

Q2 2022 interim report

STRONG GROWTH

- Q2 EBITDA up 63% to DKK 1.46bn
- Higher earnings across all business units
- Passengers coming back faster than expected
- Extraordinary dividend of DKK 4.00 per share confirmed
- Full-year EBITDA outlook raised to DKK 4.4-4.8bn on 18 July 2022



Highlights Q2

Q2 2022

- Logistics margins increased
- Operating cash flow of DKK 1.6bn
- Financial leverage improved to 3.3 (NIBD/EBITDA)

Outlook 2022, updated

- EBITDA range DKK 4.4-4.8bn (18 July 2022)
- Revenue growth of around 40%

“We delivered an excellent Q2 result based on solid efforts across the organisation. We are on track to continue to grow as we adapt to both challenges and opportunities.”

Torben Carlsen, CEO

Group revenue increased 67% to DKK 7.0bn driven by the ongoing recovery in the number of ferry passengers and yields as well as price increases of freight ferry services and logistics solutions to cover rising energy and other costs. In addition, revenue was increased by the acquisitions of HSF Logistics Group in September 2021 and ICT Logistics in January 2022.

EBITDA increased 63% to DKK 1,459m. The total freight EBITDA for ferry and logistics activities before special items increased 25% to DKK 1,204m driven by higher earnings in all business units.

The total Q2 EBITDA for passenger activities in the Channel, Baltic Sea, and Passenger business units increased to DKK 255m from DKK -70m in 2021 as earnings improved in all three business units on the back of the ongoing recovery in passenger travel. The Q2 passenger EBITDA was 15% below 2019, the latest pre-Covid-19 year.

Outlook 2022

On 18 July 2022, the outlook for EBITDA before special items was raised to DKK 4.4-4.8bn following a stronger than expected recovery in passenger earnings as well as higher freight ferry volumes and earnings (previously DKK 3.9-4.4bn, 2021: DKK 3.4bn). The revenue growth outlook has been updated to around 40% (previously around 35%) due to higher revenue from both passenger and freight activities. The outlook is detailed on page 10.

KEY FIGURES

DKK m	2022 Q2	2021 Q2	Change, %	2021-22 LTM	2020-21 LTM	Change, %	2021 FY
Revenue	7,046	4,213	67.2	22,658	15,340	47.7	17,869
EBITDA before special items	1,459	897	62.6	4,044	3,263	23.9	3,411
EBIT before special items	826	394	109.9	1,681	1,349	24.6	1,313
Profit before tax and special items	745	315	136.3	1,410	1,035	36.2	1,035
Profit before tax	760	328	132.1	1,459	878	66.2	1,069

16 August 2022. Conference call today at 10.00am CET

Access code: 69612122# Phone numbers to the call: DK +45 35445577, US +1 631 913 1422,

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Key figures

DKK m	2022 Q2	2021 Q2	2022 H1	2021 H1	2021-22 LTM	2021 Full year
Income statement						
Revenue	7,046	4,213	12,771	7,981	22,658	17,869
• Ferry Division	4,420	2,960	7,790	5,554	14,041	11,806
• Logistics Division	2,979	1,554	5,644	2,980	9,819	7,155
• Non-allocated items	153	136	315	273	568	526
• Eliminations	-507	-437	-978	-827	-1,770	-1,618
Operating profit before depreciation (EBITDA) and special items	1,459	897	2,280	1,647	4,044	3,411
• Ferry Division	1,203	765	1,801	1,407	3,247	2,852
• Logistics Division	274	126	491	227	857	593
• Non-allocated items	-18	6	-11	14	-60	-34
Profit/loss on disposal of non-current assets, net	4	1	8	2	9	2
Operating profit (EBIT) before special items	826	394	1,040	672	1,681	1,313
Special items, net	15	12	17	2	49	34
Operating profit (EBIT)	841	406	1,057	674	1,731	1,348
Financial items, net	-81	-78	-148	-155	-272	-278
Profit before tax	760	328	909	519	1,459	1,069
Profit for the period	704	306	819	479	1,316	976
Profit for the period excluding non-controlling interest	700	301	812	468	1,301	958
Capital						
Total assets	-	-	33,457	28,515	-	30,721
DFDS A/S' share of equity	-	-	12,057	10,928	-	11,446
Equity	-	-	12,168	11,027	-	11,554
Net interest-bearing debt	-	-	13,646	11,688	-	13,481
Invested capital, end of period	-	-	26,143	22,875	-	25,369
Invested capital, average	26,284	22,668	25,979	22,486	24,921	23,324

DKK m	2022 Q2	2021 Q2	2022 H1	2021 H1	2021-22 LTM	2021 Full year
Cash flows						
Cash flows from operating activities, before financial items and after tax	1,570	995	2,359	1,487	4,356	3,484
Cash flows from investing activities	-558	-164	-1,511	-511	-4,210	-3,210
• Acquisition of enterprises and activities	-21	0	-56	0	-1,821	-1,765
• Other investments, net	-537	-164	-1,455	-511	-2,389	-1,444
Free cash flow	1,012	831	848	977	146	274
Repayment of lease liabilities and lease interest	-253	-227	-589	-422	-1,096	-929
Adjusted free cash flow (FCFF)	758	604	259	554	-950	-655
Key operating and return ratios						
Average number of employees (FTE)	-	-	11,171	8,120	9,458	8,874
Number of ships	-	-	78	81	-	80
Revenue growth (reported), %	67.2	50.6	60.0	20.7	26.8	27.9
EBITDA-margin before special items, %	20.7	21.3	17.9	20.6	17.8	19.1
Operating margin before special items, %	11.7	9.3	8.1	8.4	7.4	7.3
Revenue/invested capital average, times	-	-	-	-	0.9	0.8
Return on invested capital (ROIC), %	-	-	-	-	6.3	5.3
ROIC before special items, %	-	-	-	-	6.1	5.2
Return on equity, %	-	-	-	-	11.3	8.7
Key capital and per share ratios						
Equity ratio, %	-	-	36.4	38.7	-	37.6
Financial leverage, times*	-	-	3.3	3.6	3.3	3.7
Earnings per share (EPS), DKK	12.23	5.24	14.17	8.15	22.70	16.69
Dividend paid per share, DKK	0.00	0.00	4.00	0.00	4.00	0.00
Number of shares, end of period, '000	-	-	58,632	58,632	-	58,632
Weighted average number of circulating shares, '000	-	-	57,286	57,509	-	57,416
Share price, DKK	-	-	214.6	353.8	-	349.0
Market value	-	-	12,286	20,294	-	20,018

* Defined as "Net interest-bearing debt/EBITDA (LTM)". The ratio includes a pro forma EBITDA for acquired companies.

Definitions on page 31.

ESG key figures

	Unit	2022 Q2	2021 Q2	2022 H1	2021 H1	2021-22 LTM	2021 Full year*
Environmental data							
Total number of days operated	Days	5,843	5,694	11,713	11,451	23,459	23,197
CO2 emissions							
CO2 emissions per GT nautical mile (Own fleet)	gCO2	12.6	13.0	12.9	13.1	12.9	13.0
CO2 emissions per GT nautical mile (Route network)	gCO2	13.1	13.6	13.4	13.6	13.5	13.6
Energy consumption							
Total fuel consumption (Route network)	Tonnes HFOe	214,116	198,058	414,312	361,980	824,070	771,738
Oil spills							
Spills (>1 barrel)	Number	0	0	0	0	0	0
Social data							
Representation of women							
Total workforce:	%	-	-	24	24	-	24
• Non-office based	%	-	-	13	12	-	13
• Office based	%	-	-	43	43	-	44
Senior management	%	-	-	15	17	-	17
Managers	%	-	-	15	10	-	14
Employees	%	-	-	25	26	-	27
Safety at sea							
Lost-time injury frequency (LTIF)	Incidents/mill. hours	4.8	3.4	4.6	4.3	4.4	4.3
Safety on land							
Lost-time injury frequency (LTIF)	Incidents/mill. hours	6.0	5.0	8.3	5.8	8.9	7.4
Fatalities							
Colleagues	Accidents	0	1	0	1	0	1
Contractors	Accidents	0	0	0	0	0	0
Governance data							
Representation of women in the Board (AGM elected members)	%	-	-	33	33	-	33
Board nationality - non-Danish (AGM elected members)	%	-	-	33	17	-	17
Independent directors (AGM elected members)	%	-	-	83	83	-	83
Attendance at Board meetings (All Board members)	%	100	100	98	100	99	100
Whistle-blower reporting	Cases	3	4	14	10	33	29

Definitions on page 32.



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

Management review

Market overview

The European demand for freight services and solutions remained robust in Q2. The war in Ukraine and rising inflation have, however, increased uncertainty about economic growth in the remainder of 2022.

European supply chains continue to be challenged by shortages of haulage capacity and personnel. A backlog has therefore accumulated and this is expected to support activity demand should growth slow down later in the year. The introduction of EU's Mobility Package and wage inflation has put pressure on the supply of haulage capacity and bottlenecks may occur again in the remainder of 2022.

Turkey's economy continued its high growth in Q2 despite rising inflation and further depreciation of the Turkish Lira (TRY). Industrial production in the country's export sector continued to grow in the quarter. Activity levels also continued to grow in Scandinavia and the UK as well as most parts of Continental Europe.

Ferry passenger volumes recovered from travel restrictions through the quarter across northern Europe. During the Q3 2022 high season, many routes are expected to reach volumes on level with or above 2019. The recovery is supported by a rise in holiday travel by car

fueled by the raised prices and disruptions of air travel. Ferry pricing was generally higher than in 2019

The main changes in average exchange rates in Q2 2022 vs Q2 2021 were depreciation of TRY/DKK by 40%, appreciation of USD/DKK by 13%.

Major events in Q2

Response and exposure to war in Ukraine

As a consequence of the war in Ukraine, DFDS has terminated all Russian activities. The transport of vehicles registered in Russia was stopped from the beginning of March 2022 ahead of the EU's sanction that came into effect on 16 April 2022. Russian goods were removed from shops on passenger ferries. In July 2022, an agreement to sell the logistics activities in Russia with no material financial impact was entered into.

The war in Ukraine has reduced freight volumes in the Baltic Sea ferry network, particularly in the Germany-Lithuania and Sweden-Lithuania corridors. ICT Logistics has successfully adapted activities away from Russia, including logistics support in Ukraine to international relief organisations, and is expected to achieve a full-year result in line with the acquisition's business plan.

Channel market capacity changes

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

Expansion of rail logistics

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

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

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

Major events after Q2

New Head of Ferry Division appointed

On 6 July 2022, Mathieu Girardin was appointed Head of Ferry Division, EVP, and member of the Executive Management Team (EMT). He joins DFDS in October 2022.

Mathieu Girardin, a French national born in 1982, is currently Senior Vice President at CMA CGM, one of the world's largest shipping and logistics companies, for Short Sea Lines Europe and Containerships. He has held senior management positions at CMA CGM since 2013, including both operational and corporate responsibilities.

Mathieu Girardin succeeds Peder Gellert Pedersen, Head of Ferry Division and EVP, who retired after 28 years with DFDS on 1 August 2022.

Acquisition expands Irish logistics network

To further expand and develop the European logistics offering, DFDS acquired 100% of the share capital of Lucey Transport Logistics Ltd based in Dublin, Ireland.

Lucey Transport Logistics is an Irish provider of transport and logistics solutions, primarily to consumer goods companies. Door-door transports are provided for full- and part-loads as well as distribution services. The logistics solutions include warehousing, inventory management, bonded storage, and product rework and labelling.

Solutions are supported by a distribution centre in Dublin and regional warehousing facilities in key locations across Ireland and Northern Ireland totalling 38k m². Operations

also include 70 trucks and more than 400 trailers. Lucey Transport Logistics had annual revenue of DKK 240m (EUR 32m) and 240 employees in 2021.

The acquisition strengthens DFDS' customer offering in the region, including an opportunity to offer international transports to Lucey Transport Logistics' customers. In addition, synergies are expected from mainly haulage efficiency and equipment procurement.

The transaction is subject to approval by relevant competition authorities.

Dividend

The Board of Directors has confirmed its decision, in accordance with the authority delegated to it, to distribute an extraordinary dividend of DKK 4.00 per share in August 2022 as previously announced in connection with the annual general meeting (AGM). In March 2022, an ordinary dividend of DKK 4.00 per share was approved by the AGM and distributed.

ESG actions and plans

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

Environment

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

Short-term actions and results

In Q2 2022, CO₂ emissions were reduced on both own and chartered vessels deployed across the route network. Own fleet emissions were reduced 3% to 12.6 g/CO₂/GT per mile from 13.0 g/CO₂/GT per mile in Q2 2021. Emissions of the entire route network were reduced 4% to 13.1 g/CO₂/GT per mile from 13.6 g/CO₂/GT per mile in Q2 2021.

Actions are taken on an ongoing basis in the year to lower emissions from the existing ferry fleet:

- Shore power installed on one freight ferry, three more expected to be completed in 2022
- Testing of biofuel is progressing as planned and a first sailing is expected in Q4 2022
- Implementation of Excess Energy Management system completed on eight ferries
- Waste heat recovery installed on three ferries.

Fuel and emission savings from the applications are continuously documented and subsequently applied to the rest of the fleet as appropriate.

The process to deploy 125 eTrucks by the end of 2023 is underway, with the first batch of trucks destined for Gothenburg in Q4 2022. The use of hydrogen powered trucks is being assessed with several manufacturers.

Long-term transformative actions and plans

Projects to enable deployment of a green freight ferry in the route network by 2025 continued in the quarter. In addition, a project to explore retrofitting existing ferries to sail on hydrogen was initiated with H2 Energy.

The project to develop 'green transport corridors' continued in partnership with stakeholders that include companies in different parts of the value chain - agricultural suppliers, food producers, fuel suppliers, and logistics and transport providers. The aim is to accelerate the green transition - from incremental steps to full climate neutrality - by knowledge sharing across sectors, efficient use of resources, and large-scale implementation of de-carbonisation initiatives.

The de-carbonisation of logistics activities includes a target of a 50% absolute reduction in emissions from warehousing and road transportation by 2030. Reductions of road emissions will be made by use of alternative fuels and further electrification of the truck portfolio. By investing in solar panels (photovoltaic systems), our warehouses are expected to produce 10m Kwh of green electricity per year by 2030.

Revenue

DKK m	Q2 2022	Q2 2021	Change, %	Change
Ferry Division	4,420	2,960	49.3	1,460
Logistics Division	2,979	1,554	91.7	1,425
Non-allocated items	153	136	12.4	17
Eliminations	-507	-437	-16.0	-70
DFDS Group	7,046	4,213	67.2	2,833

Social

Diversity & Inclusion

The total female representation in the workforce of 24% was on level with H1 2021 despite the consolidation of HSF Logistics Group with a female gender ratio below DFDS. The office female gender ratio of 43% was on level with 2021 and thus above DFDS' 30% target. The female gender ratio for non-office employees increased to 13%. The senior management female gender ratio decreased to 15% as senior management was expanded with male managers. The ratio for managers increased to 15% from 10% in 2021 due to a return of female managers following furloughing that lowered the female gender ratio in 2020 and 2021.

Safety

For sea-based operations, the lost-time injury frequency (LTIF) increased to 4.8 in Q2 2022 from 3.4 in Q2 2021. The increase was due to minor injuries and timing differences in the reporting between Q2 and Q1.

For land-based operations, the data quality of reporting was improved and expanded from the beginning of 2022

as the land-based Health & Safety organisation was strengthened. In combination with the addition of HSF Logistics Group, LTIF therefore reported a large increase in Q1 2022 to 10.9 from 5.8 in Q1 2021. In Q2 2022, LTIF was reduced to 6.0 as increased focus on personal attendance to own and colleagues' safety improved safety performance in both port terminal and logistics locations.

Governance

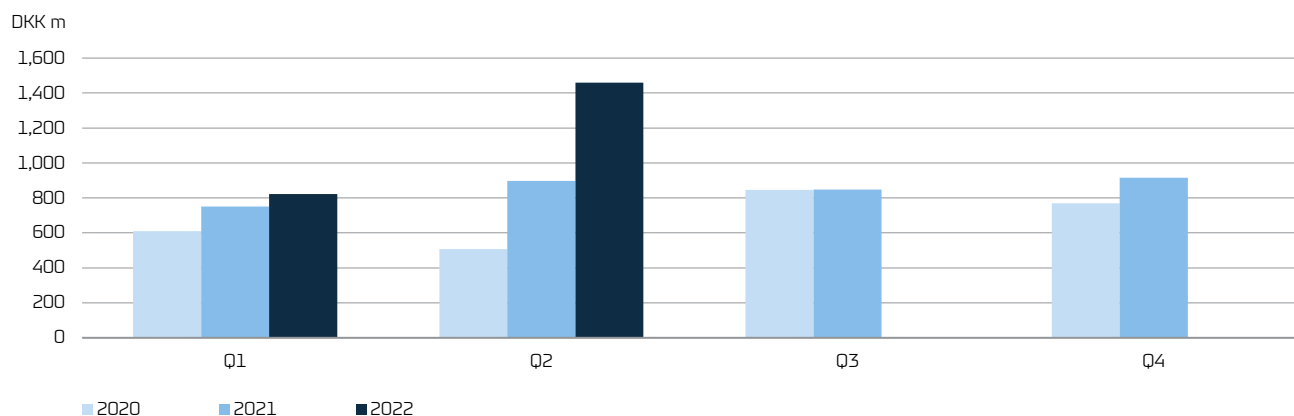
The war in Ukraine has entailed increased focus on monitoring of sanctions and intensified dialogue with stakeholders.

Financial performance

Revenue

The Group's Q2 revenue was DKK 7,046m, an increase of 67.2% compared to 2021.

The Group's H1 revenue was DKK 12,771m, an increase of 60.0% compared to 2021.

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

DKK m	Q2 2022	Q2 2021	Change, %	Change
Ferry Division	1,203	766	57.1	437
Logistics Division	274	126	117.8	148
Non-allocated items	-18	6	n.a.	-24
DFDS Group	1,459	897	62.6	562
EBITDA-margin, %	20.7	21.3	n.a.	-0.6

Associates and joint ventures, profits on disposals and depreciation

DKK m	Q2 2022	Q2 2021	Change, %	Change
EBITDA before special items	1,459	897	62.6	562
Associates and joint ventures	-2	-2	34.2	1
Profit on disposals	4	1	n.a.	3
Depreciation and impairment	-635	-502	-26.5	-133
EBIT before special items	826	394	109.9	432

Financial items

DKK m	Q2 2022	Q2 2021	Change, %	Change
Interests, net	-81	-72	-12.6	-9
Foreign exchange gains/losses, net	7	-2	n.a.	10
Other items, net	-7	-4	-75.5	-3
Total finance, net	-81	-78	-3.2	-3

Ferry Division's Q2 revenue increased 49.3% to DKK 4,420m following a significant increase in passenger revenue driven by the recovery from Covid-19 and higher pricing. Higher freight volumes and rates increased revenue in primarily the Mediterranean and North Sea business units. In addition, revenue from bunker surcharges increased considerably due to higher oil prices throughout the quarter.

Logistics Division's Q2 revenue increased 91.7% to DKK 2,979m. Around 70% of the increase was due to the acquisitions of HSF Logistics Group and ICT Logistics. Organic revenue growth for the existing activities was 27% reflecting higher activity, including new warehousing and customs activities, and price increases across regions. The latter included surcharges for higher fuel prices and the EU Mobility Package as well as increases to cover higher costs, particularly for haulage providers.

Operating profit before depreciation (EBITDA) and special items

The Group's Q2 EBITDA increased 63% or DKK 562m to DKK 1,459m driven by both higher freight and passenger earnings.

The Group's H1 EBITDA increased 38% to DKK 2,280m while the EBITDA for the last twelve months was DKK 4,044m.

Ferry Division's Q2 EBITDA increased 57% or DKK 437m to DKK 1,203m. The EBITDA for freight ferry activities

increased 13% or DKK 112m to DKK 948m driven mostly by the Mediterranean and North Sea business units.

The total EBITDA for passenger activities across the network increased DKK 325m to DKK 255m from DKK -70m in 2021. The increase was driven by the recovery of passenger travel from Covid-19.

Logistics Division's Q2 EBITDA more than doubled to DKK 274m following the acquisition of HSF Logistics Group, included in the Cold Chain business unit. In addition, cost coverage was improved, and hence margins, for the existing Dry Goods business unit.

Depreciation and operating profit (EBIT) before special items

Depreciation in Q2 of DKK 635m was slightly up compared to the previous quarter but increased 26% or DKK 133m compared to 2021. Around half of the increase was due to the acquisition of HSF Logistics Group. The other half of the increase was primarily related to depreciation on additional chartered vessels and new leased logistics warehouses.

The Group's Q2 EBIT before special items increased 110% to DKK 826m and for H1 EBIT before special items increased 55% to DKK 1,040m.

Special items and operating profit (EBIT) after special items

In Q2 2022, special items were a net income of DKK 15m and for H1 special items were a net income of DKK 17m.

The Group's Q2 EBIT after special items increased 107% to DKK 841m and for H1 EBIT after special items increased 57% to DKK 1,057m.

Financial items

Total finance, net in Q2 was a cost of DKK 81m, an increase of DKK 3m compared to Q2 2021. The net interest cost was DKK 9m above 2021 while the variance for net currency adjustments was positive by DKK 10m.

Profit before special items and tax

The Q2 profit before special items and tax increased 132% to DKK 760m and the profit for the period of DKK 704m was 130% above 2021. For H1, the profit before special items and tax increased 75% to DKK 909m and the profit for the period was DKK 819m.

Earnings per share

Q2 earnings per share (EPS) increased 133% to DKK 12.23 and for H1 EPS increased 74% to DKK 14.17.

Cash flow and investments

The Q2 cash flow from operating activities increased 56% to DKK 1,565m compared to Q2 2021 due to the improved operating result. The Q2 2022 cash flow included a positive cash flow of DKK 99m from a reduction of working capital.

Net investments in Q2 were a negative cash flow of DKK 558m of which DKK 263m was related to ferry upgrades and dockings, and DKK 276m was invested in port terminals, logistics warehousing, and cargo carrying equipment, including tug-masters, trailers, and containers.

The Q2 free cash flow (FCFF) was DKK 1,012m and DKK 758m adjusted for payment of lease liabilities including interest compared to DKK 604m in Q2 2021.

The Q2 cash flow from financing activities was negative by DKK 280m, including a net outflow from loans of DKK 62m and payment of lease liabilities of DKK 220m. The net increase in cash was DKK 647m and at the end of Q2 cash amounted to DKK 1,528m.

For H1, the cash flow from operating activities was DKK 2,280m and the free cash flow (FCFF) before acquisitions was DKK 904m and DKK 315m adjusted for payment of lease liabilities including interest. Net investments in H1 was an outflow of DKK 1,511bn including acquisitions. The cash flow from financing activities was a net outflow of DKK 64m bringing the net cash flow for H1 to a plus of DKK 627m.

Invested capital and ROIC

Invested capital increased 14% to DKK 26.1bn at the end of Q2 2022 compared to the same period in 2021. The increase was mostly due to the acquisition of HSF Logistics Group, completion of ferry newbuildings as well as capitalisation of additional ferry and logistics leases.

The return on invested capital, ROIC, for Q2 2022 (last twelve months) was 6.1% before special items compared to 5.2% for the full-year 2021.

Capital structure

At the end of Q2 2022 net-interest-bearing debt (NIBD) was DKK 13.6bn, an increase of 17% compared to the end

of Q2 2021. The increase was primarily due to the acquisition of HSF Logistics Group. Financial leverage, as measured by the ratio of NIBD to EBITDA before special items for the last twelve months (LTM), was 3.3 at the end of Q2 compared to 3.7 at year-end 2021 and 3.6 at the end of Q2 2021. The ratio includes a pro forma LTM EBITDA for acquired companies.

Equity

Equity amounted to DKK 12,168m at the end of Q2 2022, including non-controlling interests of DKK 111m. This was an increase of 10% compared to the end of Q2 2021. Total comprehensive income for H1 2022 was DKK 866m. Transactions with owners of DKK -252m included a dividend payment of DKK 229m.

The equity ratio was 36% at the end of Q2 2022 compared to 39% at Q2 2021.

Outlook 2022

Demand for freight and passenger services is expected to remain robust in the next couple of months. This demand may, however, be dampened later in 2022 by a slowdown driven by developments in the macro environment and by supply chain constraints. Uncertainty remains elevated and significant changes to the outlook may therefore still occur.

Key freight outlook assumptions for 2022

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

OUTLOOK 2022

DKK m	Outlook 2022	Previous outlook 2022	2021
Revenue growth	Around 40%	Around 35%	17,869
EBITDA before special items	4,400-4,800	3,900-4,400	3,411
Per division:			
Ferry Division	3,500-3,800	3,050-3,450	2,852
Logistics Division	950-1,050	900-1,000	593
Non-allocated items	-50	-50	-35
Investments	-2,700	-2,300	-3,210
Types:			
Operating	-1,600	-1,400	-975
Ferries: sale & purchase and newbuildings	-800	-800	-490
Acquisitions	-300	-100	-1,745

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

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

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

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

Key passenger outlook assumptions for 2022

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

- Covid-19 reduced the passenger EBITDA by DKK 1bn in 2020, and the 2021 EBITDA remained on level with 2020
- Overcapacity in Channel market due to entry of a third ferry operator
- UK duty-free sales to mitigate Channel overcapacity somewhat.

It is now assumed that around 80% of the EBITDA decrease will be regained in 2022 compared to previously around 60%.

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

Revenue outlook

The revenue growth outlook is increased to around 40% compared to 2021 due to significantly higher revenue from oil surcharges as well as higher passenger revenue (previously around 35%).

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

Earnings outlook

Based on the above assumptions, the Group's EBITDA before special items is expected to be within a range of DKK 4.4-4.8bn (previously DKK 3.9-4.4bn, 2021: DKK 3.4bn). See outlook table for divisional split.

Investments

The outlook for investments in 2022 has been increased to around DKK 2.7bn (previously DKK 2.3bn) due to the acquisition of an Irish logistics company and additional ferry and logistics investments:

- One combined freight and passenger ferry newbuilding and exercise of a purchase option to buy one freight ferry: DKK 800m
- Ferry operating: DKK 1,100m
- Logistics operating: DKK 500m

- Acquisitions: DKK 300m.

Capital structure

The financial leverage, as measured by the ratio between NIBD and EBITDA, is expected to decrease further from 3.3 LTM Q2 2022 towards the target range of 2.0-3.0 by year-end 2022.

Various risks and uncertainties pertain to the outlook

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

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

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

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

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

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



Passenger recovery

Passengers are coming back on our ferry routes across northern Europe faster than expected following the cancellation of travel restrictions.

Ferry Division

The division is organised in five business units:

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

Q2 market, activity, and result trends

Total Q2 freight volumes increased 4.1% compared to Q2 2021. For the last twelve months, freight volumes increased 0.2%.

Total Q2 passenger volumes increased almost tenfold to 984k from 109k in Q2 2021. The Q2 2022 volumes equalled 71% of volumes in Q2 2019. For the last twelve months, passenger volumes increased 103.4%.

North Sea

Q2 freight volumes were 1.0% below 2021 mainly due to a continued dampening of automotive volumes by supply chain bottlenecks and lower capacity due to extended dockings, mainly between the Netherlands and the UK.

Ferry Division

DKK m	2022		2022 H1	2021 H1	2021				2021-22 LTM	2021 Full year
	Q1	Q2			Q1	Q2	Q3	Q4		
Revenue	3,369	4,420	7,790	5,554	2,594	2,960	3,029	3,223	14,041	11,806
EBITDA before special items	598	1,203	1,801	1,407	641	766	704	741	3,247	2,852
Share of profit/loss of associates and joint ventures	-4	-1	-5	-5	-3	-2	-3	-4	-12	-13
Profit/loss on disposal of non-current assets, net	2	0	2	1	1	0	1	2	5	4
Depreciation and impairment	-445	-466	-911	-808	-387	-420	-422	-455	-1,787	-1,684
EBIT before special items	151	735	887	595	251	343	281	284	1,452	1,160
EBIT margin before special items, %	4.5	16.6	11.4	10.7	9.7	11.6	9.3	8.8	10.3	9.8
Special items, net	0	15	15	20	0	20	0	-8	7	12
EBIT	151	750	902	615	251	364	281	277	1,459	1,172
Invested capital, average	20,780	20,796	20,709	20,490	20,299	20,668	20,539	20,371	20,641	20,442
ROIC before special items, %	-	-	-	-	-	-	-	-	6.6	5.3
Average number of employees	-	-	5,913	5,223	-	-	-	-	5,504	5,381
Lane metres, '000	10,617	11,523	22,140	21,324	10,246	11,078	10,602	10,918	43,660	42,844
Tons, '000	169	149	318	314	167	147	162	157	637	633
Passengers, '000	283	984	1,267	192	83	109	388	289	1,944	869

Q2 EBITDA increased 21% to DKK 457m driven by revenue growth from rate increases and standage fees in port terminals as well as lower operating costs.

Mediterranean

Q2 freight volumes increased 12.7% reflecting continued growth in Turkish exports to Europe supported by an increase of capacity on the routes between Turkey and France as well as between southern Turkey and Italy. In total, the route network was expanded with three ferries compared to Q2 2021 to a total of 21.

Q2 EBITDA increased 33% to DKK 341m driven by the higher volumes as well as improved results for the port

terminal and rail activities, including the addition of primeRail.

Channel

Q2 freight volumes increased 9.9% driven by higher volumes on all corridors. Volumes on the Dover Strait were boosted by a competitor's suspension of sailings in April and most of May. Demand between Ireland and France continued to be robust.

Passenger volumes recovered through Q2, as travel restrictions were abolished, increasing to 629k from 50k in Q2 2021. The number of passengers was likewise boosted by a competitor's suspension of sailings on the Dover

Strait, re above. The number of passengers amounted to 67% of passengers in Q2 2019. Duty-free sales was increased by the higher number of passengers compared to 2021.

Q2 EBITDA almost doubled to DKK 205m driven by the recovery in passenger volumes and onboard spending. The passenger result was above Q2 2019. The freight result was negatively impacted by higher operating costs, including a continued ramp-up of the freight-only (ro-ro) route opened between Calais and Sheerness, and the loss of income from a Brexit standby agreement in 2021.

Baltic Sea

Q2 freight volumes were down 17.8% as the war in Ukraine reduced volumes, especially between Germany and Lithuania. Reduced sailing frequency between Sweden and Estonia also reduced volumes.

Passenger volumes were up 14.1% as holiday travel by car increased due to raised prices and disruptions in airline travel.

The Baltic route network's capacity was adapted following the deployment of two combined freight and passenger newbuildings (ro-pax) on Karlshamn-Klaipeda in January and April, respectively. The two new ferries replaced three ferries, one of which was moved to Paldiski-Kapellskär to restore a two-ferry setup. Another was moved to Rosslare-Dunkirk. Capacity was reduced by one freight ferry (ro-ro) on Kiel-Klaipeda due to the Ukraine war. These changes freed up two freight ferries that have been chartered out.

Q2 EBITDA increased 7% to DKK 119m as the reduced freight volumes were offset by lower operating costs and higher passenger earnings.

Passenger

Passenger volumes recovered through Q2, as travel restrictions were abolished, increasing to 294k from 6k in Q2 2021. In addition, Oslo-Frederikshavn-Copenhagen was suspended in most of Q2 2021 due to Covid-19. The number of passengers amounted to 76% of passengers in Q2 2019.

Q2 EBITDA increased DKK 184m to DKK 64m from DKK -120m in Q2 2021. The increase was driven by the recovery in passenger volumes as well as an increase in average revenue per pax which partly offset an increase in the net bunker cost.

Non-allocated items

These items primarily include external charter activities. Q2 EBITDA decreased 53% to DKK 17m.

Ferry Division

DKK m	Q1	2022	2022	2021	2021			2021-22	2021	
		Q2	H1	H1	Q1	Q2	Q3	Q4	LTM	Full year
North Sea										
Revenue	1,165	1,372	2,537	2,088	971	1,117	991	1,081	4,609	4,161
EBITDA before special items	314	457	770	679	301	378	284	325	1,379	1,287
EBIT before special items	159	308	467	379	150	229	142	169	778	690
Invested capital*	6,038	5,971	5,980	6,542	6,762	6,811	6,253	5,930	6,201	6,362
ROIC before special items, %	-	-	-	-	-	-	-	-	12.3	10.6
Lane metres freight, '000	3,510	3,574	7,084	6,967	3,358	3,609	3,362	3,439	13,886	13,769
Tons, '000	169	149	318	314	167	147	162	157	637	633
Mediterranean										
Revenue	903	1,101	2,004	1,413	670	743	740	841	3,584	2,993
EBITDA before special items	293	341	634	505	248	257	276	297	1,207	1,078
EBIT before special items	151	196	347	309	155	154	160	166	673	635
Invested capital*	9,291	9,247	9,244	9,500	9,558	9,408	9,182	9,192	9,264	9,375
ROIC before special items, %	-	-	-	-	-	-	-	-	6.5	6.3
Lane metres freight, '000	1,363	1,426	2,789	2,456	1,191	1,265	1,229	1,349	5,367	5,034
Channel										
Revenue	685	1,074	1,759	1,211	568	643	681	728	3,167	2,619
EBITDA before special items	69	205	274	178	74	104	78	102	454	358
EBIT before special items	-21	100	79	-9	-16	7	-18	10	72	-16
Invested capital*	2,172	2,426	2,213	1,841	1,701	2,250	2,133	2,040	2,204	1,939
ROIC before special items, %	-	-	-	-	-	-	-	-	2.9	-1.2
Lane metres freight, '000	4,629	5,410	10,039	9,454	4,531	4,923	4,767	4,927	19,734	19,149
Passengers, '000	127	629	756	87	38	50	224	130	1,110	441
Baltic Sea										
Revenue	334	412	746	667	306	361	382	333	1,461	1,381
EBITDA before special items	51	119	170	194	83	111	118	80	368	391
EBIT before special items	16	86	101	120	51	68	80	26	207	226
Invested capital*	2,250	2,515	2,128	1,563	1,525	1,320	1,689	1,620	1,879	1,600
ROIC before special items, %	-	-	-	-	-	-	-	-	10.9	14.0
Lane metres freight, '000	999	986	1,985	2,303	1,104	1,199	1,108	1,056	4,149	4,467
Passengers, '000	40	61	101	94	40	53	79	41	222	214
Passenger										
Revenue	184	446	630	71	31	40	184	208	1,022	463
EBITDA before special items	-147	64	-83	-220	-100	-120	-85	-87	-255	-392
EBIT before special items	-168	34	-134	-272	-124	-147	-109	-108	-350	-488
Invested capital*	798	859	785	645	629	731	751	699	767	677
ROIC before special items, %	-	-	-	-	-	-	-	-	-46.0	-72.6
Lane metres freight, '000	114	127	241	143	61	82	136	147	524	425
Passengers, '000	116	294	410	11	5	6	84	118	612	214
Non-allocated items										
Revenue	140	76	216	188	86	102	105	164	485	456
EBITDA before special items	18	17	34	72	36	36	34	25	94	131
EBIT before special items	14	12	26	68	35	33	25	22	74	115

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

Logistics Division

The division is organised in two business units:

- Dry Goods
- Cold Chain

Q2 market, activity and result trends

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

Dry Goods

Forwarding volumes in most corridors were below or on level with last year as shortages of staff and equipment reduced transport capacity. Demand for contract logistics solutions continued at a high level with increasing utilisation of new warehousing facilities in Sweden, the Netherlands, and the UK. The existing Swedish and Dutch contract logistics solutions also saw high growth.

Q2 EBITDA increased 76% to DKK 147m as most activities in the Nordic and Continent regions improved earnings driven by a mix of higher activity, also from new warehousing and customs activities, and improved cost coverage from both higher rates as well as surcharges related to fuel and the Mobility Package. Results for the

Logistics Division

DKK m	2022		2022	2021	2021				2021-22	2021
	Q1	Q2	H1	H1	Q1	Q2	Q3	Q4	LTM	Full year
Revenue	2,666	2,979	5,644	2,980	1,426	1,554	1,633	2,541	9,819	7,155
EBITDA before special items	216	274	491	227	101	126	155	211	857	593
Share of profit/loss of associates and joint ventures	-1	0	-1	0	0	0	0	0	-1	0
Profit/loss on disposal of non-current assets, net	2	4	6	1	0	1	0	-2	4	-1
Depreciation and impairment	-144	-147	-291	-123	-62	-61	-73	-127	-490	-322
EBIT before special items	74	131	205	105	39	66	83	81	370	269
EBIT margin before special items, %	2.8	4.4	3.6	3.5	2.7	4.2	5.1	3.2	3.8	3.8
Special items, net	2	0	2	-19	0	-19	25	-4	24	2
EBIT	77	131	207	85	39	47	109	77	393	271
Invested capital, average	4,418	4,676	4,525	1,473	1,469	1,497	2,720	4,091	3,803	2,520
ROIC before special items, %	-	-	-	-	-	-	-	-	7.6	8.6
Average number of employees	-	-	4,463	2,196	-	-	-	-	3,201	2,774

UK region was held back by higher operating costs, especially for haulage.

Cold Chain

The addition of HSF Logistics Group more than tripled revenue compared to Q2 2021. Nordic and German activity levels were stable or increasing in the quarter. The Dutch activities continued to face some headwind from meat supply disruptions due to the war in Ukraine. Moreover, meat producers have increased focus on sales within EU as Brexit has increased complexity of UK sales. Customer rental of reusable packaging was stable. The activity level for the existing Cold Chain activities was overall below last year mainly due to lower Scottish aquaculture volumes while airline catering activity increased.

The integration of HSF Logistics Group is overall on track with both commercial and operational synergies in line with expectations.

Q2 EBITDA tripled to DKK 127m from DKK 43m in Q2 2021 driven by the addition of HSF Logistics Group that overall performed in line with expectations. The result for the existing UK activities was below last year due to a mix of lower volumes and lagging cost recovery.

Logistics Division

DKK m	Q1	2022 Q2	2022 H1	2021 H1	Q1	2021 Q2	Q3	Q4	2021-22 LTM	2021 Full year
Dry Goods										
Revenue	1,606	1,809	3,415	2,504	1,208	1,297	1,254	1,407	6,076	5,166
EBITDA before special items	109	147	256	154	70	83	93	66	415	312
EBIT before special items	44	77	121	61	23	38	44	20	185	125
Invested capital*	1,562	1,682	1,449	1,006	1,038	989	922	1,103	1,252	1,009
ROIC before special items, %	-	-	-	-	-	-	-	-	11.9	9.8
Cold Chain										
Revenue	1,329	1,446	2,775	765	359	407	544	1,360	4,679	2,669
EBITDA before special items	107	127	234	73	31	43	63	145	442	281
EBIT before special items	30	54	84	44	16	28	39	62	184	145
Invested capital*	3,048	3,059	3,076	467	475	492	3,037	3,122	2,552	1,512
ROIC before special items, %	-	-	-	-	-	-	-	-	5.4	7.7

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

Management statement

The Board of Directors and the Executive Board have reviewed and approved the interim report of DFDS A/S for the period 1 January – 30 June 2022.

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

In our opinion, the interim report gives a true and fair view of the DFDS Group's assets, liabilities and financial position at 30 June 2022 and of the results of the DFDS Group's operations and cash flow for the period 1 January – 30 June 2022.

Further, in our opinion, the Management review p. 2-17 gives a true and fair review of the development in the Group's operations and financial matters, the result of the DFDS Group's operations for the period and the financial position as a whole.

Copenhagen, 16 August 2022



Executive Board Torben Carlsen, CEO. Karina Deacon, CFO

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

DFDS Group Income statement

DKK m	Note	2022 Q2	2021 Q2	2022 H1	2021 H1	2021-22 LTM	2021 Full year
Revenue	3)	7,046	4,213	12,771	7,981	22,658	17,869
Costs							
Ferry and other ship operation and maintenance		-1,698	-845	-3,103	-1,544	-5,439	-3,880
Freight handling		-840	-675	-1,578	-1,249	-2,927	-2,598
Transport solutions		-1,610	-856	-3,050	-1,710	-5,233	-3,893
Employee costs		-1,184	-789	-2,259	-1,535	-4,168	-3,444
Costs of sales and administration		-254	-152	-500	-295	-848	-643
Operating profit before depreciation (EBITDA) and special items		1,459	897	2,280	1,647	4,044	3,411
Share of profit/loss of associates and joint ventures		-2	-2	-6	-6	-13	-13
Profit/loss on disposal of non-current assets, net		4	1	8	2	9	2
Depreciation, ferries and other ships		-380	-330	-742	-630	-1,433	-1,322
Depreciation, other non-current assets		-254	-172	-501	-341	-925	-766
Operating profit (EBIT) before special items		826	394	1,040	672	1,681	1,313
Special items, net	4)	15	12	17	2	49	34
Operating profit (EBIT)		841	406	1,057	674	1,731	1,348
Financial income		12	0	28	2	60	29
Financial costs		-93	-79	-176	-157	-332	-307
Profit before tax		760	328	909	519	1,459	1,069
Tax on profit		-56	-21	-90	-41	-143	-94
Profit for the period		704	306	819	479	1,316	976
Attributable to:							
Equity holders of DFDS A/S		700	301	812	468	1,301	958
Non-controlling interests		4	6	7	10	15	18
Profit for the period		704	306	819	479	1,316	976
Earnings per share							
Basic earnings per share (EPS) of DKK 20, DKK		12.23	5.24	14.17	8.15	22.70	16.69
Diluted earnings per share (EPS-D) of DKK 20, DKK		12.22	5.24	14.15	8.14	22.68	16.67

DFDS Group – Statement of Comprehensive income

DKK m	2022 Q2	2021 Q2	2022 H1	2021 H1	2021-22 LTM	2021 Full year
Profit for the period	704	306	819	479	1,316	976
Other comprehensive income						
Items that will not be reclassified subsequently to the Income statement:						
Remeasurement of defined benefit pension obligations	0	0	0	0	140	140
Tax on items that will not be reclassified to the Income statement	0	0	0	0	-25	-25
Items that will not be reclassified subsequently to the Income statement	0	0	0	0	115	115
Items that are or may be reclassified subsequently to the Income statement:						
Value adjustment of hedging instruments:						
Value adjustment for the period	76	4	133	5	171	42
Value adjustment transferred to operating costs	0	-13	0	-21	-35	-56
Value adjustment transferred to financial costs	4	-10	8	-6	15	1
Value adjustment transferred to non-current tangible assets	0	-65	7	-31	-101	-139
Tax on items that may be reclassified to the Income statement	-12	-1	-12	-1	-13	-1
Foreign exchange adjustments, subsidiaries	-71	10	-88	26	-86	28
Items that are or may be reclassified subsequently to the Income statement	-4	-75	47	-28	-48	-124
Total other comprehensive income after tax	-4	-75	47	-28	66	-9
Total comprehensive income	701	231	866	450	1,382	966
Attributable to:						
Equity holders of DFDS A/S	697	226	859	440	1,369	950
Non-controlling interests	4	6	7	10	13	16
Total comprehensive income	701	231	866	450	1,382	966

DFDS Group - Balance sheet

Assets

DKK m	2022 H1	2021 H1	2021 Full year
Goodwill	4,335	3,438	4,280
Other non-current intangible assets	1,623	1,151	1,659
Software	312	233	298
Development projects in progress	10	68	14
Non-current intangible assets	6,280	4,889	6,252
Land and buildings	500	187	427
Terminals	799	726	718
Ferries and other ships	12,992	11,723	11,460
Equipment, etc.	1,428	673	1,289
Assets under construction and prepayments	303	698	1,368
Right-of-use assets	4,004	3,670	3,926
Non-current tangible assets	20,025	17,678	19,188
Investments in associates, joint ventures and securities	21	43	35
Receivables	16	16	16
Prepaid costs	166	282	222
Deferred tax	23	54	31
Pension assets	35	0	25
Derivative financial instruments	201	8	36
Other non-current assets	463	404	366
Non-current assets	26,768	22,972	25,807
Inventories	422	216	269
Trade receivables	3,789	2,571	2,772
Receivables from associates and joint ventures	26	24	26
Other receivables	582	559	624
Prepaid costs	305	343	299
Derivative financial instruments	37	113	22
Cash	1,528	1,681	902
Current assets	6,689	5,507	4,914
Assets classified as held for sale	0	37	0
Total current assets	6,689	5,544	4,914
Assets	33,457	28,515	30,721

Equity and liabilities

DKK m	2022 H1	2021 H1	2021 Full year
Share capital	1,173	1,173	1,173
Reserves	-339	-301	-396
Retained earnings	10,989	10,056	10,435
Proposed dividends	235	0	235
Equity attributable to equity holders of DFDS A/S	12,057	10,928	11,446
Non-controlling interests	111	99	108
Equity	12,168	11,027	11,554
Interest-bearing liabilities	9,111	9,300	8,707
Lease liabilities	3,269	2,892	3,118
Deferred tax	353	214	366
Pension and jubilee liabilities	80	196	76
Other provisions	61	44	117
Derivative financial instruments	28	106	6
Non-current liabilities	12,902	12,752	12,390
Interest-bearing liabilities	2,097	439	1,791
Lease liabilities	723	665	721
Trade payables	4,025	2,646	3,119
Payables to associates and joint ventures	17	51	51
Other provisions	108	66	56
Corporation tax	141	54	113
Other payables	743	641	679
Derivative financial instruments	78	3	77
Prepayments	455	171	171
Current liabilities	8,388	4,737	6,778
Liabilities	21,289	17,488	19,167
Equity and liabilities	33,457	28,515	30,721

DFDS Group - Statement of changes in equity 1 January - 30 June 2022

DKK m	Reserves						Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
	Share capital	Translation reserve	Hedging Reserve	Treasury shares	Retained earnings	Proposed dividends			
Equity at 1 January 2022	1,173	-366	-5	-25	10,435	235	11,446	108	11,554
Comprehensive income for the period									
Profit for the period					812		812	7	819
Other comprehensive income									
Items that are or may be reclassified subsequently to the Income statement:									
Value adjustment of hedging instruments for the period			133				133		133
Value adjustment transferred to financial costs			8				8		8
Value adjustment transferred to non-current tangible assets			7				7		7
Tax on items that will be reclassified to the Income statement			0		-12		-12		-12
Foreign exchange adjustments, subsidiaries		-88					-88	0	-88
Items that are or may subsequently be reclassified to the Income statement	0	-88	147	0	-12	0	48	0	47
Total other comprehensive income after tax	0	-88	147	0	-12	0	48	0	47
Total comprehensive income	0	-88	147	0	800	0	859	7	866
Transactions with owners									
Acquisition, non-controlling interests					1		1	-1	0
Dividend paid						-229	-229		-229
Dividend paid, non-controlling interests							0	-3	-3
Dividend on treasury shares					5	-5	0		0
Proposed extraordinary dividend					-235	235	0		0
Share-based payments					12		12		12
Purchase of treasury shares				-2	-30		-32		-32
Transactions with owners	0	0	0	-2	-246	0	-248	-4	-252
Equity at 30 June 2022	1,173	-454	143	-28	10,989	235	12,057	111	12,168

DFDS Group - Statement of changes in equity 1 January - 30 June 2021

DKK m	Reserves						Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
	Share capital	Translation reserve	Hedging Reserve	Treasury shares	Retained earnings	Proposed dividends			
Equity at 1 January 2021	1,173	-394	147	-25	9,611	0	10,511	89	10,600
Comprehensive income for the period									
Profit for the period					468		468	10	479
Other comprehensive income									
Items that are or may be reclassified subsequently to the Income statement:									
Value adjustment of hedging instruments for the period			5				5		5
Value adjustment transferred to operating costs			-21				-21		-21
Value adjustment transferred to financial costs			-6				-6		-6
Value adjustment transferred to non-current tangible assets			-31				-31		-31
Tax on items that will be reclassified to the Income statement					-1		-1		-1
Foreign exchange adjustments, subsidiaries		26					26	0	26
Items that are or may subsequently be reclassified to the Income statement	0	26	-54	0	-1	0	-28	0	-28
Total other comprehensive income after tax	0	26	-54	0	-1	0	-28	0	-28
Total comprehensive income	0	26	-54	0	468	0	440	10	450
Transactions with owners									
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
Transactions with owners	0	0	0	0	-23	0	-23	0	-23
Equity at 30 June 2021	1,173	-368	93	-25	10,056	0	10,928	99	11,027

DFDS Group – Statement of cash flows

DKK m	2022 Q2	2021 Q2	2022 H1	2021 H1	2021-22 LTM	2021 Full year
Operating profit before depreciation (EBITDA) and special items	1,459	897	2,280	1,647	4,044	3,411
Cash flow effect from special items related to operating activities	-2	-23	-3	-35	-19	-51
Adjustments for non-cash operating items, etc.	16	9	33	14	81	62
Change in working capital	99	128	127	-72	346	148
Payment of pension liabilities and other provisions	-7	-9	-14	-16	-31	-33
Cash flow from operating activities, gross	1,565	1,001	2,423	1,539	4,420	3,536
Interest received, etc.	11	3	14	4	38	26
Interest paid, etc.	-95	-109	-172	-161	-313	-302
Taxes paid	5	-6	-64	-52	-64	-52
Cash flow from operating activities, net	1,485	889	2,202	1,330	4,080	3,208
Investments in ferries including dockings, etc.*	-263	-113	-1,047	-408	-1,784	-1,145
Sale of ferries	0	0	21	0	120	99
Investments in other non-current tangible assets	-276	-41	-431	-85	-767	-421
Sale of other non-current tangible assets	19	3	34	7	91	64
Investments in non-current intangible assets	-18	-14	-32	-28	-66	-62
Acquisition of enterprises, associates, joint ventures, and activities	-21	0	-56	0	-1,821	-1,765
Sale of shares in associated company	0	0	0	0	20	20
Other investing cash flows	0	0	0	4	-3	1
Cash flow to/from investing activities, net	-558	-164	-1,511	-511	-4,210	-3,210
Cash flow before financing activities, net	927	725	691	819	-130	-1
Proceed from bank loans and loans secured by mortgage in ships	500	0	2,101	364	3,499	1,762
Repayment and instalments of bank loans and loans secured by mortgage in ships	-562	-333	-1,352	-398	-2,303	-1,349
Payment of lease liabilities	-220	-203	-524	-383	-975	-834
Settlement of forward exchange contracts related to leases	4	44	6	44	51	90
Acquisition of treasury shares	0	-75	-32	-75	-32	-75
Cash received from exercise of share options	0	0	0	48	0	48
Other financing cash flows	2	0	-31	0	-31	0
Dividends paid to non-controlling interests	-3	0	-3	0	-3	0
Dividends paid to equity holders of DFDS A/S	0	0	-229	0	-229	0
Cash flow to/from financing activities, net	-280	-566	-64	-400	-23	-359
Net increase (decrease) in cash and cash equivalents	647	159	627	420	-153	-360
Cash and cash equivalents at beginning of period	882	1,522	902	1,261	1,681	1,261
Foreign exchange and value adjustments of cash and cash equivalents	-1	0	-1	0	-1	1
Cash and cash equivalents at end of period **	1,528	1,681	1,528	1,681	1,528	902

* The cash flow for Q2 2021, H1 2021 and Full year 2021 includes an amount of DKK 19m related to a net settlement of a vessel swap where DFDS buys a vessel of DKK 332m, sells a vessel of DKK 165m, and settles a loan receivable of DKK 149m.

** At 30 June 2022 DKK 175m (30 June 2021: DKK 167m) of the cash was deposited on restricted bank accounts.

Note 1 Accounting policies and significant estimates

Basis of reporting

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

Accounting policies

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

Implementation of new or changed accounting standards and interpretations

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

Significant estimates

In the view of Management, the areas where accounting estimates and assessments are significant remain the same as per DFDS' latest annual report. However, considering Covid-19, the war in Ukraine and the current macro economy environment certain significant estimates have been revisited in Q2 2022 compared to year-end 2021, particularly related to passenger traffic and DFDS' activities in Russia and Ukraine. The review did not give rise to a change in estimates.

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

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

Impairment testing is undertaken at year-end unless indications of impairment occur during the year. In Q2 2022 Management has revisited forecasts for all cash generating units (CGUs) and concludes that no impairments nor reversals of prior year impairments are necessary.

Note 2 Segment Information

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
H1 2022				
External revenue	7,141	5,617	13	12,771
Intragroup revenue	649	28	302	978
Total revenue	7,790	5,644	315	13,749
Operating profit (EBITDA) before special items	1,801	491	-11	2,280
Operating profit (EBIT) before special items	887	205	-52	1,040
Operating profit after special items (EBIT)	902	207	-52	1,057
Invested capital, average	20,709	4,525	745	25,979

DKK m	Ferry Division	Logistics Division	Non- allocated	Total
H1 2021				
External revenue	5,042	2,930	9	7,981
Intragroup revenue	512	51	264	827
Total revenue	5,554	2,980	273	8,807
Operating profit (EBITDA) before special items	1,407	227	14	1,647
Operating profit (EBIT) before special items	595	105	-27	672
Operating profit after special items (EBIT)	615	85	-26	674
Invested capital, average	20,490	1,473	523	22,486

Note 3 Revenue

DKK m	H1 2022			Total
	Ferry Division	Logistics Division	Non-allocated	
Geographical markets				
North Sea	2,652	-	0	2,652
Mediterranean	1,994	-	0	1,994
English Channel	1,781	-	0	1,781
Baltic Sea	713	-	0	713
Continent	-	2,212	0	2,212
Nordic	-	2,236	0	2,236
UK/Ireland	-	1,169	0	1,169
Other	0	0	13	13
Total	7,141	5,617	13	12,771
Product and services				
Seafreight and shipping logistics solutions	5,239	17	0	5,256
Transport solutions	37	5,237	0	5,274
Passenger seafare and on board sales	1,103	0	0	1,102
Terminal services	497	3	0	500
Charters	171	17	0	189
Agency and other revenue	93	343	13	450
Total	7,141	5,617	13	12,771

DKK m	H1 2021			Total
	Ferry Division	Logistics Division	Non-allocated	
Geographical markets				
North Sea	1,790	-	0	1,790
Mediterranean	1,404	-	0	1,404
English Channel	1,203	-	0	1,203
Baltic Sea	646	-	0	646
Continent	-	1,272	0	1,272
Nordic	-	877	0	877
UK/Ireland	-	780	0	780
Other	0	0	9	9
Total	5,042	2,930	9	7,981
Product and services				
Seafreight and shipping logistics solutions	4,121	70	0	4,192
Transport solutions	10	2,829	0	2,839
Passenger seafare and on board sales	237	0	0	237
Terminal services	433	3	0	436
Charters	152	0	0	152
Agency and other revenue	89	27	9	125
Total	5,042	2,930	9	7,981

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 510m (H1 2021: DKK 104m).

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 218m (H1 2021: DKK 163m).

Note 4 Special items

DKK m	2022 H1	2021 H1
Acquisition and integration planning costs relating to HSF Logistics Group	0	-20
ICT value adjustment, etc.	2	0
Reversal of restructuring cost	15	0
Reversal of accrued cost related to Jubilee shares	0	2
Accounting gain on sale of Gothia Seaways	0	20
Special items, net	17	2

Note 5 Acquisition of enterprises and sale of activities

2022

ICT Logistics

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

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

primeRail

On 10 May 2022 DFDS Group acquired 100% of the share capital of the German rail forwarding company primeRail GmbH headquartered in Troisdorf, Germany. The purchase price for the acquired shares amounted to DKK 37m. Cash in the acquired company amounted to DKK 16m. Accordingly the liquidity effect was DKK 21m.

Lucey Transport

On 25 July 2022 DFDS Group entered into an agreement to acquire 100% of the share capital of the Irish logistics service provider Lucey Transport Logistics Ltd. Closing of the transaction is subject to regulatory approvals.

2021

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

Note 6 Fair value measurement of financial instruments

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

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

There were no transfers between the levels in the fair value hierarchy in H1 2022.

Techniques for calculating fair values

Derivatives

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

Note 6 continued

DKK m	H1 2022		H1 2021	
	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets				
Derivatives (Level 2)	237	237	121	121
Securities (Level 3)	2	2	10	10
Financial liabilities				
Derivatives (Level 2)	106	106	109	109

Note 7 Supplementary financial information on the Parent Company

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

The Parent Company's revenue increased by DKK 1,521m, equivalent to 39% compared to H1 2021. Operating profit before depreciation (EBITDA) and special items increased by DKK 175m equivalent to 19% compared to H1 2021.

Profit before tax increased by DKK 323m equivalent to 136% compared to H1 2021.

The Parent Company's net interest-bearing debt decreased by DKK 110m equivalent to 2% compared to 31 December 2021.

DKK m	2022 H1	2021 H1	2021-22 LTM	2021 Full year
Income statement				
Revenue	5,400	3,879	9,771	8,250
Operating profit before depreciation (EBITDA) and special items	1,087	912	1,946	1,771
Operating profit (EBIT) before special items	363	61	380	77
Special items, net	51	-20	15	-55
Operating profit (EBIT)	414	42	394	22
Financial items, net	147	196	35	85
Profit before tax	561	238	429	106
Profit for the period	567	242	455	131
Assets				
Non-current intangible assets	433	409	-	423
Non-current tangible assets	6,777	5,588	-	6,088
Right-of-use assets	1,133	845	-	1,209
Investments in affiliated companies, associates and joint ventures	8,509	6,767	-	8,387
Non-current receivables from affiliated companies	22	53	-	47
Other non-current assets	223	41	-	70
Non-current assets	17,098	13,702	-	16,224
Current receivables from affiliated companies	923	696	-	712
Receivables from associates and joint ventures	24	23	-	23
Cash	976	1,258	-	475
Other current assets	1,603	1,468	-	1,195
Current assets	3,526	3,445	-	2,405
Assets	20,624	17,147	-	18,629
Equity and liabilities				
Equity	9,778	9,550	-	9,355
Non-current liabilities	3,733	3,091	-	3,193
Current liabilities to affiliated companies	2,058	2,020	-	3,429
Other current liabilities	5,055	2,486	-	2,652
Current liabilities	7,113	4,506	-	6,082
Equity and liabilities	20,624	17,147	-	18,629
Equity ratio, %	47.4	55.7	-	50.2
Net interest-bearing debt	6,154	4,134	-	6,264

Definitions

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

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

ESG definitions

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

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Disclaimer

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

About DFDS

DFDS provides ferry and transport services in and around Europe, generating annual revenues of around DKK 25bn.

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

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

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