



Q1-3 2021 Interim Report

# SOLID GROWTH IN DEMAND

- High freight revenue growth
- Supply chain bottlenecks entailed extra costs in Q3
- Q3 EBITDA maintained on level with 2020



# Highlights Q3

## Q3 2021

- Revenue up 22% to DKK 4.4bn
- Strong growth in Mediterranean
- Slowdown in UK freight flows
- Passenger numbers still held back by travel restrictions

## Outlook 2021

- EBITDA range now expected at DKK 3.3-3.5bn (DKK 3.2-3.6bn)
- Revenue growth now expected at 23-25% (20-25%)

“Meeting our customers’ needs came at a cost in a busy Q3. Looking ahead, we continue on our growth path, supported by our recent acquisitions of HSF Logistics Group and ICT Logistics.”

**Torben Carlsen, CEO**

Revenue increased 22% to DKK 4.4bn driven by higher freight activity in most business units. Q3 passenger activity was overall below 2020 but picked up in the last month of the quarter.

The total freight EBITDA for ferry and logistics before special items increased 6% to DKK 795m driven mainly by strong growth in the Mediterranean business unit. The total passenger EBITDA for passenger services in the Baltic Sea, Channel, and Passenger business units decreased DKK 43m or 45% to DKK 53m. Total EBITDA of DKK 848m was on level with 2020.

Supply chain bottlenecks became more widespread in Europe during Q3, including a high level of impact in the UK. This entailed extra operating costs for both freight ferry, port terminal and logistics activities. In addition, freight volumes to the UK were for periods in Q3 capped which lowered utilisation on ferry routes.

## KEY FIGURES

DKK m	2021 Q3	2020 Q3	Change, %	2020-21 LTM	2019-20 LTM	Change, %	2020 FY
Revenue	4,406	3,598	22.5	16,148	14,218	13.6	13,971
<b>EBITDA before special items</b>	<b>848</b>	<b>846</b>	<b>0.3</b>	<b>3,265</b>	<b>2,734</b>	<b>19.4</b>	<b>2,732</b>
EBIT before special items	332	388	-14.3	1,294	826	56.7	858
Profit before tax and special items	263	324	-18.8	974	570	70.7	583
<b>Profit before tax</b>	<b>291</b>	<b>262</b>	<b>10.9</b>	<b>907</b>	<b>496</b>	<b>83.0</b>	<b>466</b>

## Outlook 2021

The outlook for freight activities remains overall positive, although the current slowdown in UK trade flows is expected to continue in Q4 2021. Passenger travel is expected to continue to pick up. Revenue growth outlook is now expected at 23-25% (20-25%). The EBITDA outlook range before special items is now expected at DKK 3.3-3.5bn compared to previously DKK 3.2-3.6bn (2020: DKK 2.7bn). The outlook is detailed on page 10.

**17 November 2021. Conference call today at 10.00am CET**

Access code: 27844331# Phone numbers to the call: DK +45 35445577, US +1 631 913 1422, UK +44 333 300 0804

# Key figures

DKK m	2021 Q3	2020 Q3	2021 Q1-Q3	2020 Q1-Q3	2020-21 LTM	2020 Full year
<b>Income statement</b>						
Revenue	4,406	3,598	12,387	10,209	16,148	13,971
• Ferry Division*	3,029	2,469	8,583	6,905	11,123	9,445
• Logistics Division*	1,633	1,316	4,614	3,858	6,057	5,301
• Non-allocated items	124	91	397	386	502	491
• Eliminations*	-380	-279	-1,207	-939	-1,535	-1,268
Operating profit before depreciation (EBITDA) and special items	848	846	2,496	1,962	3,265	2,732
• Ferry Division*	705	730	2,112	1,647	2,780	2,315
• Logistics Division*	155	150	382	339	505	462
• Non-allocated items	-12	-34	2	-24	-19	-45
Profit/loss on disposal of non-current assets, net	1	1	3	5	3	5
Operating profit (EBIT) before special items	332	388	1,004	569	1,294	858
Special items, net	28	-62	30	-20	-67	-117
Operating profit (EBIT)	360	326	1,034	548	1,227	741
Financial items, net	-69	-64	-225	-179	-320	-275
Profit before tax	291	262	810	369	907	466
Profit for the period	242	244	720	334	829	442
Profit for the period excluding non-controlling interest	238	238	707	327	813	433
<b>Capital</b>						
Total assets	-	-	30,435	26,707	-	27,006
DFDS A/S' share of equity	-	-	11,109	10,434	-	10,511
Equity	-	-	11,214	10,521	-	10,600
Net interest-bearing debt	-	-	12,226	11,736	-	11,361
Invested capital, end of period	-	-	23,795	22,412	-	22,121
Invested capital, average	23,335	22,541	22,813	22,595	22,733	22,500

DKK m	2021 Q3	2020 Q3	2021 Q1-Q3	2020 Q1-Q3	2020-21 LTM	2020 Full year
<b>Cash flows</b>						
Cash flows from operating activities, before financial items and after tax	1,147	932	2,634	1,975	3,431	2,772
Cash flows from investing activities	-1,106	-456	-1,616	-1,425	-1,809	-1,618
• Acquisition of enterprises and activities	-962	0	-962	-14	-962	-14
• Other investments, net	-143	-456	-654	-1,411	-846	-1,603
Free cash flow	41	475	1,018	550	1,622	1,155
Repayment of lease liabilities and lease interest	-233	-162	-655	-519	-816	-679
Adjusted free cash flow (FCFF)	-192	313	363	32	806	475
<b>Key operating and return ratios</b>						
Average number of employees	-	-	8,296	8,283	8,175	8,213
Number of ships	-	-	80	68	-	70
Revenue growth (reported), %	22.5	-19.6	21.3	-18.9	15.6	-15.8
EBITDA-margin, %	19.3	23.5	20.1	19.2	20.2	19.6
Operating margin, %	7.5	10.8	8.1	5.6	8.0	6.1
Revenue/invested capital average, (times)	-	-	-	-	0.7	0.6
Return on invested capital (ROIC), %	-	-	-	-	4.9	3.0
ROIC before special items, %	-	-	-	-	5.2	3.5
Return on equity, %	-	-	-	-	7.5	4.2
<b>Key capital and per share ratios</b>						
Equity ratio, %	-	-	36.8	39.4	-	39.3
Net interest-bearing debt/EBITDA, (times)**	-	-	-	-	3.3	4.2
Earnings per share (EPS), DKK	4.15	4.15	12.30	5.70	14.16	7.56
Dividend paid per share, DKK	0.00	0.00	0.00	0.00	0.00	0.00
Number of shares, end of period, '000	-	-	58,632	58,632	-	58,632
Weighted average number of circulating shares, '000	-	-	57,735	57,302	-	57,310
Share price, DKK	-	-	341.2	213.0	-	275.2
Market value	-	-	19,571	12,212	-	15,790

\* 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.

\*\* The ratio for 2021 includes a pro forma EBITDA for the last twelve month for HSF Logistics Group. Definitions on page 31.

# ESG key figures

	Unit	2021 Q1	2021 Q2	2021 Q3	2021 Q1-Q3	2020 Full year
<b>Environmental data*</b>						
Operated ships**	Number	64	67	63	65	66
Total number of days operated	Days	5,757	5,694	5,827	12,278	18,774
<b>CO2e emissions</b>						
CO2 emissions per GT mile	gCO2	14.0	13.7	13.2	13.6	13.5
<b>Energy consumption</b>						
Total marine fuel consumption	Tonnes HFOe	180,179	198,058	189,772	568,009	619,867
Fuel consumption per nautical mile	kg HFOe/Nm	141.1	137.2	136.0	138.0	135.8
Fuel consumption per GT-nautical mile	g/GT/Nm	4.5	4.4	4.3	4.4	4.3
<b>Oil spills</b>						
Spills (>1 barrel)	Number	0	0	0	0	1
<b>Social data*</b>						
Number of employees (end numbers)	FTE	8,059	8,241	8,488	-	7,944
<b>Representation of women</b>						
Total workforce gender ratios:	%	24	24	25	-	23
• At sea	%	15	16	18	-	15
• On land	%	28	28	28	-	27
Senior management	%	17	17	17	-	16
Managers	%	10	10	13	-	13
Employees	%	26	26	27	-	26
<b>Safety at sea</b>						
Lost-time injury frequency (LTIF)	Incidents/mill. Hours	5.3	3.7	4.8	4.5	4.1
<b>Safety on land</b>						
Lost-time injury frequency (LTIF)	Incidents/mill. Hours	5.8	4.1	7.8	5.9	5.9
<b>Fatalities</b>						
Colleagues	Accidents	0	1	0	1	0
Contractors	Accidents	0	0	0	0	2
<b>Governance data*</b>						
Representation of women in the Board	%	33	33	33	33	33
Attendance at Board meetings	%	100	100	100	100	96

\*All ESG data is excluding HSF Logistics Group.

\*\*The difference between Operated ships and Number of ships on previous page is ships operated through space charter agreements.

ESG Definitions on page 32.

Quarterly reporting of selected key figures for ESG (Environment, Social, Governance) was included in the quarterly report from Q2 2021. Quarterly comparison figures for 2020 are not available.



Shore power facility in Copenhagen inaugurated in October 2021

# Management review

## Market overview

The overall European freight market continued to grow in Q3, although with regional differences.

Turkey's GDP-growth accelerated through the quarter as continued depreciation of TRY is fuelling industrial production in the country's export sector. This is expected to continue in Q4. Activity levels also continued to grow in the Baltic region and Scandinavia as well as most parts of Continental Europe.

Growth in the UK economy remains robust, but supply chain bottlenecks led to a slowdown in freight flows in the quarter. Export volumes from the EU to the UK were to some extent capped to allow supply chains to catch up with backlogs and mitigate bottlenecks, including the shortage of truck drivers and port congestion.

The UK has postponed the implementation of full import border controls to 1 July 2022 from 1 January 2022. Pre-notification requirements for agri-food products will be introduced on 1 January 2022 instead of 1 October 2021.

Shortages of truck drivers and transport equipment are also impacting supply chains across the EU. This has led to rising haulage costs, longer lead times and less reliable supply chains as well as congestion in some ports. In

addition, prices have increased for supplies used in ferry operations. Supply chain bottlenecks are expected to continue in Q4.

The European market for passenger ferry travel remained negatively impacted by travel restrictions in the high season months of July and August. Travel restrictions were to a large extent removed in Scandinavia towards the end of the quarter. UK travel restrictions were also eased at the end of the quarter but testing remains a requirement when travelling.

The passenger ferry travel market is expected to continue to recover in Q4, although there is a risk that travel restrictions are tightened again if Covid-19 outbreaks increase.

The main changes in average exchange rates in Q3 2021 vs Q3 2020 were a depreciation of TRY/DKK by 16% and an appreciation of GBP/DKK by 6%.

## Major events in Q3

### Acquisition of HSF Logistics Group closed

On 14 September 2021, the acquisition of HSF Logistics Group was completed and HSF Logistics Group was consolidated in the DFDS Group from the completion date.

The enterprise value of the transaction was DKK 2.5bn and the equity value was DKK 1.8bn, including payment for minority interests. See note 5 for details.

HSF Logistics Group is one of Europe's leading cold chain logistics providers to meat producers and other food producers that operate temperature-controlled supply chains. HSF Logistics Group has around 1,800 employees with annual revenue of approximately DKK 2.8bn and EBITDA of DKK 385m.

### Acquisition of ICT Logistics

On 15 September 2021, DFDS entered into an agreement to acquire the Danish freight forwarder ICT Logistics to further expand and develop DFDS' European logistics services. ICT Logistics provides transport solutions between Scandinavia and Eastern Europe, particularly Russia, Ukraine, Romania, Latvia, and Lithuania. The company has 80 employees and annual revenues of DKK 260m. DFDS has owned 19.9% of the shares in ICT Logistics since 2006.

The transaction is subject to approval by relevant competition authorities.

### Ferry route network development

Route network development and adaptation of capacity to demand included three major changes in Q3:

- Oslo-Frederikshavn-Copenhagen reopened 2 July
- Calais-Sheerness, a new unaccompanied freight ferry route opened 12 July
- Dover-Calais freight capacity and passenger experience boosted by deployment of a new combined freight and passenger ferry. The new ferry replaced a ferry built in 1992 that was delivered to new owners early in November 2021. An accounting gain from the sale of around DKK 26m will be reported under Special items in the Q4 report.

### Two new logistics centres in Sweden

On 27 September 2021, DFDS entered into an agreement with CH Square to build two logistics centres in Vaggeryd and Karlshamn with 37,000m<sup>2</sup> and 23,000m<sup>2</sup> of capacity, respectively.

## Major events after Q3

### 100 electric trucks ordered for logistics network

On 6 October 2021, DFDS ordered 100 Volvo FM Electric trucks for deployment throughout the European logistics network in 2022 and 2023.

The heavy-duty Volvo FM Electric truck can carry a maximum weight of 44 tons (Gross Combination Weight) and is able to drive up to 300 km when fully charged. The trucks will be used for both short and long trips in supply chain solutions offered to customers.

### Acquisition of Swedish haulier

On 15 October 2021, DFDS acquired the Swedish haulier GA Åkerierne in an asset transfer agreement. GA Åkerierna has 19 employees, mostly truck drivers, and operates 20 own trucks and around 100 trailers. The increased haulage capacity improves the capability to ensure fulfillment of Swedish contract logistics activities.

## ESG actions and plans

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

### Environment

DFDS' Climate Action Plan covers both short-term actions to reduce emissions from existing assets, mainly ferries and transport equipment, and transformative long-term actions to become a zero-emission company.

#### Short-term actions and plans

A number of actions to lower ferry fuel consumption and emissions are being implemented in 2021, including:

- Shore power facility in Copenhagen taken into use in October 2021. Dialogue with other ports in the route network about shore power is increasing
- Latest route planning and propulsion control technology to improve fuel performance installed on three ferries
- Anti-fouling hull paint applied to ten ferries to reduce friction in the water and hence fuel consumption

- LED lighting installed on freight decks on three ferries
- Installation on five ferries of new injection system to optimise engine combustion and save fuel (PMI VIT)

Fuel and emission savings from the applications are continuously documented and subsequently applied to the rest of the fleet as appropriate. CO<sub>2</sub> emissions per GT mile decreased to 13.2 in Q3 2021 from 14.0 Q1 2021 and from 13.5 for the full-year 2020.

On the logistics side, 100 electric trucks were ordered in October 2021 following delivery of DFDS' first electric truck in August 2021. The remaining trucks will be taken in to use in 2022 and 2023. The overall ambition is to decarbonise the fleet with both electric trucks and trucks using sustainable fuels for short and long haul assignments, respectively.

#### Transformative actions and plans

To deploy a green freight ferry in the route network by 2025, a new focused unit within DFDS, Sustainable Fleet Projects, has been established. Retrofitting and newbuilding options are currently being analysed to decide on the first green ferry's specifications.

### Social

#### Safety

The Health & Safety organisation was recently strengthened with the appointment of a new Global Director for land-based Health & Safety. The lost-time injury frequency (LTIF) for land was for Q1-3 2021 on level with

2020. The LTIF for sea for Q1-3 2021 was 4.5 compared to 4.1 for 2020.

### Diversity & Inclusion

DFDS' ambition to increase female representation among senior management requires a talented and diverse employee force, including an improved gender balance. A number of actions to develop a diverse talent pool are being implemented:

- Diversity training of senior management and implementation of DEI (Diversity & Inclusion) toolbox
- New talent mentor program launched in Q3 to develop talented employees for future manager positions
- Focus on gender diversity is starting to show results:
  - Total workforce female gender ratio increased to 25% in Q3 2021 compared to 23% for the full-year 2020
  - Ratio of female managers increased from 10% to 13% mainly driven by land positions.

Focus on stress and wellbeing continues with education of mental health first aid responders in the UK. Stress and wellbeing seminars were held for both employees and managers.

### Governance

Marianne Dahl has announced that she will not seek re-election to DFDS' Board of Directors at the forthcoming annual general meeting. The nomination process of a new board member includes special competences as well as gender and diversity attributes.

### Revenue

DKK m	Q3 2021	Q3 2020	Change, %	Change
Ferry Division*	3,029	2,469	22.7	560
Logistics Division*	1,633	1,316	24.1	317
Non-allocated items	124	91	36.2	33
Eliminations	-380	-279	-36.5	-102
<b>DFDS Group</b>	<b>4,406</b>	<b>3,598</b>	<b>22.5</b>	<b>808</b>

\* North Sea port logistics activities have been transferred from the Ferry Division to the Logistics Division per 1 January 2021. 2020 comparison figures are re-stated accordingly.

A new DFDS Data Ethics policy is expected to be launched in Q4 2021.

## Financial performance

### Revenue

The Group's Q3 revenue was DKK 4,406m, an increase of 22.5% compared to 2020.

The Group's Q1-3 revenue was DKK 12,387m, an increase of 21.3% compared to 2020.

Ferry Division's Q3 revenue increased 22.7% to DKK 3,029m driven by growth in freight revenue in most parts of the route network. This included a recovery in freight volumes and revenue since the lockdowns in 2020 that in some regions or customer segments continued into Q3 2020. Revenue also increased due to the launch of two new freight routes connecting Ireland-France and Turkey-Spain. Passenger revenue was on level with 2020 as lower

passenger volumes were offset by higher revenue per passenger, including duty-free sales.

Logistics Division's Q3 revenue increased 24.1% to DKK 1,633m driven by unit revenue increases reflecting higher costs of providing logistics solutions given current supply chain bottlenecks. Moreover, revenue was increased by customs clearance services and consolidation of HSF Logistics Group since 14 September 2021.

### Operating profit before depreciation (EBITDA) and special items

The Group's Q3 EBITDA of DKK 848m was on level with 2020.

The Group's Q1-3 EBITDA increased 27% to DKK 2,496m while the EBITDA for the last twelve months was DKK 3,265m.

Ferry Division's Q3 EBITDA decreased 3% to DKK 705m as an increase of 3% in EBITDA for freight ferry activities to DKK 791m was offset by a lower result for the passenger

activities due to continued travel restrictions. EBITDA for passenger activities decreased DKK 44m to DKK -85m.

The increase in the freight ferry result was primarily due to high growth in Mediterranean, including a new route. The result for the North Sea and Baltic Sea business units were negatively impacted by supply chain bottlenecks as extra operating costs were incurred for ferry operations at sea and in port terminals. Deployment of additional ferries to match demand also increased costs. Channel's result was below 2020 as a positive impact from the new route between Ireland and France was offset by lower volumes on the English Channel routes.

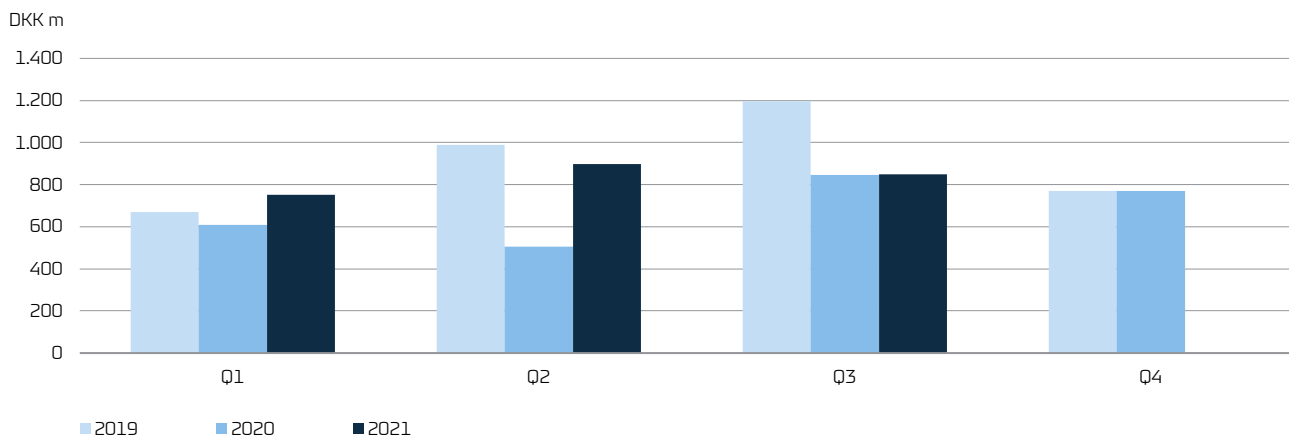
Logistics Division's Q3 EBITDA increased 4% to DKK 155m as robust results for contract logistics and consolidation of HSF Logistics Group offset a lower result for forwarding activities. It was mainly results for activities linked to the UK that performed below 2020 as price increases lagged transport cost increases driven by supply chain bottlenecks.

### Depreciation and operating profit (EBIT) before special items

Depreciation in Q3 of DKK 514m increased 12% compared to 2020 primarily due to depreciation on additional chartered freight ferries deployed on new routes.

Depreciation in Q1-3 of DKK 1,486m increased 7% compared to 2020.

### DFDS GROUP - EBITDA BEFORE SPECIAL ITEMS



### Operating profit before depreciation (EBITDA) & special items

DKK m	Q3 2021	Q3 2020	Change, %	Change
Ferry Division*	705	730	-3.4	-25
Logistics Division*	155	150	3.7	6
Non-allocated items	-12	-34	64.9	22
<b>DFDS Group</b>	<b>848</b>	<b>846</b>	<b>0.3</b>	<b>3</b>
EBITDA-margin, %	19.3	23.5	-18.1	-4.3

\* North Sea port logistics activities have been transferred from the Ferry Division to the Logistics Division per 1 January 2021. 2020 comparison figures are restated accordingly.

### Associates and joint ventures, profits on disposals and depreciation

DKK m	Q3 2021	Q3 2020	Change, %	Change
EBITDA before special items	848	846	0.3	2
Associates and joint ventures	-3	-2	-63.4	-1
Profit on disposals	1	1	12.0	0
Depreciation and impairment	-514	-458	-12.4	-57
<b>EBIT before special items</b>	<b>332</b>	<b>388</b>	<b>-14.3</b>	<b>-55</b>

### Financial items

DKK m	Q3 2021	Q3 2020	Change, %	Change
Interests, net	-73	-64	-15	-9
Foreign exchange gains/losses, net	8	4	89	4
Other items, net	-5	-5	-4	0
<b>Total finance, net</b>	<b>-69</b>	<b>-64</b>	<b>-9</b>	<b>-6</b>



The Group's Q3 EBIT before special items decreased 14% to DKK 332m. For Q1-3, EBIT before special items increased 77% or DKK 436m to DKK 1,004m.

### Special items and operating profit (EBIT) after special items

In Q3 2021, special items were a net income of DKK 28m mainly derived from an accounting gain from the sale of an office and warehousing building in Belgium.

In Q1-3 2021, special items were a net income of DKK 30m.

The Group's Q3 EBIT after special items increased 11% to DKK 360m due to a positive variance of DKK 90m for special items as Q3 2020 included restructuring costs linked to Covid-19. For Q1-3, EBIT after special items increased by DKK 486m or 90% to DKK 1,034m.

### Financial items

Total finance, net in Q3 was a cost of DKK 69m, an increase of DKK 6m compared to Q3 2020. The net interest cost increased DKK 9m following higher interest costs partly due to additional chartered ferries. This increase was partly offset by a positive variance on net currency adjustments.

Total finance, net in Q1-3 was a cost of DKK 225m which was an increase of DKK 45m compared to the same period in 2020.

### Profit before special items and tax

The Q3 profit before special items and tax decreased 19% to DKK 263m. The profit for the period of DKK 242m was 1% below 2020. For Q1-3, the profit before special items and tax doubled to DKK 780m and the profit for the period was DKK 720m.

### Earnings per share

Q3 earnings per share (EPS) of DKK 4.15 was on level with Q3 2020.

For Q1-3, earnings per share (EPS) increased to DKK 12.30 from DKK 5.70 in Q1-3 2020.

### Cash flow and investments

The Q3 cash flow from operating activities increased 23% to DKK 1.1bn as the cash flow was strengthened by a reduction of DKK 314m in working capital.

Net investments in Q3 amounted to a negative cash flow of DKK 1,106m, including a first payment of DKK 966m for the acquisition of HSF Logistics Group in Q3. The Q3 free cash flow (FCFF) was DKK 41m and DKK -192m adjusted for payment of lease liabilities including interest.

The Q3 cash flow from financing activities was negative by DKK 278m. This included a net cash flow from loans of DKK 114m, payment of lease liabilities of DKK 209m and a gain of DKK 45m from settlement of a hedging contract. The Q3 net cash flow was negative by DKK 293m. Cash and cash equivalents thus decreased to DKK 1,388m at the end of Q3.

For Q1-3, the cash flow from operating activities was DKK 2.6bn and the free cash flow (FCFF) before acquisitions was DKK 2.0bn and DKK 1.3bn adjusted for payment of lease liabilities including interest. Net investments in Q1-3 was a negative cash flow of DKK 1.6bn including acquisitions. The cash flow from financing activities was negative by DKK 678m bringing the net cash flow for Q1-3 to a plus of DKK 127m.

### Invested capital and ROIC

Invested capital increased 6% to DKK 23.8bn at the end of Q3 2021 compared to the same period in 2020 following addition of DKK 2.5bn in invested capital from the consolidation of HSF Logistics Group. The average invested capital in Q3 2021 increased 4% compared to Q3 2020.

The return on invested capital, ROIC, for Q3 2021 (last twelve months) improved to 5.2% before special items compared to 3.5% for 2020.

### Capital structure

At the end of Q3 2021 net-interest-bearing debt (NIBD) was DKK 12.2bn, an increase of 4% compared to the end of Q3 2020 due to the acquisition of HSF Logistics Group. Financial leverage, as measured by the ratio of NIBD to EBITDA before special items, was a ratio of 3.3 compared to 4.2 at year-end 2020 and 3.6 at the end of Q2 2021. The ratio includes a pro forma EBITDA for the last twelve months for HSF Logistics Group.

## Equity

Equity amounted to DKK 11,214m at the end of Q3 2021, including non-controlling interests of DKK 105m. This was an increase of 7% compared to the end of Q3 2020. Total comprehensive income for Q3 2021 was DKK 185m. There were no material transactions with owners in Q3 2021.

The equity ratio was 37% at the end of Q3 2021 compared to 39% at the end of Q3 2020. The decrease was due to the consolidation of HSF Logistics Group.

## Outlook 2021

The key assumptions for freight and passenger activity are unchanged compared to the outlook included in the Q2 2021 report. Passenger earnings are thus still expected to be on level with 2020 for the full year.

### Revenue outlook

The Group's revenue growth expectation is now expected at 23-25% vs 2020 compared to previously 20-25%. The change is due to higher freight revenue, including price increases to cover extra costs caused by supply chain bottlenecks.

### EBITDA outlook before special items

The outlook for the Group's EBITDA before special items is now expected at DKK 3.3-3.5bn compared to previously DKK 3.2-3.6bn (2020: DKK 2.7bn).

HSF Logistics Group is consolidated from 14 September 2021. Expectations for 2021 are unchanged revenue of

## OUTLOOK 2021\*

DKK m	New outlook 2021	Previous outlook 2021	2020
Revenue growth	23-25%	20-25%	13,971
EBITDA before special items	3,300-3,500	3,200-3,600	2,732
Per division:			
Ferry Division	2,775-2,925	2,650-2,950	2,315
Logistics Division*	575-625	600-700	462
Non-allocated items	-50	-50	-45
EBIT before special items	1,300-1,500	1,200-1,600	858
Investments	-3,200	-3,500	-1,618

\*Including consolidation of HSF Logistics Group from 14 September 2021

around DKK 0.9bn and EBITDA before special items of around DKK 100m.

The EBITDA outlook for the Ferry Division is changed to DKK 2,775-2,925m from previously DKK 2,650-2,950m in view of performance above expectations in Q3.

The EBITDA outlook for the Logistics Division has been reduced to DKK 575-625m from previously DKK 600-700m to reflect a negative impact from supply chain bottlenecks.

See also the outlook table for the divisional split.

### EBIT outlook before special items

The range for the Group's EBIT before special items is now expected at DKK 1.3-1.5bn compared to previously DKK 1.2-1.6bn (2020: DKK 858m).

## Investments

Investments of around DKK 3.2bn are expected in 2021, compared to previously DKK 3.5bn, of which DKK 1.8bn is payment for HSF Logistics Group. The reduction of investment by DKK 300m is due to both lower investment requirements and postponement of investments into 2022.

Investments in 2021 are expected to comprise:

- Acquisition of HSF Logistics Group: DKK 1,755m
- Ferry newbuildings: DKK 650m
- Dockings and ferry upgrades: DKK 400m
- Port terminals and other equipment: DKK 250m
- Cargo carrying equipment and warehouses, mainly related to Logistics Division: DKK 150m
- Other investments, including IT and digital: DKK 75m
- Divestments: DKK 75m.

Various risks and uncertainties pertain to the outlook.

The most important among these are possible major changes in the demand for ferry – freight and passengers - and logistics services. For DFDS, such demand is to a large extent linked to the level of economic activity 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 and extraordinary events such as virus outbreaks. Covid-19 continues to constitute a significant risk, particularly for the passenger services.

The outlook can moreover be impacted by political changes, first and foremost within EU and Turkey. The introduction of a new trade agreement between the EU and the UK, that is yet to be fully implemented, and its possible consequences constitutes an important risk.

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

Future financial results may therefore differ significantly from expectations.



**100 new electric trucks ordered**

DFDS ordered 100 Volvo FM Electric trucks for deployment throughout the European logistics network in 2022 and 2023. The heavy-duty Volvo FM Electric truck can carry a maximum weight of 44 tons (Gross Combination Weight) and is able to drive up to 300 km when fully charged.

# Ferry Division

## The division is organised in five business units:

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

## Q3 market, activity and result trends

Total Q3 freight volumes increased 0.6% compared to 2020 and increased 0.9% compared to 2019. Volumes were down 1.2% adjusted for structural route changes compared to 2020 as Channel volumes were down 8.8% while volumes for all other business units were above 2020.

Total Q3 passenger volumes decreased 33.0% compared to 2020 and decreased 80.6% compared to 2019.

### North Sea

Q3 freight volumes were up 2.8% driven by high growth on the Gothenburg routes to the UK and Belgium transporting mainly industrial goods, including automotive. The growth was partly a recovery from the

## Ferry Division

DKK m	2021			2021 Q1-Q3	2020* Q1-Q3	2020*				2020-21 LTM	2020* Full year
	Q1	Q2	Q3			Q1	Q2	Q3	Q4		
Revenue	2,594	2,960	3,029	8,583	6,905	2,628	1,808	2,469	2,540	11,123	9,445
EBITDA before special items	641	765	705	2,112	1,647	525	392	730	668	2,780	2,315
Share of profit/loss of associates and joint ventures	-3	-2	-3	-8	-6	-2	-2	-2	0	-8	-5
Profit/loss on disposal of non-current assets, net	1	0	1	2	1	0	0	1	0	2	1
Depreciation and impairment	-387	-420	-422	-1,229	-1,119	-386	-368	-366	-390	-1,619	-1,509
EBIT before special items	251	343	281	876	524	137	23	363	278	1,154	802
EBIT margin before special items, %	9.7	11.6	9.3	10.2	7.6	5.2	1.3	14.7	11.0	10.4	8.5
Special items, net	0	20	0	20	7	0	79	-72	-105	-85	-98
EBIT	251	364	281	896	531	137	102	291	173	1,069	703
Invested capital, average	20,299	20,668	20,539	20,419	20,224	20,214	20,235	20,275	20,259	20,413	20,222
ROIC before special items, %	-	-	-	-	-	-	-	-	-	5.4	3.8
Average number of employees	-	-	-	5,301	5,513	-	-	-	-	5,328	5,452
Lane metres, '000	10,246	11,078	10,602	31,926	29,002	10,079	8,394	10,529	11,883	43,809	40,886
Tons, '000	167	147	162	476	498	194	166	138	166	642	664
Passengers, '000	83	109	388	580	1,310	579	152	578	186	768	1,498

\* 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.

lockdowns in 2020. Activity on the routes between the UK and the Netherlands, Germany and Denmark were overall on level with 2020 as volumes were capped for periods during the quarter to ease the congestion in UK ports caused by shortages of truck drivers and equipment in the UK.

Q3 EBITDA of DKK 284m was on level with 2020. The result was negatively impacted by supply chain bottlenecks that entailed extra operating costs for ferry operations with regard to both higher prices from suppliers and more complex port terminal operations. Additional capacity was also deployed and repositioning costs increased to match capacity with demand in the network.

### Baltic Sea

Q3 freight volumes were up 6.2% adjusted for route changes. The volume growth was evenly distributed in the route network supported by additional departures on all routes, including deployment of a second ferry between Estonia and Sweden. Passenger volumes were 15.2% above 2020 driven by a combination of more frequent departures and fewer travel restrictions compared to 2020.

Q3 EBITDA decreased 15% to DKK 118m as supply chain bottlenecks contributed to higher ferry operating costs. To meet demand from freight customers, capacity was expanded on most routes and a number of ferries were

deployed for shorter periods in the network which increased costs. In addition, utilisation of the freight capacity increase between Estonia and Sweden was below expectations.

### Channel

Q3 freight volumes were 8.8% below 2020 adjusted for the new route between Ireland and France launched on 2 January 2021. The decrease in activity partly reflects a general slowdown in trade between the UK and the EU as supply chain bottlenecks in the UK led exporters from the EU to cap volumes in Q3 to allow UK supply chains to catch up with backlogs. In addition, a ferry competitor regained market share by redeploying ferries in the quarter that were taken out of service last year in response to lockdowns.

Volumes carried by the new route between Ireland and France remained high supported by the UK supply chain bottlenecks.

Q3 passenger volumes were down 44.7% as tight travel restrictions remained in place through the quarter. Duty-free sales increased mainly due to higher spend from truck drivers. Travel restrictions were eased towards the end of the quarter and volumes in September 2021 were above 2020.

Q3 EBITDA decreased 42% to DKK 78m due to the drop in both freight and passenger volumes on the English Channel routes as well as higher operating costs, partly due to normalisation of sailing schedules.

### Mediterranean

Q3 freight volumes increased 12.2% adjusted for the opening of a new route between Turkey and Spain. The increase reflects high growth in Turkish exports to Europe with support from depreciation of the Turkish lira. Capacity was expanded in the route network to accommodate the growth, especially between Italy and Turkey.

Q3 EBITDA increased 47% to DKK 276m driven by the higher volumes and stable cost levels as well as better results for the port terminal and rail activities.

### Passenger

Both routes sailed in Q3 as the route between Norway and Denmark was reopened on 2 July 2021. Travel restrictions were eased towards the end of the quarter as restrictions in the UK and Norway were tight for most of the quarter. Passenger volumes were therefore 18.8% below Q3 2020 where restrictions were eased from the beginning of July until mid-August. Volumes in September 2021 were above 2020.

Q3 EBITDA decreased DKK 44m to DKK -85m. Sailing schedules were normalised in the quarter. This increased cost while the anticipated pick up in passenger volumes over the high season did not materialise. Freight earnings improved in the quarter. In addition, the organisation was ramped up in preparation for higher passenger volumes in Q4 2021.

### Non-allocated items

These items primarily include external charter activities. Q3 EBITDA increased 24% to DKK 34m.

## Ferry Division

DKK m	2021			2021	2020	2020				2020-21	2020
	Q1	Q2	Q3	Q1-Q3	Q1-Q3	Q1	Q2	Q3	Q4	LTM	Full year
<b>North Sea*</b>											
Revenue	971	1,117	991	3,079	2,467	944	707	816	953	4,033	3,420
EBITDA before special items	301	378	284	963	826	291	252	282	342	1,304	1,168
EBIT before special items	150	229	142	521	420	145	122	154	190	711	610
Invested capital	6,762	6,811	6,253	6,470	5,925	5,931	5,964	5,856	6,054	6,347	5,951
ROIC before special items, %	-	-	-	-	-	-	-	-	-	11.0	10.1
Lane metres freight, '000	3,358	3,609	3,362	10,329	9,270	3,350	2,657	3,264	3,758	14,087	13,028
Tons, '000	167	147	162	476	498	194	166	138	166	642	664
<b>Baltic Sea</b>											
Revenue	306	361	382	1,049	957	323	307	327	310	1,359	1,268
EBITDA before special items	83	111	118	311	354	97	119	138	80	391	434
EBIT before special items	51	68	80	199	230	57	78	95	39	238	268
Invested capital	1,525	1,320	1,689	1,595	1,571	1,712	1,642	1,646	1,844	1,605	1,625
ROIC before special items, %	-	-	-	-	-	-	-	-	-	14.7	16.4
Lane metres freight, '000	1,104	1,199	1,108	3,411	3,340	1,140	1,100	1,099	1,094	4,505	4,434
Passengers, '000	40	53	79	173	162	39	54	69	47	220	209
<b>Channel</b>											
Revenue	568	643	681	1,892	1,446	512	361	573	566	2,458	2,012
EBITDA before special items	74	104	78	256	205	39	32	135	129	385	334
EBIT before special items	-16	7	-18	-26	24	-22	-27	73	67	41	91
Invested capital	1,701	2,250	2,133	1,914	1,748	1,811	1,779	1,677	1,573	1,867	1,713
ROIC before special items, %	-	-	-	-	-	-	-	-	-	2.0	5.2
Lane metres freight, '000	4,531	4,923	4,767	14,222	13,359	4,404	3,939	5,016	5,672	19,893	19,031
Passengers, '000	38	50	224	311	870	367	98	406	119	430	989
<b>Mediterranean</b>											
Revenue	670	743	740	2,152	1,441	581	331	529	631	2,783	2,071
EBITDA before special items	248	257	276	781	401	147	66	188	230	1,011	631
EBIT before special items	155	154	160	469	119	55	-26	90	126	595	245
Invested capital	9,558	9,408	9,182	9,421	9,850	9,858	9,910	9,798	9,535	9,496	9,787
ROIC before special items, %	-	-	-	-	-	-	-	-	-	5.9	2.4
Lane metres freight, '000	1,191	1,265	1,229	3,685	2,828	1,087	696	1,045	1,206	4,891	4,034
<b>Passenger</b>											
Revenue	31	40	184	255	427	209	27	190	62	317	489
EBITDA before special items	-100	-120	-85	-305	-230	-87	-101	-42	-143	-448	-373
EBIT before special items	-124	-147	-109	-380	-351	-130	-146	-75	-172	-553	-524
Invested capital	629	731	751	672	759	871	673	634	575	664	722
ROIC before special items, %	-	-	-	-	-	-	-	-	-	-83.9	-73.1
Lane metres freight, '000	61	82	136	278	205	99	2	104	154	432	359
Passengers, '000	5	6	84	95	279	173	3	104	21	116	300
<b>Non-allocated items</b>											
Revenue	86	102	105	293	304	102	111	91	132	425	436
EBITDA before special items	36	36	34	106	92	39	24	28	31	137	122
EBIT before special items	35	33	25	93	82	32	23	27	29	123	112

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.

\* North Sea port logistics activities have been transferred from the Ferry Division to the Logistics Division per 1 January 2021. 2020 comparison figures are restated accordingly.

# Logistics Division

## The division is organised in three business units:

- Nordic
- Continent
- UK & Ireland

## Q3 market, activity and result trends

Total Q3 logistics volumes decreased 1.1% compared to 2020.

HSF Logistics Group was consolidated from 14 September in the Nordic and Continent business units. Volume figures are not reported.

Starting with the Q4 2021 report, the Logistics Division will be reorganised in two business units: Dry Goods and Cold Chain. The Cold Chain activities embedded in DFDS' three existing business units – Nordic, Continent and UK & Ireland – will be merged with the HSF Logistics Group to form a focused Cold Chain business unit. Remaining activities will be organised in a new business unit: Dry Goods.

## Logistics Division

DKK m	2021			2021 Q1-Q3	2020*		2020*			2020-21 LTM	2020* Full year
	Q1	Q2	Q3		Q1	Q2	Q3	Q4			
Revenue	1,426	1,554	1,633	4,614	3,858	1,394	1,147	1,316	1,444	6,057	5,301
EBITDA before special items	101	126	155	382	339	95	95	150	123	505	462
Profit/loss on disposal of non-current assets, net	0	1	0	1	4	2	2	0	0	0	3
Depreciation and impairment	-62	-61	-73	-195	-222	-74	-74	-74	-70	-266	-292
EBIT before special items	39	66	83	188	121	22	22	76	52	240	173
EBIT margin before special items, %	2.7	4.2	5.1	4.1	3.1	1.6	1.9	5.8	3.6	4.0	3.3
Special items, net	0	-19	25	6	-11	0	-4	-7	-1	6	-12
EBIT	39	46	108	194	110	22	18	69	51	245	161
Invested capital, average**	1,469	1,497	2,720	2,094	1,661	1,737	1,727	1,584	1,465	1,977	1,613
ROIC before special items, %	-	-	-	-	-	-	-	-	-	9.7	8.5
Average number of employees	-	-	-	2,218	2,117	-	-	-	-	2,161	2,112
Units, '000	132	141	136	409	383	136	114	134	142	551	525

\* 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.

\*\* Increase in invested capital in Q3-2021 is impacted by acquisition of HSF Group.

### Nordic

Q3 transported units decreased 4.9%. Supply chain bottlenecks reduced forwarding volumes between Scandinavia and the UK due to shortages of truck drivers and equipment, particularly in the UK. Some automotive flows were disrupted by production stops. Contract logistics and specialised solutions in Sweden increased activity. The Finnish operations also continued to expand activity in the quarter.

Q3 EBITDA increased 5% to DKK 42m as improved results for contract logistics and addition of HSF Logistics Group offset lower results for forwarding traffics, particularly those linked to the UK, as supply chain bottlenecks increased costs.

### Continent

Q3 transported units were on level with 2020 as volumes between the Netherlands/Belgium/Germany and the UK were held back by shortages of truck drivers and equipment in the UK. Volumes were in periods during the quarter capped to avoid additional congestion in UK ports. Automotive production stops continued to create imbalances in flows between Belgium and Scandinavia.

Q3 EBITDA decreased 8% to DKK 51m as lower margins for UK traffics and the automotive imbalances were only partly offset by addition of HSF Logistics Group.

### UK & Ireland

Q3 transported units increased 2.2% as supply chain bottlenecks lowered activity for some activities while parts of the cold chain activities in both Scotland and



England maintained a high level of activity. Customs clearance services were expanded for both food and non-food customers.

Q3 EBITDA increased 14% to DKK 63m mostly driven by the cold chain activities and customs clearance services.

### Logistics Division

DKK m	2021			2021 Q1-Q3	2020 Q1-Q3	2020				2020-21 LTM	2020 Full year
	Q1	Q2	Q3			Q1	Q2	Q3	Q4		
<b>Nordic*</b>											
Revenue	444	503	531	1,478	1,205	453	366	387	453	1,932	1,659
EBITDA before special items	31	35	42	108	90	32	18	40	41	149	131
EBIT before special items	13	16	20	49	29	12	-2	19	22	70	50
Invested capital***	388	407	1,364	635	403	465	409	372	379	582	399
ROIC before special items, %	-	-	-	-	-	-	-	-	-	10.5	10.4
Units, '000 **	29.8	32.9	27.9	91	77.5	27.7	23.1	26.7	31.4	121.9	108.9
<b>Continent*</b>											
Revenue	644	685	738	2,067	1,762	633	523	605	661	2,728	2,423
EBITDA before special items	31	41	51	122	124	28	41	55	41	163	166
EBIT before special items	6	18	24	48	41	-2	13	30	15	62	55
Invested capital***	580	514	2,065	937	742	799	710	625	588	874	711
ROIC before special items, %	-	-	-	-	-	-	-	-	-	5.2	6.1
Units, '000	57.5	60.9	56.4	174.8	163.0	58.4	48.0	56.5	61.6	236.4	224.5
<b>UK &amp; Ireland*</b>											
Revenue	443	478	492	1,413	1,181	403	357	421	430	1,843	1,611
EBITDA before special items	39	50	63	152	125	34	36	55	41	192	165
EBIT before special items	20	31	40	91	52	12	11	28	16	107	67
Invested capital	545	561	540	526	515	527	544	507	458	522	504
ROIC before special items, %	-	-	-	-	-	-	-	-	-	16.4	10.6
Units, '000	45.2	47.6	51.4	144.2	142.8	49.9	42.6	50.3	49.0	193.2	191.8
<b>Non-allocated items</b>											
Revenue	35	36	37	108	74	27	26	20	15	123	89
EBITDA before special items	0	0	0	0	0	0	0	0	0	0	0
EBIT before special items	1	0	0	1	0	0	0	0	0	1	0

\* 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.

\*\* Excluding volumes related to automotive Logistics contract.

\*\*\* Increase in invested capital in Q3-2021 is impacted by acquisition of HSF Group.

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.

# 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 – 30 September 2021.

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 30 September 2021 and of the results of the DFDS Group's operations and cash flow for the period 1 January – 30 September 2021.

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, 17 November 2021



## DFDS Group Income statement

DKK m	Note	2021 Q3	2020 Q3	2021 Q1-Q3	2020 Q1-Q3	2020-21 LTM	2020 Full year
Revenue	3	4,406	3,598	12,387	10,209	16,148	13,971
<b>Costs</b>							
Ferry and other ship operation and maintenance		-973	-601	-2,517	-1,894	-3,192	-2,569
Freight handling		-668	-598	-1,917	-1,721	-2,580	-2,383
Transport solutions		-925	-711	-2,635	-2,090	-3,449	-2,905
Employee costs		-830	-705	-2,365	-2,143	-3,084	-2,862
Costs of sales and administration		-162	-137	-457	-400	-578	-520
<b>Operating profit before depreciation (EBITDA) and special items</b>		<b>848</b>	<b>846</b>	<b>2,496</b>	<b>1,962</b>	<b>3,265</b>	<b>2,732</b>
Share of profit/loss of associates and joint ventures		-3	-2	-9	-6	-9	-5
Profit/loss on disposal of non-current assets, net		1	1	3	5	3	5
Depreciation, ferries and other ships		-333	-278	-963	-862	-1,254	-1,153
Depreciation, other non-current assets		-181	-180	-522	-531	-712	-721
Impairment losses, other non-current assets		0	0	0	0	0	0
<b>Operating profit (EBIT) before special items</b>		<b>332</b>	<b>388</b>	<b>1,004</b>	<b>569</b>	<b>1,294</b>	<b>858</b>
Special items, net	4	28	-62	30	-20	-67	-117
<b>Operating profit (EBIT)</b>		<b>360</b>	<b>326</b>	<b>1,034</b>	<b>548</b>	<b>1,227</b>	<b>741</b>
Financial income		9	5	5	22	4	5
Financial costs		-78	-69	-230	-201	-324	-280
<b>Profit before tax</b>		<b>291</b>	<b>262</b>	<b>810</b>	<b>369</b>	<b>907</b>	<b>466</b>
Tax on profit		-49	-18	-90	-35	-78	-24
<b>Profit for the period</b>		<b>242</b>	<b>244</b>	<b>720</b>	<b>334</b>	<b>829</b>	<b>442</b>
Attributable to:							
Equity holders of DFDS A/S		238	238	707	327	813	433
Non-controlling interests		3	7	14	7	16	9
<b>Profit for the period</b>		<b>242</b>	<b>244</b>	<b>720</b>	<b>334</b>	<b>829</b>	<b>442</b>
<b>Earnings per share</b>							
Basic earnings per share (EPS) of DKK 20, DKK		4.15	4.15	12.30	5.70	14.16	7.56
Diluted earnings per share (EPS-D) of DKK 20, DKK		4.15	4.15	12.24	5.70	14.16	7.56

## DFDS Group – statement of Comprehensive income

DKK m	2021 Q3	2020 Q3	2021 Q1-Q3	2020 Q1-Q3	2020-21 LTM	2020 Full year
Profit for the period	242	244	720	334	829	442
<b>Other comprehensive income</b>						
Items that will not be reclassified subsequently to the Income statement:						
Remeasurement of defined benefit pension obligations	0	0	0	-30	-29	-59
<b>Items that will not be reclassified subsequently to the Income statement</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-30</b>	<b>-29</b>	<b>-59</b>
Items that are or may be reclassified subsequently to the Income statement:						
Value adjustment of hedging instruments:						
Value adjustment for the period	30	-104	35	-30	-38	-103
Value adjustment transferred to operating costs	-16	0	-37	6	-37	6
Value adjustment transferred to financial costs	4	4	-2	12	2	17
Value adjustment transferred to non-current tangible assets	-65	10	-96	-31	-103	-38
Tax on items that may be reclassified to the Income statement	-2	0	-2	5	2	9
Foreign exchange adjustments, subsidiaries	-9	-10	17	-109	88	-37
<b>Items that are or may be reclassified subsequently to the Income statement</b>	<b>-57</b>	<b>-100</b>	<b>-86</b>	<b>-146</b>	<b>-86</b>	<b>-147</b>
<b>Total other comprehensive income after tax</b>	<b>-57</b>	<b>-100</b>	<b>-86</b>	<b>-177</b>	<b>-116</b>	<b>-206</b>
<b>Total comprehensive income</b>	<b>185</b>	<b>145</b>	<b>635</b>	<b>157</b>	<b>713</b>	<b>236</b>
<b>Attributable to:</b>						
Equity holders of DFDS A/S	181	138	621	151	697	227
Non-controlling interests	4	6	14	7	16	9
<b>Total comprehensive income</b>	<b>185</b>	<b>145</b>	<b>635</b>	<b>157</b>	<b>713</b>	<b>236</b>

## DFDS Group - Balance sheet

### Assets

DKK m	2021 Q1-Q3	2020 Q1-Q3	2020 Full year
Goodwill	4,189	3,431	3,434
Other non-current intangible assets	1,709	1,193	1,174
Software	228	241	239
Development projects in progress	72	43	55
<b>Non-current intangible assets</b>	<b>6,198</b>	<b>4,909</b>	<b>4,901</b>
Land and buildings	584	192	183
Terminals	712	730	720
Ferries and other ships	11,579	11,141	11,220
Equipment, etc.	1,162	738	723
Assets under construction and prepayments	702	1,114	887
Right-of-use assets	3,732	3,223	3,133
<b>Non-current tangible assets</b>	<b>18,471</b>	<b>17,137</b>	<b>16,867</b>
Investments in associates, joint ventures and securities	43	47	49
Receivables	16	17	17
Prepaid costs	251	364	337
Deferred tax	53	52	57
Derivative financial instruments	21	118	76
<b>Other non-current assets</b>	<b>384</b>	<b>597</b>	<b>536</b>
<b>Non-current assets</b>	<b>25,054</b>	<b>22,643</b>	<b>22,304</b>
Inventories	253	155	169
Trade receivables	2,709	1,947	2,014
Receivables from associates and joint ventures	25	49	28
Other receivables	514	591	589
Prepaid costs	324	286	309
Derivative financial instruments	63	144	149
Cash	1,388	735	1,261
<b>Current assets</b>	<b>5,277</b>	<b>3,907</b>	<b>4,520</b>
Assets classified as held for sale	104	157	182
<b>Total current assets</b>	<b>5,381</b>	<b>4,064</b>	<b>4,702</b>
<b>Assets</b>	<b>30,435</b>	<b>26,707</b>	<b>27,006</b>

## Equity and liabilities

DKK m	2021 Q1-Q3	2020 Q1-Q3	2020 Full year
Share capital	1,173	1,173	1,173
Reserves	-356	-269	-273
Retained earnings	10,293	9,530	9,611
Proposed dividends	0	0	0
<b>Equity attributable to equity holders of DFDS A/S</b>	<b>11,109</b>	<b>10,434</b>	<b>10,511</b>
Non-controlling interests	105	87	89
<b>Equity</b>	<b>11,214</b>	<b>10,521</b>	<b>10,600</b>
Interest-bearing liabilities	8,290	9,080	9,313
Lease liabilities	2,991	2,458	2,407
Deferred tax	408	207	217
Pension and jubilee liabilities	193	170	197
Other provisions	44	60	46
Other payables	0	22	0
Derivative financial instruments	12	212	149
<b>Non-current liabilities</b>	<b>11,937</b>	<b>12,210</b>	<b>12,329</b>
Interest-bearing liabilities	1,614	391	415
Lease liabilities	643	510	519
Trade payables	2,974	1,963	2,090
Payables to associates and joint ventures	50	96	51
Other provisions	64	101	78
Corporation tax	136	71	61
Other payables	1,553	723	674
Derivative financial instruments	87	18	52
Prepayments	162	103	136
<b>Current liabilities</b>	<b>7,283</b>	<b>3,976</b>	<b>4,077</b>
<b>Liabilities</b>	<b>19,220</b>	<b>16,187</b>	<b>16,406</b>
<b>Equity and liabilities</b>	<b>30,435</b>	<b>26,707</b>	<b>27,006</b>

## DFDS Group - Statement of changes in equity 1 January - 30 September 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
<b>Comprehensive income for the period</b>									
Profit for the period					707		707	14	720
<b>Other comprehensive income</b>									
Items that are or may be reclassified subsequently to the Income statement:									
Value adjustment of hedging instruments for the period			35				35		35
Value adjustment transferred to operating costs			-37				-37		-37
Value adjustment transferred to financial costs			-2				-2		-2
Value adjustment transferred to non-current tangible assets			-96				-96		-96
Tax on items that will be reclassified to the Income statement			0		-2		-2		-2
Foreign exchange adjustments, subsidiaries		16					16	0	17
<b>Items that are or may subsequently be reclassified to the Income statement</b>	<b>0</b>	<b>16</b>	<b>-100</b>	<b>0</b>	<b>-2</b>	<b>0</b>	<b>-86</b>	<b>0</b>	<b>-86</b>
<b>Total other comprehensive income after tax</b>	<b>0</b>	<b>16</b>	<b>-100</b>	<b>0</b>	<b>-2</b>	<b>0</b>	<b>-86</b>	<b>0</b>	<b>-86</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>16</b>	<b>-100</b>	<b>0</b>	<b>704</b>	<b>0</b>	<b>621</b>	<b>14</b>	<b>635</b>
<b>Transactions with owners</b>									
Addition regarding acquisition, non-controlling interests							0	2	2
Vested share-based payments					4		4		4
Purchase of treasury shares				-4	-71		-75		-75
Cash from sale of treasury shares related to exercise of share options				4	44		48		48
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-22</b>	<b>0</b>	<b>-22</b>	<b>2</b>	<b>-20</b>
<b>Equity at 30 September 2021</b>	<b>1,173</b>	<b>-378</b>	<b>47</b>	<b>-25</b>	<b>10,293</b>	<b>0</b>	<b>11,109</b>	<b>105</b>	<b>11,214</b>

## DFDS Group - Statement of changes in equity 1 January - 30 September 2020

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 2020	1,173	-357	266	-28	8,988	235	10,276	80	10,356
<b>Comprehensive income for the period</b>									
Profit for the period					327		327	7	334
<b>Other comprehensive income</b>									
Items that will not subsequently be reclassified to the income statement:									
Remeasurement of defined benefit pension obligations					-30		-30		-30
<b>Items that will not subsequently be reclassified to the Income statement</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-30</b>	<b>0</b>	<b>-30</b>	<b>0</b>	<b>-30</b>
Items that are or may be reclassified subsequently to the Income statement:									
Value adjustment of hedging instruments for the period			-30				-30		-30
Value adjustment transferred to operating costs			6				6		6
Value adjustment transferred to financial costs			12				12		12
Value adjustment transferred to non-current tangible assets			-31				-31		-31
Tax on items that will be reclassified to the Income statement			0		6		5		5
Foreign exchange adjustments, subsidiaries		-108					-108	0	-109
<b>Items that are or may subsequently be reclassified to the Income statement</b>	<b>0</b>	<b>-108</b>	<b>-43</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>-146</b>	<b>0</b>	<b>-146</b>
<b>Total other comprehensive income after tax</b>	<b>0</b>	<b>-108</b>	<b>-43</b>	<b>0</b>	<b>-24</b>	<b>0</b>	<b>-176</b>	<b>0</b>	<b>-177</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>-108</b>	<b>-43</b>	<b>0</b>	<b>302</b>	<b>0</b>	<b>151</b>	<b>7</b>	<b>157</b>
<b>Transactions with owners</b>									
Acquisition, non-controlling interests					0		0	0	0
Cancellation of proposed dividend at year-end 2019*					235	-235	0		0
Vested share-based payments					7		7		7
Cash from sale of treasury shares related to exercise of share options				2	-2		1		1
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>240</b>	<b>-235</b>	<b>8</b>	<b>0</b>	<b>7</b>
<b>Equity at 30 September 2020</b>	<b>1,173</b>	<b>-465</b>	<b>222</b>	<b>-26</b>	<b>9,530</b>	<b>0</b>	<b>10,434</b>	<b>87</b>	<b>10,521</b>

\* Reference is made to separate announcement from 18 March 2020 where the Board of Directors, due to the current financial environment, has decided not to propose the payment of a dividend at the Annual General Meeting

## DFDS Group – Statement of cash flows

	2021	2020	2021	2020	2020-21	2020
DKK m	Q3	Q3	Q1-Q3	Q1-Q3	LTM	Full year
<b>Operating profit before depreciation (EBITDA) and special items</b>	<b>848</b>	<b>846</b>	<b>2,496</b>	<b>1,962</b>	<b>3,265</b>	<b>2,732</b>
Cash flow effect from special items related to operating activities	-9	-43	-44	-104	-66	-125
Adjustments for non-cash operating items, etc.	8	6	22	18	49	45
Change in working capital	314	134	242	119	271	148
Payment of pension liabilities and other provisions	-7	-7	-23	-23	-31	-31
<b>Cash flow from operating activities, gross</b>	<b>1,154</b>	<b>936</b>	<b>2,693</b>	<b>1,973</b>	<b>3,490</b>	<b>2,769</b>
Interest received, etc.	1	0	4	2	5	3
Interest paid, etc.	-56	-68	-218	-191	-303	-276
Taxes paid	-7	-4	-59	3	-58	3
<b>Cash flow from operating activities, net</b>	<b>1,091</b>	<b>863</b>	<b>2,421</b>	<b>1,787</b>	<b>3,133</b>	<b>2,499</b>
Investments in ships including dockings, rebuildings, and ships under construction (incl. settlement of forward exchange contracts) related thereto*	-121	-417	-529	-1,253	-698	-1,422
Sale of ferries	0	0	0	202	0	202
Investments in other non-current tangible assets	-56	-30	-141	-166	-169	-195
Sale of other non-current tangible assets	44	7	51	23	54	27
Investments in non-current intangible assets	-10	-14	-38	-50	-58	-70
Acquisition of enterprises, associates, joint ventures, and activities	-962	0	-962	-14	-962	-14
Other investing cash flows	0	-2	3	-167	24	-146
<b>Cash flow to/from investing activities, net</b>	<b>-1,106</b>	<b>-456</b>	<b>-1,616</b>	<b>-1,425</b>	<b>-1,809</b>	<b>-1,618</b>
<b>Cash flow before financing activities, net</b>	<b>-15</b>	<b>407</b>	<b>805</b>	<b>362</b>	<b>1,325</b>	<b>882</b>
Proceed from bank loans and loans secured by mortgage in ships	150	193	514	1,641	865	1,992
Repayment and instalments of bank loans and loans secured by mortgage in ships	-264	-320	-662	-1,645	-808	-1,791
Payment of lease liabilities	-209	-143	-592	-461	-733	-602
Settlement of forward exchange contracts related to leases	45	0	89	0	89	0
Proceeds from sale of treasury shares	0	0	0	0	2	2
Acquisition of treasury shares	0	0	-75	0	-75	0
Cash received from exercise of share options	0	0	48	1	48	1
Other financing cash flows	0	0	0	0	-60	-60
<b>Cash flow to/from financing activities, net</b>	<b>-278</b>	<b>-270</b>	<b>-678</b>	<b>-464</b>	<b>-671</b>	<b>-458</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-293</b>	<b>137</b>	<b>127</b>	<b>-103</b>	<b>653</b>	<b>424</b>
Cash and cash equivalents at beginning of period	1,681	598	1,261	840	735	840
Foreign exchange and value adjustments of cash and cash equivalents	0	0	0	-2	0	-2
<b>Cash and cash equivalents at end of period **</b>	<b>1,388</b>	<b>735</b>	<b>1,388</b>	<b>735</b>	<b>1,388</b>	<b>1,261</b>

\* The Q1-Q3 2021 cash flow includes an amount of DKK 18.6m related to a net settlement of a vessel swap where DFDS buys a vessel of DKK 332.4m, sells a vessel of DKK 165.1m, and settles a loan receivable of DKK 148.7m.

\*\* At 30 September 2021 DKK 167m (30 September 2020: 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 2020 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 2021 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 certain significant estimates have been revisited in Q3 2021 compared to year-end 2020, particularly related to passenger traffic which is still being impacted by travel restrictions. A review of 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

Impairment testing is undertaken once a year unless indications of impairment occur. The consequences of Covid-19 are still considered such an indication and consequently, DFDS has in Q3 2021 revisited its impairment calculations from year-end 2020. The Covid-19 situation is still an impairment indicator, particularly for passenger traffic and it is still reasonable to assume that the situation from a long-term perspective is temporary. DFDS' main assets have a long lifetime and the impairment tests at year-end 2020 showed significant headroom for all other CGU's than the Oslo-Frederikshavn-Copenhagen route. In Q3 2021 Management has revisited forecasts for all CGUs and concludes that the assumptions applied at year-end 2020 remains valid, hence no impairments nor reversals have been recognised.

### Receivables

The practice for recognising expected credit losses etc. remains the same as at year-end 2020.

### Other areas

DFDS has taken part in various government compensation schemes following Covid-19. Wage compensation is reducing the staff costs in the Income statement and contributions from voluntary salary reduction are deducted in wages, salaries, and remuneration. Remuneration and wage compensation amount to DKK 2m in Q3-2021 and year to day amount to DKK 56m.

## Note 2 Segment Information

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
<b>Q1-Q3 2021</b>				
External revenue	7,821	4,551	15	12,387
Intragroup revenue	762	63	382	1,207
Total revenue	8,583	4,614	397	13,594
<b>Operating profit (EBITDA) before special items</b>	<b>2,112</b>	<b>382</b>	<b>2</b>	<b>2,496</b>
<b>Operating profit (EBIT) before special items</b>	<b>876</b>	<b>188</b>	<b>-59</b>	<b>1,004</b>
<b>Operating profit after special items (EBIT)</b>	<b>896</b>	<b>194</b>	<b>-56</b>	<b>1,034</b>
<b>Invested capital, average</b>	<b>20,419</b>	<b>2,094</b>	<b>299</b>	<b>22,813</b>

DKK m	Ferry Division*	Logistics Division*	Non- allocated	Total
<b>Q1-Q3 2020</b>				
External revenue	6,353	3,831	26	10,209
Intragroup revenue	552	27	360	939
Total revenue	6,905	3,858	386	11,148
<b>Operating profit (EBITDA) before special items</b>	<b>1,647</b>	<b>339</b>	<b>-24</b>	<b>1,962</b>
<b>Operating profit (EBIT) before special items</b>	<b>524</b>	<b>121</b>	<b>-76</b>	<b>569</b>
<b>Operating profit after special items (EBIT)</b>	<b>531</b>	<b>110</b>	<b>-92</b>	<b>548</b>
<b>Invested capital, average</b>	<b>20,224</b>	<b>1,661</b>	<b>710</b>	<b>22,595</b>

\* 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.

## Note 3 Revenue

DKK m	Q1-Q3 2021			Total
	Ferry Division	Logistics Division	Non-allocated	
<b>Geographical markets</b>				
North Sea	2,778	-	0	2,778
Baltic Sea	1,023	-	0	1,023
English Channel	1,881	-	0	1,881
Mediterranean	2,139	-	0	2,139
Continent	-	1,979	0	1,979
Nordic	-	1,377	0	1,377
UK/Ireland	-	1,194	0	1,194
Other	0	0	15	15
<b>Total</b>	<b>7,821</b>	<b>4,551</b>	<b>15</b>	<b>12,387</b>
<b>Product and services</b>				
Seafreight and shipping logistics solutions	6,154	87	0	6,241
Transport solutions	17	4,416	0	4,433
Passenger seafare and on board sales	642	0	0	642
Terminal services	641	5	0	646
Charters	237	0	0	237
Agency and other revenue	130	42	15	187
<b>Total</b>	<b>7,821</b>	<b>4,551</b>	<b>15</b>	<b>12,387</b>

All material revenue is recognised when each separate obligation in the customer contract is fulfilled following the “over-time principle”. Most transports carried out by the Ferry Division are characterised by short delivery time (most sailings are less than 30 hours while sailings to/from 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 266m (Q1-Q3 2020: DKK 271m).

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 237m (Q1-Q3 2020: DKK 245m).

DKK m	Q1-Q3 2020			Total
	Ferry Division	Logistics Division	Non-allocated	
<b>Geographical markets</b>				
North sea*	2,583	-	0	2,583
Baltic sea	911	-	0	911
English Channel	1,430	-	0	1,430
Mediterranean	1,429	-	0	1,429
Continent*	-	1,678	0	1,678
Nordic*	-	1,116	0	1,116
UK/Ireland*	-	1,037	0	1,037
Other	0	0	26	26
<b>Total</b>	<b>6,353</b>	<b>3,831</b>	<b>26</b>	<b>10,209</b>
<b>Product and services</b>				
Seafreight and shipping logistics solutions	4,790	1	0	4,790
Transport solutions*	4	3,635	0	3,638
Passenger seafare and on board sales	819	0	0	819
Terminal services*	389	86	0	475
Charters	245	0	0	245
Agency and other revenue*	107	110	26	242
<b>Total</b>	<b>6,353</b>	<b>3,831</b>	<b>26</b>	<b>10,209</b>

\* 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.

## Note 4 Special items

DKK m	2021 Q1-Q3	2020 Q1-Q3
Acquisition and integration planning costs relating to HSF Logistics Group	-25	-
Accounting gain on sale of Liverpool Seaways	-	110
Accounting gain on sale of Gothia Seaways	20	-
Accounting gain on sale of office and warehousing building in Belgium	31	-
Accrual of the total estimated costs (estimated fair value) related to the DFDS shares awarded to DFDS employees as a special one-off award in connection with DFDS' 150 years anniversary in December 2016. The costs accrue from December 2016 to February 2020	-	-2
Termination cost in connection with restructuring	-	-129
Reversal of accrued cost related to Jubilee shares	4	-
<b>Special items, net</b>	<b>30</b>	<b>-20</b>

## Note 5 Acquisition of enterprises and sale of activities

### 2021

#### HSF Acquisition

On 14th September 2021, the acquisition of the HSF Logistics Group was completed. HSF Logistics Group is one of Europe's leading cold chain logistics providers to meat producers and other food producers that operate temperature-controlled supply chains. The acquisition significantly strengthens DFDS' cold chain activities and the offering to cold chain logistics customers.

The results are consolidated and included in the Logistic Division under Nordic & Continent Business Units as of this date. DFDS also acquired most of the existing minority shareholders and thus holds more than 99% of the ownership of the HSF Logistics Group as of 30 September 2021.

The total acquisition price was DKK 1,755m (including DKK 58m related to minority shareholders) of which DKK 966m was paid in cash in September and DKK 789m recognised as deferred consideration under other payables as of 30th September 2021. Cash in the acquired company amounted to DKK 4m. Accordingly the liquidity effect as of 30 September 2021 was DKK 962m with reference to cash flow statement.

HSF Logistics Group revenue included in the Q3-2021 reporting is DKK 129m and an EBITDA of DKK 15m. If transaction were completed as of 1st January 2021 revenue from 1 January to 30 September 2021 would have been DKK 2.3bn and an EBITDA of DKK 262m. The Group has elected to measure the non-controlling interests in the acquiree at their proportionate share of the acquired net assets. Transaction and acquisition costs amounts to DKK 25m which are included under special items. The preliminary purchase price allocation shows the following:

DKK m	Preliminary fair value at acquisition date
Non-current assets	1,780
Current assets	498
<b>Total assets</b>	<b>2,278</b>
Non-current liabilities	573
Current liabilities	700
<b>Total liabilities</b>	<b>1,273</b>
Non-controlling interests' share of acquired net assets	2
<b>Fair value of acquired net assets</b>	<b>1,003</b>
Total purchase price	
Cash consideration	930
Deferred consideration	825
<b>Fair value of the purchase price</b>	<b>1,755</b>
<b>Goodwill at acquisition</b>	<b>752</b>

Due to the acquisition date being 14th September 2021 the above purchase price allocation is preliminary and will be subject to adjustments on several items in the opening balance. Goodwill occurring from the transaction is related to synergies and will be subject to an annual impairment test. A more detailed fair value overview will be presented in Q4-2021 announcement.

## Note 5 Acquisition of enterprises and sale of activities (continued)

### 2021 (continued)

#### ICT Logistics

On 15 September 2021 DFDS entered into an agreement to acquire 100% of the share capital of the Danish freight forwarder ICT Logistics. DFDS has owned 19.9% of the shares in ICT Logistics since 2006. Closing of the transaction is subject to regulatory approval.

### 2020

There has been no significant acquisitions nor disposals in 2020.

## 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-Q3 2021.

### 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-Q3 2021		Q1-Q3 2020	
	Fair value	Carrying amount	Fair value	Carrying amount
<b>Financial assets</b>				
Derivatives (Level 2)	84	84	262	262
Securities (Level 3)	10	10	10	10
<b>Financial liabilities</b>				
Derivatives (Level 2)	99	99	230	230

## 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 2020.

The Parent Company's revenue increased by DKK 570m, equivalent to 10% compared to Q1-Q3 2020. Operating profit before depreciation and special items (EBITDA) increased by DKK 50m from DKK 1,312m, equivalent to an increase of 4% compared to Q1-Q3 2020.

Profit before tax increased from DKK 256m in Q1-Q3 2020 to DKK 262m in Q1-Q3 2021.

The Parent Company's net interest-bearing debt decreased from DKK 4,718m at 31 December 2020 to DKK 4,296m at 30 September 2021.

DKK m	2021 Q1-Q3	2020 Q1-Q3	2020-21 LTM	2020 Full year
<b>Income statement</b>				
Revenue	6,046	5,476	7,955	7,385
Operating profit before depreciation (EBITDA) and special items	1,362	1,312	1,808	1,758
Operating profit (EBIT) before special items	99	72	131	104
Special items, net	-25	-47	-150	-172
Operating profit (EBIT)	73	25	-19	-68
Financial items, net	189	231	160	203
Profit before tax	262	256	141	135
<b>Profit for the period</b>	<b>277</b>	<b>254</b>	<b>163</b>	<b>140</b>
<b>Assets</b>				
Non-current intangible assets	409	391		400
Non-current tangible assets	5,541	5,476		5,458
Right-of-use assets	485	960		1,404
Investments in affiliated companies, associates and joint ventures	8,459	6,624		6,760
Non-current receivables from affiliated companies	51	269		261
Other non-current assets	55	151		110
Non-current assets	15,000	13,871		14,393
Current receivables from affiliated companies	647	833		699
Receivables from associates and joint ventures	24	48		27
Cash	984	346		735
Other current assets	1,274	1,396		1,381
Current assets	2,930	2,623		2,842
<b>Assets</b>	<b>17,930</b>	<b>16,494</b>		<b>17,236</b>
<b>Equity and liabilities</b>				
Equity	9,542	9,541		9,382
Non-current liabilities	2,026	2,913		3,093
Current liabilities to affiliated companies	2,095	1,946		2,139
Other current liabilities	4,267	2,094		2,622
Current liabilities	6,362	4,039		4,762
<b>Equity and liabilities</b>	<b>17,930</b>	<b>16,494</b>		<b>17,236</b>
Equity ratio, %	53.2%	57.8%		54.4%
Net interest-bearing debt	4,296	4,020		4,718

# Definitions

<b>Operating profit before depreciation (EBITDA)</b>	Profit before depreciation and impairment on non-current assets
<b>Operating profit (EBIT)</b>	Profit after depreciation and impairment on non-current intangible and tangible assets
<b>Operating margin</b>	$\frac{\text{Operating profit (EBIT) before special items}}{\text{Revenue}} \times 100$
<b>Net operating profit after taxes (NOPAT)</b>	Operating profit (EBIT) minus payable tax for the period adjusted for the tax effect of net finance cost
<b>Invested capital</b>	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
<b>Net Interest-bearing debt</b>	Interest-bearing liabilities (excluding provision for pensions) minus interest-bearing assets minus cash and securities
<b>LTM</b>	Last twelve months
<b>Return on invested capital (ROIC)</b>	$\frac{\text{Net operating profit after taxes (NOPAT)}}{\text{Average invested capital}} \times 100$
<b>Adjusted free cash flow (FCFF)</b>	Cash flow from operating activities excluding net interest received and paid minus cash flow from net investments and payment of lease liabilities and interest
<b>Return on equity</b>	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Average equity excluding non-controlling interests}} \times 100$
<b>Equity ratio</b>	$\frac{\text{Equity at end of period}}{\text{Total assets}} \times 100$
<b>Earnings per share (EPS)</b>	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Weighted average number of ordinary shares in circulation}} \times 100$
<b>P/E ratio</b>	$\frac{\text{Share price at the end of the period}}{\text{Earnings per share (EPS)}} \times 100$
<b>Dividend per share</b>	$\frac{\text{Dividend for the year}}{\text{Number of shares at the end of the period}} \times 100$
<b>Market value</b>	Number of shares, ex. treasury shares, end of period times share price end of period
<b>No. of ships</b>	Owned and chartered ships, including slot charter and vessel sharing agreements
<b>Unit</b>	Logistics Division transported units are defined as a trailer or container regardless of whether the unit carries a full load or part loads. Logistics Division also reports revenue from activities not reporting units, e.g. warehousing activities, managed contracts, workshops, customs clearance and other fees

# ESG definitions

---

<b>Operated ships</b>	Number of ships, owned and chartered, deployed in own route network with fuel consumption included in own CO2 reporting
<b>Total number of days operated</b>	Total number of deployment days for operated ships
<b>CO2 emissions per GT nautical mile</b>	Emissions measured as gCO2 per gross tonnage nautical mile for operated ships
<b>Total marine fuel consumption</b>	Total consumption of heavy fuel oil (HFO) and marine gas oil (MGO) for operated ships
<b>Fuel consumption per nautical mile</b>	Total consumption of heavy fuel oil (HFO) and marine gas oil (MGO) per nautical mile for operated ships
<b>Fuel consumption per GT nautical mile</b>	gCO2 per gross tonnage-nautical mile
<b>Spills (&gt;1 barrel)</b>	Incidents of oil spills larger than one barrel into the sea from operated ships
<b>Number of employees</b>	Average fulltime equivalent number of employees
<b>Total workforce gender ratio</b>	Percentage of women in FTE workforce
<b>Senior management gender ratio</b>	Percentage of women of total number of senior management positions defined as EVPs and VPs
<b>Manager gender ratio</b>	Percentage of women of total number of management positions, excluding senior management, defined as positions with responsibility for at least one other employee
<b>Employee gender ratio</b>	Percentage of women of number of employees, excluding senior management and managers
<b>At sea</b>	Percentage of women of number of employees at sea
<b>On land</b>	Percentage of women of number of employees on land
<b>Lost time injury frequency (LTIF), sea</b>	Number of registered work-related accidents disabling a seafarer to work for more than 24 hours per one million exposure hours
<b>Lost time injury frequency (LTIF), land</b>	Number of registered work-related accidents disabling a land-based employee work for more than 24 hours per one million exposure hours
<b>Colleagues</b>	Number of fatalities among employees caused by work-related accidents
<b>Contractors</b>	Number of fatalities among third-party contractors caused by work-related accidents while operating for DFDS
<b>Representation of women on Board of Directors</b>	Percentage of women of the total number of members of the Board of Directors, excluding staff appointed members
<b>Attendance at Board meetings, %</b>	Percentage of total number of Board meetings attended

---



**DFDS A/S**

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

17 November 2021

Company announcement no.: 35/2021

**Contact**

Torben Carlsen, CEO: +45 33 42 32 01  
Karina Deacon, CFO, +45 33 42 33 42  
Søren Brøndholt Nielsen, IR: +45 33 42 33 59  
Nicole Seroff, Communications: +45 31 40 34 46

**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 DKK 19bn.

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

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

Our 10,000 employees are located on ferries, 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.