

DSV PANALPINA TO ACQUIRE AGILITY'S GLOBAL INTEGRATED LOGISTICS BUSINESS IN AN ALL-SHARE TRANSACTION

Company Announcement No. 881

DSV Panalpina A/S ("DSV") has today signed an agreement to acquire Agility's Global Integrated Logistics business ("GIL"), which is the global logistics division of Agility Public Warehousing Company K.S.C.P. ("Agility"). In 2020, GIL had USD 4.0 billion in revenue, of which approximately 80% is related to Air & Ocean freight, and approximately 17,000 employees. The acquisition will be an all-share transaction and closing is expected in the third quarter of 2021.

DSV and Agility have reached an agreement that DSV will acquire GIL in an all-share transaction by issuing 19,304,348 shares of 1 DKK/share to Agility, representing approximately 8% of all post-transaction outstanding shares of DSV. This will make Agility the second largest shareholder based on today's shareholder register.

Based on the DSV share closing price of DKK 1,299.5 and an exchange rate of DKK 1.00 = USD 0.163 as of 26 April 2021, the all-share transaction has an implied equity value of GIL of USD 4.1 billion.

The combination of DSV and GIL will fortify DSV's position as a leading global transport and logistics company with a combined pro forma revenue of approximately DKK 142 billion and a combined workforce of more than 70,000 employees.

Jens Bjørn Andersen, Group CEO of DSV, comments:

"Agility's Global Integrated Logistics business and DSV are an excellent match, and we are proud that we can announce our agreement to unite. The combination of our two global networks will provide us with the opportunity to offer our customers an even higher service level. GIL's global network, industry competencies and strong market position in APAC and the Middle East complement DSV's network well and will support our long-term value creation ambitions. Our two groups of companies already share a culture of entrepreneurship and local ownership, and we look forward to welcoming GIL's talented staff to DSV."

Tarek Sultan, Vice-Chairman, Agility, comments:

"This deal creates significant shareholder value and marks a new milestone in Agility's journey. Agility remains committed to the supply chain industry and will become the second largest shareholder in one of the fastest growing and most profitable logistics companies in the world. I want to thank GIL's leadership and employees for profitably growing the company and steering it through one of the most challenging periods the industry has ever seen during the global pandemic. Agility is proud of what GIL has achieved.

Agility will be exploring opportunities between DSV and its other businesses, with promising areas of future cooperation potentially including Agility's Logistics Parks business, its Shipa group of companies and technology ventures. Agility will remain an emerging markets leader, investor in emerging technologies and champion of sustainable and responsible business."

Transaction overview

- At completion, DSV will acquire 100% of GIL in consideration for issuing 19,304,348 new shares of 1 DKK/share to Agility. This will represent approximately 8% of all post-transaction outstanding shares of DSV. The share issue will be according to existing authorisations given to DSV's Board of Directors.
- Enterprise value of approximately USD 4.2 billion and equity value of USD 4.1 billion.
- Transaction multiple: 23.2x EV/LTM adj. EBIT multiple and 0.94x EV/LTM sales. (Last twelve months: 1 April 2020 - 31 March 2021).

DSV Panalpina A/S, Hovedgaden 630, 2640 Hedehusene, Denmark, tel. +45 43 20 30 40, CVR No. 58233528, www.dsv.com.

DSV Panalpina Group

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- The transaction is subject to regulatory approvals and approval by Agility's shareholders (simple majority required).
- After completion of the transaction, DSV has agreed to nominate an Agility designee to DSV's Board of Directors.
- Completion of the transaction is expected in the third quarter of 2021.

Strategic rationale

Acquisitions are an integral part of DSV's strategy, and DSV has a track record of successful integrations. The combination with GIL is expected to increase DSV's annual revenue by approx. 23%, which will rank the combined company in the freight forwarding industry top three with a pro forma revenue of approximately USD 22 billion (DKK 142 billion) and a combined workforce of more than 70,000 employees. The combined company will have own operations in more than 90 countries.

Scale remains one of the key competitive advantages in freight forwarding with significant operational and commercial benefits.

The Air & Sea division will be strengthened and will further cement its position as one of the largest providers globally with more than 2.8 million containers (TEUs) and more than 1.6 million tonnes of air freight transported annually. GIL's presence in the fast-growing emerging markets in APAC as well as Europe and Americas will be a strong addition to DSV's existing network.

Contract logistics capabilities are increasingly important due to complex supply chains and changing distribution channels. GIL will bring additional warehousing capacity of more than 1.4 million square metres, mainly in APAC and the Middle East, and thereby significantly strengthen the Solutions division.

Finally, GIL will add Road Freight activities to DSV's network in Europe and the Middle East.

DSV and GIL are a strong match with many potential synergies as a result of similarities in business models, services and strategies:

- Strong customer relationships and vertical expertise
- Commercial synergies and cross-selling opportunities from stronger network and service offerings, new competencies and skills
- Consolidation of operations, administration and logistics facilities
- Consolidation of IT infrastructure
- Strong focus on corporate responsibility and sustainability

The transaction is expected to be EPS accretive (diluted and adjusted) in year 2 after completion of the transaction, and it is DSV's aspiration to lift the operating margin of the combined entity to DSV's existing levels within the respective business areas.

Following completion of the transaction, further details on the impact of the acquisition will be communicated, including estimates and timing of synergies and integration costs as well as an update on the financial outlook for 2021.

About Agility

Agility has expanded its global footprint through a series of successful acquisitions and is an emerging markets leader, investor in emerging technologies and companies, and champion of sustainable and responsible business. The company has multiple lines of business: Agility's Global Integrated Logistics business offers freight forwarding and contract logistics services. Agility's Logistics Parks business develops and operates warehousing and light industrial parks across the Middle East, Africa and Asia. Agility's subsidiary companies offer fuel logistics, airport services, commercial real estate and facilities management, customer digitisation and remote infrastructure services.

About Agility's Global Integrated Logistics (GIL)

Agility's stand-alone Global Integrated Logistics (GIL) business is a leading global transport and logistics provider with a strong footprint in emerging markets. The business offers a mix of integrated logistics services, including air, ocean and road freight forwarding services, contract logistics and specialised logistics capabilities. GIL operates a flexible, customer-centric and sustainability-driven business with a global workforce of approximately 17,000 people and service-provision across 100+ countries around the world (incl. Agents). GIL empowers businesses of all sizes, from small businesses to large multinationals, through sector-specific expertise and digital tools and technology to enhance supply chain efficiency. In 2020, GIL reported

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revenues of USD 4.0 billion, adjusted EBITDA of USD 257 million, and adjusted EBIT of USD 129 million.

About DSV Panalpina

DSV Panalpina provides and manages supply chain solutions for thousands of companies every day – from the small family run business to the large global corporation. 57,000 employees in more than 80 countries work passionately to deliver great customer experiences and high-quality services – and help ensure a steady supply of goods to production lines, outlets, stores and consumers all over the world. DSV Panalpina is organised into three divisions offering the complete range of services to support customers' entire supply chain: Air & Sea, Road and Solutions (warehousing and logistics services). In 2020, DSV Panalpina generated revenues of approximately USD 17.7 billion (DKK 116 billion). More than 1,300 offices, terminals and warehouses across the world enable DSV Panalpina to be close to local markets while taking advantage of a global perspective and network to secure the best possible service.

Conference call

DSV invites analysts and investors to participate in a [teleconference](#) on 27 April 2021, at 11:00 a.m. CEST. A presentation will be available at the DSV website investor.dsv.com before the conference call.

At the conference call, Jens Bjørn Andersen, Group CEO, and Jens H. Lund, Group CFO, will present the transaction and DSV Panalpina's Q1 2021 interim financial report. Participants will have the opportunity to ask questions after the presentation.

The telephone numbers for the teleconference are:

- DK +45 78 72 32 50
- UK +44 (0) 333 300 9266
- US +1 833 526 8384

No prior registration is required to attend the teleconference.

Contacts DSV:

Investor Relations: Flemming Ole Nielsen, tel. +45 43 20 33 92, flemming.o.nielsen@dsv.com

Media: Maiken Riise Andersen, tel. +45 43 20 30 74, maiken.r.andersen@dsv.com

Yours sincerely,
DSV Panalpina A/S

Forward-looking statements

This announcement contains forward-looking statements that reflect DSV's current expectations and views of future events. Some of these forward-looking statements can be identified by terms and phrases such as "estimate," "expect," "target," "plan," "project," "will" and similar expressions. These forward-looking statements include statements relating to: the expected characteristics of the combined company; expected financial results and characteristics of the combined company; expected timing of the launch and closing of the proposed transaction and satisfaction of conditions precedent, including regulatory conditions; and the expected benefits of the proposed transaction, including related synergies. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such statements. These forward-looking statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These statements are only predictions based upon our current expectations and projections about future events. Risks and uncertainties include: the ability of DSV to integrate GIL into DSV's operations; the performance of the global economy; the capacity for growth in internet and technology usage; the consolidation and convergence of the industry, its suppliers and its customers; the effect of changes in governmental regulations; disruption from the proposed transaction making it more difficult to maintain relationships with customers, employees or suppliers; and the impact on the combined company (after giving effect to the proposed transaction with Agility) of any of the foregoing risks or forward-looking statements, as well as other risk factors listed from time to time in DSV's and Agility's public disclosures.

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The forward-looking statements should be read in conjunction with the other cautionary statements that are included elsewhere, including the risk factors included in any public disclosures of DSV or Agility. Any forward-looking statements made in this announcement are qualified in their entirety by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by us will be realised or, even if substantially realised, that they will have the expected consequences to, or effects on, us or our business or operations. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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