

## 2022 ANNUAL REPORT

### Company Announcement No. 1012

*“DSV delivered a strong set of results for 2022. We achieved EBIT growth of 48% and a strong cash flow, driven by good performances across all divisions. 2022 was an eventful year, and I know that our teams across the organisation have worked hard to support our customers as they navigated extremely volatile freight markets and geopolitical unrest. We also made good progress on our strategic ambitions, and we have now committed to a net-zero target for CO<sub>2</sub> emissions and continue to look for viable M&A opportunities.*

*Towards the end of the year, our performance was impacted by the general macroeconomic slowdown and a gradual normalisation of the freight markets. We expect this trend will continue into 2023, and this is reflected in our financial guidance,” says Jens Bjørn Andersen, Group CEO.*

#### Selected financial highlights for 2022 (1 January - 31 December 2022)

(DKKm)	Q4 2022	Q4 2021	2022	2021
Revenue	51,231	61,302	235,665	182,306
Gross profit	11,656	11,674	52,149	37,615
EBIT before special items	4,749	5,113	25,204	16,223
Special items	-	324	1,117	478
Operating margin	9.3%	8.3%	10.7%	8.9%
Conversion ratio	40.7%	43.8%	48.3%	43.1%
Adjusted earnings			18,765	11,847
Adjusted free cash flow			22,810	8,659
Diluted adjusted earnings per share of DKK 1			81.4	50.9
Proposed dividend per share (DKK)			6.50	5.50
<b>EBIT before special items</b>				
Air & Sea	3,816	4,011	20,658	12,768
Road	451	513	2,040	1,857
Solutions	546	748	2,701	1,775

#### Q4 2022 results

For Q4 2022, revenue amounted to DKK 51,231 million (Q4 2021: DKK 61,302 million). The decline of 18.9% (in constant currencies) was mainly due to lower freight rates and declining volumes in the Air & Sea division. The freight markets were impacted by the general macroeconomic slowdown and a reduction of inventory levels in the retail sector in Q4 2022.

For Q4 2022, gross profit came to DKK 11,656 million (Q4 2021: DKK 11,674 million). The decline of 3.1% (in constant currencies) for the Group was primarily due to lower activity in Air & Sea.

EBIT before special items was DKK 4,749 million for Q4 2022 (Q4 2021: DKK 5,113 million), a decline of 10.6% (in constant currencies). All divisions performed in line with expectations but were impacted by the general economic slowdown and inflationary pressure on the cost base.

EBIT before special items for the full-year 2022 was DKK 25,204 million. This was within the guidance range of DKK 24,500-25,500 million.

## Outlook for 2023

- EBIT before special items is expected to be in the range of DKK 16,000-18,000 million.
- The effective tax rate of the Group is expected to be approximately 24%.

The 2023 outlook assumes a global economic growth in the level of 2-3% in 2023 – with lowest growth rates in the advanced economies. Normally, we expect transport volumes to grow in line with the economy, but in the second half of 2022, we saw volumes declining more than GDP due to reduction of inventory levels and normalisation of consumer behaviour after COVID-19. We expect this negative development in freight volumes to continue in the first part of 2023, but with a recovery in the second half of the year.

We assume declines in air and sea freight volumes of 2-5% for the full year 2023. As transport markets continue to normalise, we expect that our gross profit yields in Air & Sea will decline compared to the average level in 2022. For Road and Solutions, we expect that markets will be flat or decline by low single digits in 2023.

Across all divisions our aim of taking market share remains intact. We will monitor activity closely across our organisation and adjust our capacity and cost base accordingly.

The outlook for 2023 assumes that the currency exchange rates, especially the US dollar against DKK, will remain at the current level.

The geopolitical and macroeconomic environment remains uncertain, and unforeseen changes may therefore impact our financial results for 2023.

## Dividend

The Board of Directors proposes ordinary dividends of DKK 6.50 per share for 2022 (2021: DKK 5.50 per share).

## New share buyback programme

A separate company announcement about a new share buyback programme of DKK 2,500 million will be issued today. The programme starts 2 February 2023 and will run until 26 April 2023.

## Investor teleconference

DSV will host an investor teleconference on 2 February 2023, at 11.00 CET. Please refer to [investor.dsv.com](https://investor.dsv.com) for details.

## Contacts

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Yours sincerely,  
DSV A/S