	227	199	183	180	160
Price/book value, times	1.1	1.8	1.5	1.8	1.6

DFDS share price and trading volume, 2022



Share price performance relative to Copenhagen all share index 2018-2022



Financial Review

Revenue

increased 47% to DKK

26.9bn

EBITDA

increased 45% to DKK

5.0bn

Return on invested capital (ROIC) increased to

8.6%

Financial leverage back in target range

Group earnings were during 2022 'normalised' by the return of ferry passengers as travel restrictions were removed through the spring.

The return on invested capital, ROIC, increased to 8.6% to again move above our minimum return requirement of 8%. Our financial position was in turn strengthened and leverage returned to the target range.

Overall, our freight ferry network delivered resilient performance as geopolitical events brought both challenges and opportunities.

We continued to pursue organic growth for our logistics services by investing in people, equipment, and warehousing capacity. We expanded the scope of customer offerings and gained new competencies, wider geographical reach, and scale benefits from three acquisitions.

We are on track to deliver on our short-term emission reduction targets and firmed up our commitment by adding a 2030 target for our logistics emissions.

We made progress on fulfilling the ambition to deploy a green freight ferry by 2025. This is the first step in a long journey to decarbonise our ferry operations in collaboration with customers, green fuel providers, and technology partners. We also engaged with public energy infrastructure providers that play a decisive role in the green transformation.

On this background, revenue increased 47% to DKK 26,873m compared to 2021. The initial 2022 outlook range for revenue growth announced on 8 February 2022 was 23-27%. The revenue growth outlook was raised to around 30% at Q1, to around 35% on 18 July, to around 40% at Q2, and to around 45% at Q3. The successive revenue outlook increases were mainly due to the development in revenue from bunker surcharges that are pegged to the oil price. Moreover, the return of passengers strengthened through the year which also increased revenue more than anticipated.

The operating profit (EBITDA) before special items increased 45% to DKK 4,955m in 2022 compared to 2021 as passenger earnings recovered following the removal of travel restrictions through the spring. In addition, the Logistics Division's earnings were increased by a full-year impact from the acquisition of HSF Logistics Group in September 2021 as well as a general earnings improvement.

On a divisional level, the Ferry Division's EBITDA before special items increased 39% to DKK 3,966m. The Logistics Division's EBITDA before special items increased 80% to DKK 1,066m, partly due to the acquisition of HSF Logistics Group consolidated from 14 September 2021, and constitutes 22% of the Group's EBITDA.

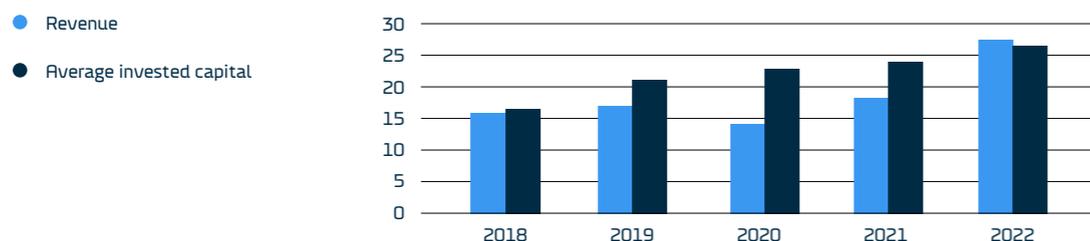
The adjusted free cash flow (FCFE) was DKK 881m which included DKK 2,707m of investments comprising operating investments of DKK 1,838m and ferry new-buildings/ purchase/sale of DKK 871m which included delivery of one new-building.

Financial leverage, measured by the ratio of net interest-bearing debt (NIBD) to operating profit (EBITDA) before special items, was 2.8 at year-end compared to 3.7 at year-end 2021. The equity ratio was 38% at year-end 2022.

The average number of full-time employees (FTE) increased 30% to 11,510 in 2022 mainly due to the full-year impact of the acquisition of HSF Logistics Group. The total headcount was 12,074 at the end of 2022.

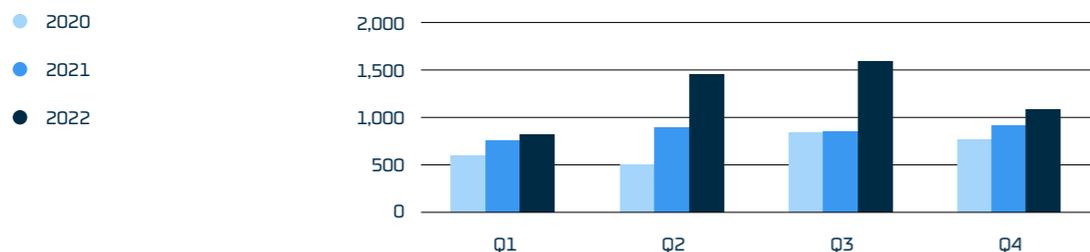
Revenue and invested capital

DKK bn



EBITDA before special items per quarter

DKK m



Key figures

DKK m	2022 ¹⁾		2021	2020	2019	2018 ²⁾
	EUR m	2022				
Income statement						
Revenue ⁴⁾	3,612	26,873	18,279	14,310	16,798	15,762
Ferry Division ^{3) 4)}	2,262	16,831	12,216	9,784	12,403	11,162
Logistics Division ³⁾	1,535	11,423	7,155	5,301	5,116	5,324
Non-allocated items and eliminations ³⁾	-186	-1,382	-1,092	-776	-722	-724
Operating profit before depreciations (EBITDA) and special items	666	4,955	3,411	2,732	3,633	2,988
Ferry Division ³⁾	533	3,966	2,852	2,315	3,254	2,713
Logistics Division ³⁾	143	1,066	593	462	421	330
Non-allocated items	-10	-76	-35	-45	-42	-55
Operating profit (EBIT) before special items	330	2,457	1,313	858	1,751	1,909
Special items, net	3	25	34	-117	-101	-49
Operating profit (EBIT)	334	2,482	1,348	741	1,650	1,859
Financial items, net	-46	-343	-278	-275	-278	-165
Profit for the year	271	2,019	976	442	1,313	1,637
Capital						
Total assets	4,583	34,084	30,721	27,006	26,863	22,132
Equity	1,766	13,135	11,554	10,600	10,356	9,255
Net-interest-bearing debt	1,897	14,109	13,481	11,361	11,954	8,513
Invested capital, end of period	3,705	27,554	25,369	22,121	22,476	17,908
Cash flows						
Cash flows from operating activities	602	4,480	3,208	2,499	2,997	2,289
Cash flows from investing activities	-402	-2,989	-3,210	-1,618	-2,651	-4,802
Free cash flow	200	1,491	-1	882	346	-2,513
Adjusted free cash flow	118	881	1,051	420	-150	769

¹⁾ Applied exchange rate for Euro as of 31 December 2022: 7.4395 (Average) and 7.4365 (End)

²⁾ 2018 comparative numbers are not restated to IFRS 16

³⁾ North Sea port logistics activities have been transferred from the Ferry Division to the Logistics Division per 1 January 2021. 2020 comparative figures have been restated accordingly, whereas 2018-2019 comparative numbers are not restated.

⁴⁾ Accounting of rail activities in Türkiye have changed in 2022 due to shift in the agent principal relationship for the customers. The comparative figures have been restated accordingly.

⁵⁾ Emission allocation to "own fleet" performance was not possible in 2018 due to missing data source allocation.

Key operating and return ratios	Unit	2022	2021	2020	2019	2018 ²⁾
Average number of employees	FTE	11,510	8,874	8,213	8,367	7,791
Revenue growth	%	47.0	27.9	-15.8	5.6	9.7
EBITDA margin	%	18.4	19.1	19.6	21.9	19.0
Operating margin	%	9.1	7.3	6.1	10.6	12.1
Return on invested capital (ROIC)	%	8.7	5.3	3.0	7.6	13.1
ROIC before special items	%	8.6	5.2	3.5	8.1	13.5
Return on equity	%	16.4	8.7	4.2	13.5	20.7

Key capital and per share ratios		2022	2021	2020	2019	2018 ²⁾
Financial leverage	times	2.8	3.7	4.2	3.3	2.8
Equity ratio	%	38.5	37.6	39.3	38.6	41.8
Earnings per share (EPS)	DKK	35.09	16.70	7.60	22.90	29.00
Dividend paid per share	DKK	8.00	0	0	4.00	4.00
Number of shares, end of period	'000	58,632	58,632	58,632	58,632	58,632
Share price	DKK	256	349	275	325	262

ESG key figures		2022	2021	2020	2019	2018 ²⁾
Scope 1 emissions (CO ₂ e)	1,000 tonnes	2,697	2,544	2,014	2,253	1,871
Scope 2 emissions - location based (CO ₂ e)	1,000 tonnes	8	7	6	7	9
Direct CO ₂ e emissions (Scope 1+2)	1,000 tonnes	2,705	2,551	2,020	2,260	1,880
CO ₂ e intensity	kgCO ₂ e/DKK	0.1024	0.1480	0.1446	0.1362	0.1196
Emissions per GT mile - Own fleet (CO ₂) ⁵⁾	gCO ₂	12.5	12.8	13.4	13.9	-
Lost-time injury frequency (LTIF) - Sea	Incidents/mio. hrs.	4.5	4.3	4.1	4.5	5.5
Lost-time injury frequency (LTIF) - Land	Incidents/mio. hrs.	7.9	7.4	5.9	6.7	3.8
Female ratio - Total workforce	%	24	24	23	25	23
Female ratio - Board of Directors	%	33	33	33	33	33



Changing travel patterns

As far fewer overseas ferry passengers are coming to Europe, new sales and marketing strategies seek to expand and stabilise the customer base.

What do you do when you no longer can expect to welcome 150,000 Asian and other overseas passengers on your ferry route? This is the challenge Richard Stone and his team are seeking to overcome on Oslo-Frederikshavn-Copenhagen as Covid-19 and rising geopolitical risks have upended travel markets.

▶ See the full story and follow Richard and colleagues as they adapt sales strategies to replace the missing overseas passengers

Board of Directors As per 24 February 2023

Claus V. Hemmingsen (1962)
Chair / 3,336 shares

Position: Managing director, CVH Consulting Aps
Joined the board: 29 March 2012
Re-elected: 2013-2022
Period of office ends: AGM 2023

Chair of the Nomination and Remuneration Committees

Anders Götzsche (1967)
Board member / 3,500 shares

Position: Executive Vice President and CFO, Velux A/S
Joined Board: 19 March 2018
Re-elected: 2018-2022
Period of office ends: AGM 2023

Chair of the Audit Committee

Jill Lauritzen Melby (1958)
Board member / 4,735 shares

Position: Team Leader Finance, BASF A/S
Joined Board: 18 April 2001
Re-elected: 2002-2022
Period of office ends: AGM 2023

Member of the Audit Committee

Klaus Nyborg (1963)
Vice Chair / 825 shares

Position: Managing director, Return ApS
Joined the Board: 31 March 2016
Re-elected: 2017-2022
Period of office ends: AGM 2023

Member of the Nomination and Remuneration Committees

Marianne Henriksen (1961)
Board member (staff representative) / 30 shares

Joined Board: 23 March 2022
Re-elected: n.a.
Period of office ends: AGM 2026

Marianne Henriksen has no managerial or executive positions in other companies.

Dirk Reich (1963)
Board member / 0 shares

Joined Board: 1 July 2019
Re-elected: 2020-2022
Period of office ends: AGM 2023

Member of the Audit Committee

Minna Aila (1966)
Board member / 0 shares

Position: Executive Vice President, Sustainability and Corporate Affairs, member of the Executive Committee, Neste
Joined Board: 23 March 2022
Re-elected: n.a.
Period of office ends: AGM 2023

Member of the Nomination and Remuneration Committees

Kristian Kristensen (1967)
Board member (staff representative) / 20 shares

Joined Board: 23 March 2022
Re-elected: n.a.
Period of office ends: AGM 2026

Kristian Kristensen has no managerial or executive positions in other companies.

Lars Skjold-Hansen (1965)
Board member (staff representative) / 1,030 shares

Joined Board: 22 March 2013
Re-elected: 2014-2022
Period of office ends: AGM 2026

Lars Skjold-Hansen has no managerial or executive positions in other companies.



Executive Board

Torben Carlsen (1965)
President & CEO / 133,902 shares

Appointed: 1 May 2019 (previously CFO of DFDS since 1 June 2009)

Karina Deacon (1969)
EVP & CFO / 1,456 shares

Appointed: 1 January 2020



Executive Management Team

Torben Carlsen (1965)
President & CEO

MSc (Finance)
Employed by DFDS since 2009

Karina Deacon (1969)
Executive Vice President & CFO

MSc (Aud)
Employed by DFDS since 2020

Matthieu Girardin (1982)
*Executive Vice President,
Ferry Division*

ESCP Europe (Master's in Management), INSEAD (Executive MBA)
Employed since 2022

Niklas Andersson (1973)
*Executive Vice President,
Logistics Division*

Marketing, IHM Business School
Employed by DFDS since 2012

Martin Gade Gregersen (1980)
*Senior Vice President,
Logistics Division*

Freight forwarder
Employed since 2021

Anne-Christine Ahrenkiel (1970)
*Executive Vice President,
Chief People Officer*

MSc (Scient. pol.), Bachelor in French/Italian
Employed by DFDS since 2019

Rune Keldsen (1979)
*Executive Vice President,
Chief Technology Officer*

MSc (IT)
Employed by DFDS since 2020



Financial calendar 2023

22 March

AGM

11 May

Q1 report 2023

15 August

Q2 report 2023

15 November

Q3 report 2023

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