

HALF-YEAR 2021 RESULTS

DSV Panalpina A/S
Conference call

29 July 2021, 11:00 AM CEST



DSV

Forward-looking statements

This presentation contains forward-looking statements that reflect DSV Panalpina A/S's ("DSV") 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 Agility's Global Integrated Logistics business ("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 Public Warehousing Company KSCP ("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.

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.



The DSV logo, consisting of the letters "DSV" in a bold, white, sans-serif font, is positioned in the bottom right corner of the image.

Agenda

1 Highlights

2 Business segments

3 Financial review

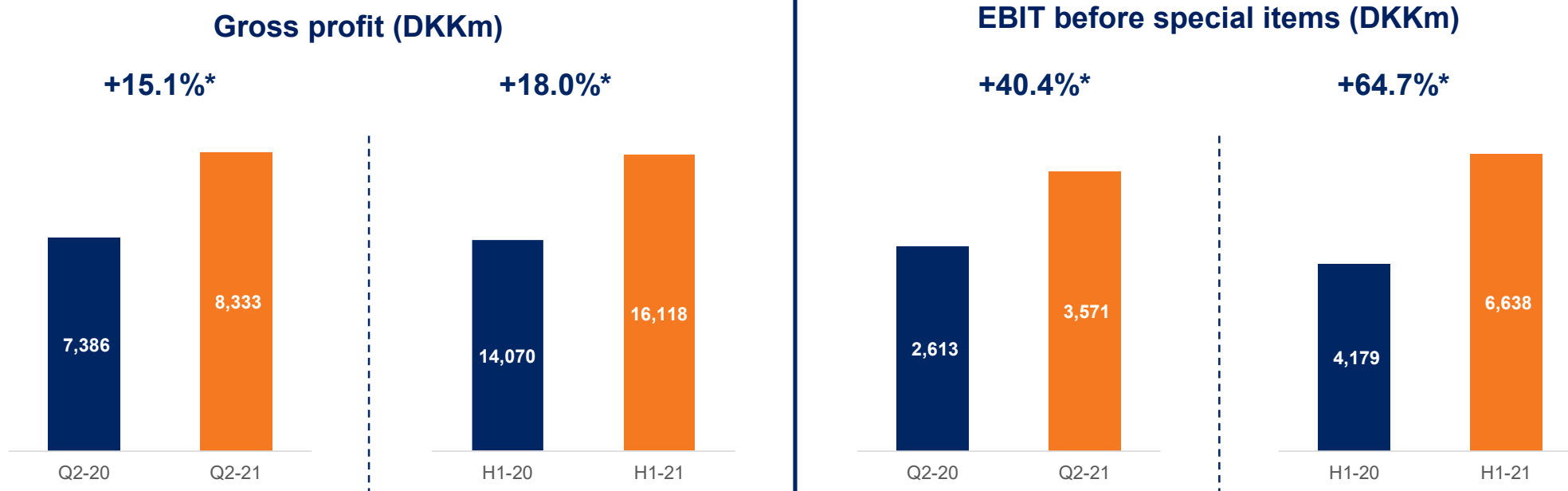
4 Outlook for 2021

5 Timeline (GIL)

6 Appendix

Highlights H1 2021

- Strong financial results driven by all three divisions.
- 2021 EBIT guidance upgraded to **DKK 12,500 – 13,000 million** (previously DKK 11,750 – 12,500 million).
- Regulatory approvals in relation to GIL are progressing according to the plan, closing still expected in Q3-21.
- New **DKK 4,000 million** share buyback programme initiated.



*) Growth rates are in constant currencies.

Air & Sea

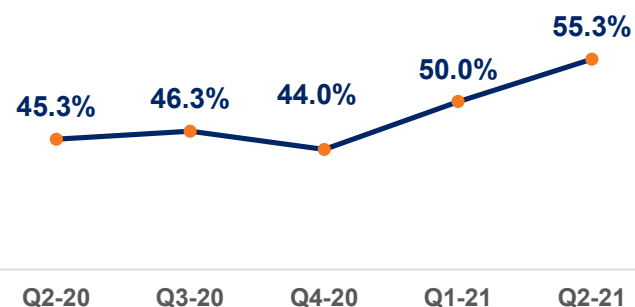
(DKKm)	Q2 2021	Q2 2020	Growth*	H1 2021	H1 2020	Growth*
Gross profit 	2,897	3,015	(1.2)%	5,659	5,168	13.9%
Gross profit 	2,245	1,648	41.7%	4,271	3,370	32.6%
Total gross profit	5,142	4,663	13.9%	9,930	8,538	21.3%
EBIT	2,843	2,112	39.5%	5,236	3,242	69.0%

*) Growth rates are in constant currencies and including M&A impact.

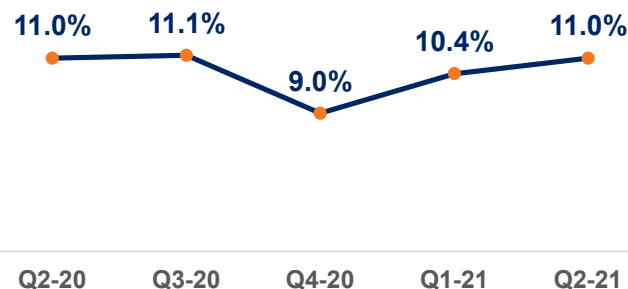
Management commentary

- Double-digit volume growth in Q2-21 and strong results in extraordinary market conditions.
- Global supply chains continue to be impacted by imbalances and capacity issues – we work hard to find the right solutions for our customers.
- Conversion ratio at all-time high reflecting the skills of our teams and scalability of the systems.
- Development in gross profit from air freight in Q2-21 must be seen in light of the surge in demand for high yielding air freight goods in Q2-20.

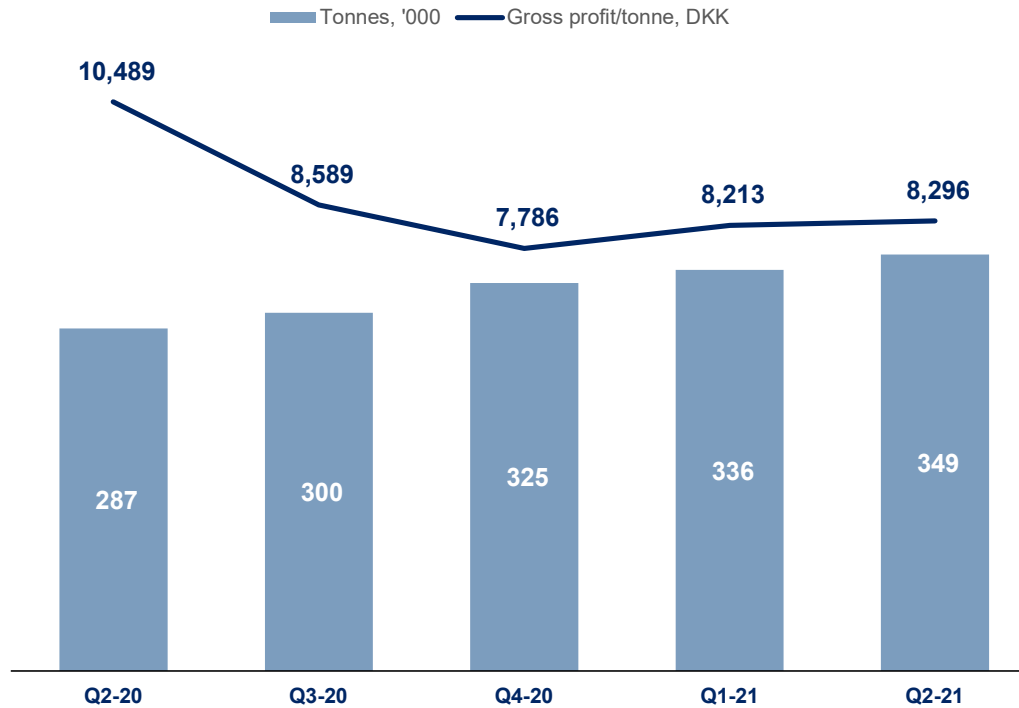
Conversion ratio



Operating margin



Air freight Q2 2021



Volume growth air

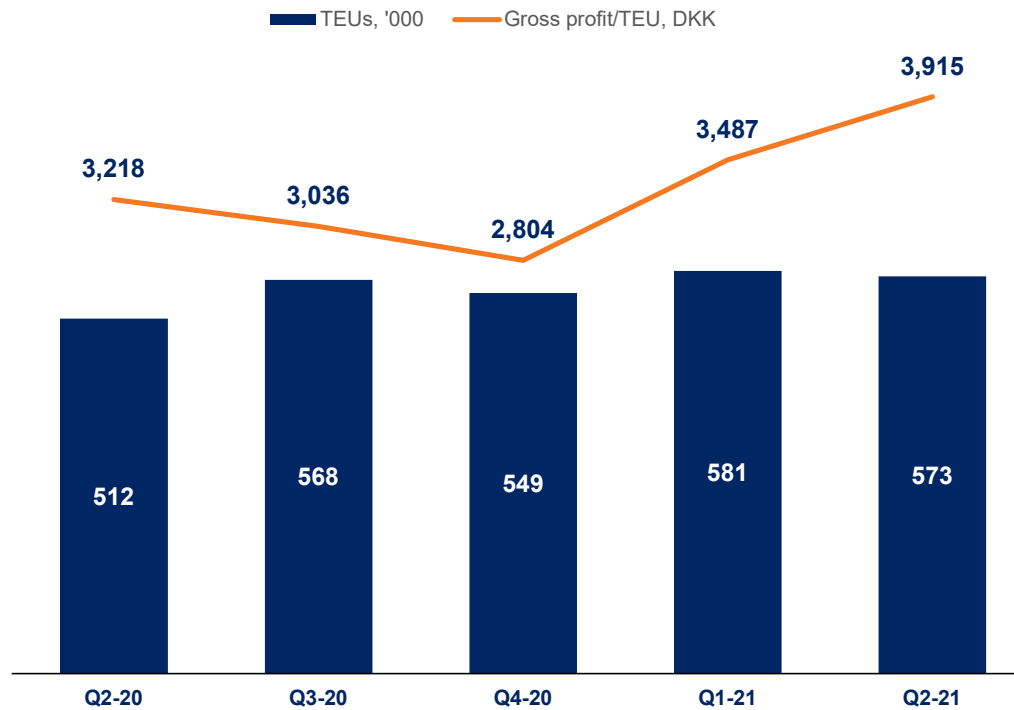
	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
DSV (including M&A)*	69%	9%	(21%)	(2%)	26%
Market estimate	(25-30%)	(14-17%)	(8-10%)	5-7%	25-30%

*) Q4 2020 is the first quarter with full impact of the Panalpina acquisition on comparative figures.
Air freight growth for the period Q3-20 to Q2-21 is adjusted for discontinued business (Airflo – perishables)

Management commentary

- Acceleration of growth in Q2-21, both for the market and for DSV. Comparisons impacted by COVID-19 slow-down.
- With 26% volume growth in Q2-21 we are in line with the global market growth.
- Growth was driven by export from APAC and Americas, whereas EMEA exports were flat year on year.
- Yields continue to be impacted by market situation, but not to the same extent as 2020.
- Return of long-haul belly capacity will only happen gradually during 2022-24.

Sea freight Q2 2021



Volume growth sea




	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
DSV (including M&A)*	31%	9%	(14%)	1%	12%
Market estimate	(15-20%)	(0-3%)	3-5%	5-7%	10-15%

*) Q4 2020 is the first quarter with full impact of the Panalpina acquisition on comparative figures.

Management commentary

- DSV's volumes increased by 12% compared to Q2 2020 and we estimate that we have gained market share on our main markets.
- Volume growth was mainly driven by APAC export.
- Port congestion and lack of equipment/capacity continue to create challenges and is pushing freight rates to record-high levels. The current market conditions are likely to last until Chinese New Year 2022.
- Record-high yield level in Q2-21. We expect yields will gradually decline.

Road

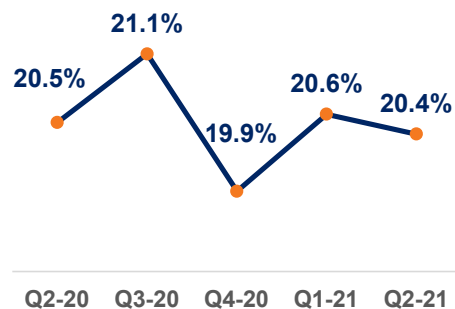
(DKK m)		Q2 2021	Q2 2020	Growth*	H1 2021	H1 2020	Growth*
Revenue		8,663	6,987	23.4%	16,719	14,908	12.7%
Gross profit		1,768	1,431	22.9%	3,425	2,966	15.9%
EBIT		476	263	82.4%	879	522	69.7%

*) Growth rates are in constant currencies and including M&A impact.

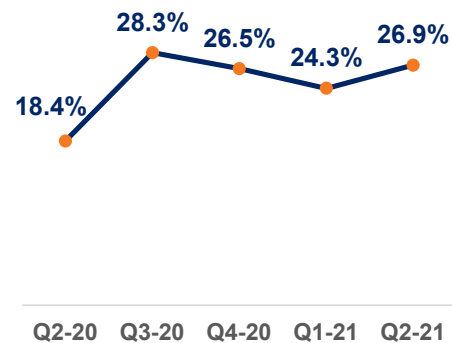
Management commentary

- EBIT growth of 82.4% for the quarter driven by gross profit growth and improved conversion ratio.
- Improved performance across all regions with highest growth rates in Southern Europe and South Africa.
- Growth across most industries, especially in B2C cargo.
- High activity levels are starting to impact the capacity situation and rates are increasing for road freight in Europe.
- Globeflight in South Africa included from the beginning of May.

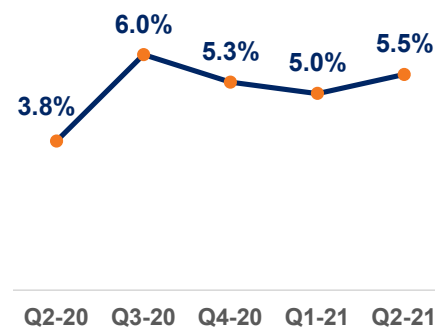
Gross margin



Conversion ratio



Operating margin



Solutions

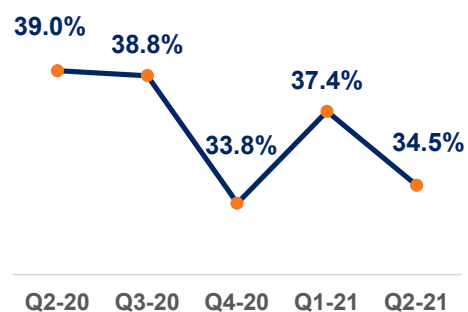
(DKK m)		Q2 2021	Q2 2020	Growth*	H1 2021	H1 2020	Growth*
Revenue		3,997	3,256	23.5%	7,606	6,697	16.2%
Gross profit		1,377	1,271	8.6%	2,725	2,527	9.9%
EBIT		278	234	15.8%	541	393	37.0%

*) Growth rates are in constant currencies and including M&A impact.

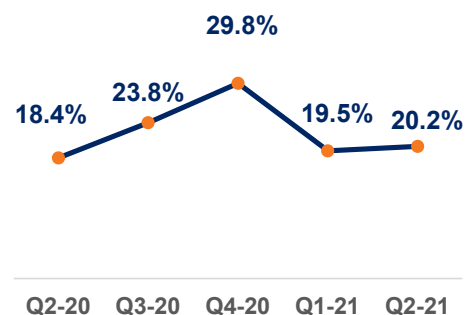
Management commentary

- EBIT growth of 15.8% for Q2-21 driven by increase in gross profit growth and higher conversion ratio.
- Revenue growth driven by COVID-19 recovery and acquisition of Prime Cargo in January 2021.
- Gross margin for Q2-21 was negatively impacted by costs related to customer implementations.
- We see good momentum and growth across all industries.

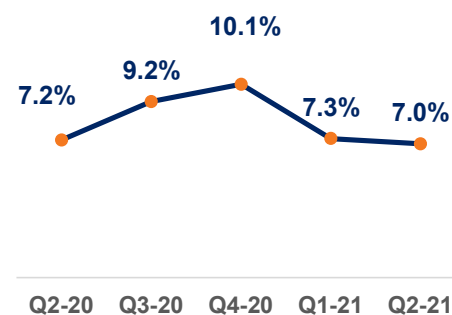
Gross margin



Conversion ratio



Operating margin



P&L H1 2021

(DKKm)	Q2 2021	Q2 2020	Growth*	H1 2021	H1 2020	Growth*
Headlines						
Revenue	37,831	28,782	34.4%	71,447	56,091	31.5%
Gross profit	8,333	7,386	15.1%	16,118	14,070	18.0%
EBIT before special items	3,571	2,613	40.4%	6,638	4,179	64.7%
Profit for the period	2,527	1,390		4,856	1,721	
P&L items						
Cost base (staff, other ext., depreciations)	4,762	4,773		9,480	9,891	
Special items, costs	-	515		-	1,026	
Financial items, FX adjustments	76	80		(82)	487	
Financial items, other	177	142		356	332	
KPIs						
Gross margin (%)	22.0	25.7		22.6	25.1	
Operating margin (%)	9.4	9.1		9.3	7.5	
Conversion ratio (%)	42.9	35.4		41.2	29.7	
Effective tax rate (%)	23.8	25.9		23.7	26.3	
Employees				59,871	53,399	
Diluted adjusted EPS 12 months				37.1	20.8	78.4%

*) Growth rates are in constant currencies.

Management commentary

- Revenue growth driven by higher activity and high freight rates.
- Strong growth in gross profit.
- Conversion ratio at record level, confirming the scalability of our systems and organisation.
- Financial costs and tax at expected level.
- Increase in number of employees is mainly related to blue-collar employees (+5,500 FTEs), due to general activity increase and M&A.

Cash flow H1 2021

(DKKm)	H1 2021	H1 2020	Variance
EBITDA before special items	8,561	6,270	2,291
Change in working capital	(2,509)	(227)	(2,282)
Tax, interest, change in provisions, etc.	(1,236)	(706)	(530)
Special items	(325)	(964)	639
Cash flow from operating activities	4,491	4,373	118
Cash flow from investing activities	(711)	(417)	(294)
Free cash flow	3,780	3,956	(176)
Statement of adjusted free cash flow			
Free cash flow	3,780	3,956	
Acquisition of subsidiaries and activities	193	-	
Special items (restructuring costs)	325	964	
Repayment of lease liabilities (IFRS 16 impact reversed)	(1,481)	(1,564)	
Adjusted free cash flow	2,817	3,356	(539)
KPIs			
Net working capital (NWC)	5,144	3,367	
NWC in % of revenue	3.9%	3.0%	
Net interest-bearing debt (NIBD)	23,934	18,874	
Gearing ratio (NIBD/EBITDA before special items)	1.5	1.6	
ROIC before tax	17.8%	16.0%	
ROIC before tax (excl. goodwill and customer relationships)	66.9%	49.4%	

Management commentary

- Cash flow from operating activities is positively affected by higher EBITDA, but offset by an increase in NWC.
- NWC was impacted by higher activity across all divisions, but also by changes in activity mix as Air & Sea becomes a larger part of the Group.
- Temporary NWC increase of DKK 900 million due to a property development. The facility will be divested in Q4 2021. Adjusted for this, the underlying NWC would be 3.2% of full-year revenue.
- New EUR 600 million 12-year Eurobond issued in July.

Outlook for 2021 raised

Excluding impact from the GIL transaction

(DKKm)	Updated outlook 2021	Previous outlook 2021	Actual 2020
EBIT before special items	12,500-13,000	11,750-12,500	9,520
Effective tax rate	23.0%	23.0%	24.3%

Main assumptions

- The current situation in the transport markets with strong demand, tight capacity and high rates will continue for the remainder of 2021.
- We expect yields in Air & Sea will decline compared to the levels reported for H1-21, but this is not expected to materialise until late in 2021.
- Currency exchange rates will remain at current level.
- The financial outlook for 2021 is for DSV Panalpina stand-alone and excludes the impact from the acquisition of Agility's Global Integrated Logistics.

Share buyback and dividend

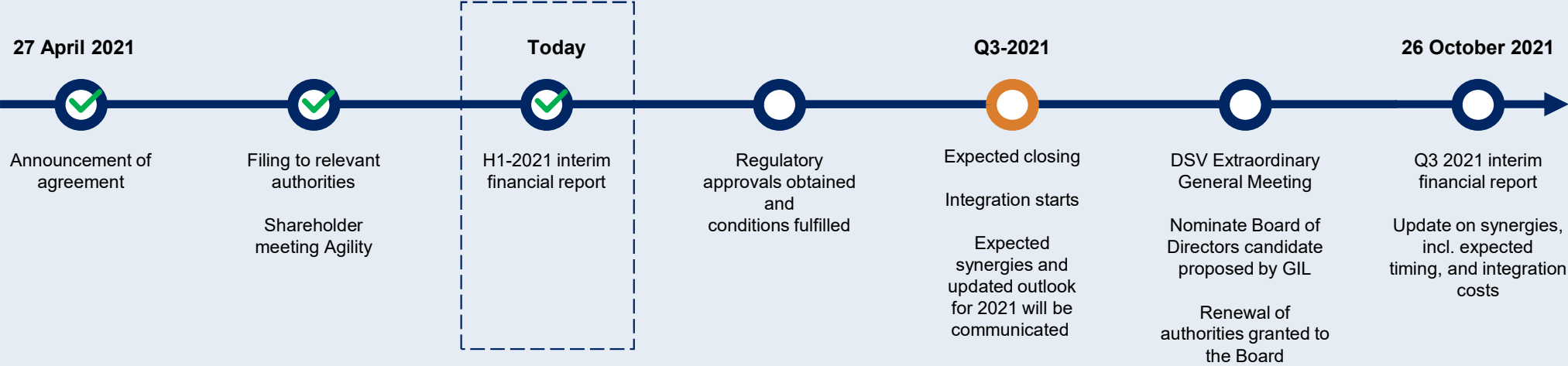
Management commentary

- 7.2 million shares bought back in H1-21 at an average price of DKK 1,192.
- New share buyback programme of DKK 4.0 billion running until 25 October 2021.
- Share capital reduction of 6.0 million shares in April 2021 (cancellation of own shares).

Announced allocations to shareholders 2021 (DKKm)	Q1-21	Q2-21	Q3-21	Q4-21	Total 2021
Dividend (DKK 4.00 per share)	920		-	-	920
Share buyback – rest of 2020 programme	4,815	1,185	-	-	6,000
Share buyback – 4.0 billion	-	2,603	1,397	-	4,000
Share buyback – 4.0 billion (estimated quarterly split)			2,700	1,300	4,000
Total announced allocations in 2021	5,735	3,788	4,097	1,300	14,920

Next steps

Expected timeline



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DSV

Quarterly P&L details

DSV Panalpina Group

(DKKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021
Revenue	19,979	20,079	24,521	30,122	94,701	27,309	28,782	28,125	31,716	115,932	33,616	37,831
Direct costs	14,865	14,794	18,250	23,038	70,947	20,625	21,396	20,873	24,504	87,398	25,831	29,498
Gross profit	5,114	5,285	6,271	7,084	23,754	6,684	7,386	7,252	7,212	28,534	7,785	8,333
Other external expenses	656	642	817	1,018	3,133	867	795	831	798	3,291	849	818
Staff costs	2,195	2,202	2,727	3,205	10,329	3,213	2,925	2,708	2,838	11,684	2,920	2,970
EBITDA before special items	2,263	2,441	2,727	2,861	10,292	2,604	3,666	3,713	3,576	13,559	4,016	4,545
Depreciation of right-of-use assets	632	626	680	796	2,734	798	777	723	692	2,990	752	730
Amortisation and depreciation of owned assets	177	184	262	281	904	240	276	265	268	1,049	197	244
EBIT before special items	1,454	1,631	1,785	1,784	6,654	1,566	2,613	2,725	2,616	9,520	3,067	3,571
Special Items, net costs	-	19	172	609	800	511	515	453	685	2,164	-	-
Financial income	22	25	85	(1)	131	65	91	58	40	254	208	(16)
Financial expenses - lease liabilities	89	91	96	107	383	114	95	109	116	434	119	108
Financial expenses	106	83	102	315	606	548	218	427	356	1,549	110	129
Profit before tax	1,281	1,463	1,500	752	4,996	458	1,876	1,794	1,499	5,627	3,046	3,318
Tax on profit for the period	318	314	351	307	1,290	127	486	457	299	1,369	717	791
Profit for the period	963	1,149	1,149	445	3,706	331	1,390	1,337	1,200	4,258	2,329	2,527
<i>Gross margin, %</i>	25.6	26.3	25.6	23.5	25.1	24.5	25.7	25.8	22.7	24.6	23.2	22.0
<i>Operating margin, %</i>	7.3	8.1	7.3	5.9	7.0	5.7	9.1	9.7	8.2	8.2	9.1	9.4
<i>Conversion ratio, %</i>	28.4	30.9	28.5	25.2	28.0	23.4	35.4	37.6	36.3	33.4	39.4	42.9
<i>Effective tax rate, %</i>	24.8	21.5	23.4	40.8	25.8	27.7	25.9	25.5	19.9	24.3	23.5	23.8
<i>Blue-collar costs (included in direct costs)</i>	1,218	1,231	1,313	1,537	5,299	1,411	1,132	1,282	1,449	5,274	1,405	1,457
Number of full-time employees	47,281	47,552	61,799	61,216	61,216	58,788	53,399	56,090	56,621	56,621	57,642	59,871

Quarterly P&L details

Air & Sea

(DKKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021
Divisional revenue	9,411	9,682	13,981	18,077	51,151	16,674	19,144	17,910	19,961	73,689	22,924	25,948
Direct costs	6,987	7,153	10,538	13,956	38,634	12,799	14,481	13,607	15,893	56,780	18,136	20,806
Gross profit	2,424	2,529	3,443	4,121	12,517	3,875	4,663	4,303	4,068	16,909	4,788	5,142
Other external expenses	386	424	594	863	2,267	797	736	692	645	2,870	753	663
Staff costs	943	935	1,442	1,773	5,093	1,679	1,530	1,394	1,445	6,048	1,445	1,435
EBITDA before special items	1,095	1,170	1,407	1,485	5,157	1,399	2,397	2,217	1,978	7,991	2,590	3,044
Depreciation of right-of-use assets	82	61	127	214	484	211	190	151	127	679	136	144
Amortisation and depreciation of owned assets	15	16	60	76	167	58	95	72	61	286	61	57
EBIT before special items	998	1,093	1,220	1,195	4,506	1,130	2,112	1,994	1,790	7,026	2,393	2,843
<i>Gross margin, %</i>	25.8	26.1	24.6	22.8	24.5	23.2	24.4	24.0	20.4	22.9	20.9	19.8
<i>Operating margin, %</i>	10.6	11.3	8.7	6.6	8.8	6.8	11.0	11.1	9.0	9.5	10.4	11.0
<i>Conversion ratio, %</i>	41.2	43.2	35.4	29.0	36.0	29.2	45.3	46.3	44.0	41.6	50.0	55.3
Number of full-time employees	12,072	12,103	22,824	21,516	21,516	20,610	18,723	18,067	18,008	18,008	17,999	18,067
<i>Air</i>												
Revenue, DKKm	4,598	4,564	7,352	10,620	27,134	9,530	12,057	10,296	12,873	44,756	12,975	14,197
Gross profit, DKKm	1,230	1,224	1,827	2,313	6,594	2,153	3,015	2,578	2,529	10,275	2,762	2,897
Air freight, tonnes	170,103	170,301	288,793	442,069	1,071,266	359,975	287,452	300,147	324,831	1,272,405	336,307	349,210
GP/tonne, DKK	7,231	7,187	6,326	5,226	6,155	5,981	10,489	8,589	7,786	8,075	8,213	8,296
<i>Sea</i>												
Revenue, DKKm	4,813	5,118	6,629	7,457	24,017	7,144	7,087	7,614	7,088	28,933	9,949	11,751
Gross profit, DKKm	1,194	1,305	1,616	1,808	5,923	1,722	1,648	1,725	1,539	6,634	2,026	2,245
Sea freight, TEUs	359,925	391,333	520,048	635,820	1,907,126	575,814	512,138	568,130	548,820	2,204,902	581,019	573,385
GP/TEU, DKK	3,317	3,335	3,107	2,846	3,106	2,991	3,218	3,036	2,804	3,009	3,487	3,915

Quarterly P&L details

Road

(DKKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021
Divisional revenue	8,102	7,833	7,698	7,988	31,621	7,921	6,987	7,521	7,966	30,395	8,056	8,663
Direct costs	6,541	6,298	6,170	6,456	25,465	6,386	5,556	5,936	6,379	24,257	6,399	6,895
Gross profit	1,561	1,535	1,528	1,532	6,156	1,535	1,431	1,585	1,587	6,138	1,657	1,768
Other external expenses	300	232	261	267	1,060	287	242	251	241	1,021	258	272
Staff costs	719	725	679	741	2,864	757	686	650	706	2,799	742	779
EBITDA before special items	542	578	588	524	2,232	491	503	684	640	2,318	657	717
Depreciation of right-of-use assets	218	213	212	219	862	206	209	211	202	828	236	220
Amortisation and depreciation of owned assets	26	27	33	33	119	26	31	25	18	100	18	21
EBIT before special items	298	338	343	272	1,251	259	263	448	420	1,390	403	476
<i>Gross margin, %</i>	<i>19.3</i>	<i>19.6</i>	<i>19.8</i>	<i>19.2</i>	<i>19.5</i>	<i>19.4</i>	<i>20.5</i>	<i>21.1</i>	<i>19.9</i>	<i>20.2</i>	<i>20.6</i>	<i>20.4</i>
<i>Operating margin, %</i>	<i>3.7</i>	<i>4.3</i>	<i>4.5</i>	<i>3.4</i>	<i>4.0</i>	<i>3.3</i>	<i>3.8</i>	<i>6.0</i>	<i>5.3</i>	<i>4.6</i>	<i>5.0</i>	<i>5.5</i>
<i>Conversion ratio, %</i>	<i>19.1</i>	<i>22.0</i>	<i>22.4</i>	<i>17.8</i>	<i>20.3</i>	<i>16.9</i>	<i>18.4</i>	<i>28.3</i>	<i>26.5</i>	<i>22.6</i>	<i>24.3</i>	<i>26.9</i>
Number of full-time employees	13,181	13,134	13,493	13,644	13,644	15,200	13,408	14,090	14,003	14,003	14,222	15,503

Solutions

Divisional revenue	3,049	3,147	3,465	4,729	14,390	3,441	3,256	3,388	4,523	14,608	3,609	3,997
Direct costs	1,923	1,961	2,209	3,328	9,421	2,185	1,985	2,075	2,994	9,239	2,261	2,620
Gross profit	1,126	1,186	1,256	1,401	4,969	1,256	1,271	1,313	1,529	5,369	1,348	1,377
Other external expenses	264	254	278	292	1,088	289	244	255	301	1,089	281	297
Staff costs	306	304	341	355	1,306	385	365	344	355	1,449	377	377
EBITDA before special items	556	628	637	754	2,575	582	662	714	873	2,831	690	703
Depreciation of right-of-use assets	314	335	329	348	1,326	364	361	342	355	1,422	369	359
Amortisation and depreciation of owned assets	49	52	69	66	236	59	67	60	62	248	58	66
EBIT before special items	193	241	239	340	1,013	159	234	312	456	1,161	263	278
<i>Gross margin, %</i>	<i>36.9</i>	<i>37.7</i>	<i>36.2</i>	<i>29.6</i>	<i>34.5</i>	<i>36.5</i>	<i>39.0</i>	<i>38.8</i>	<i>33.8</i>	<i>36.8</i>	<i>37.4</i>	<i>34.5</i>
<i>Operating margin, %</i>	<i>6.3</i>	<i>7.7</i>	<i>6.9</i>	<i>7.2</i>	<i>7.0</i>	<i>4.6</i>	<i>7.2</i>	<i>9.2</i>	<i>10.1</i>	<i>7.9</i>	<i>7.3</i>	<i>7.0</i>
<i>Conversion ratio, %</i>	<i>17.1</i>	<i>20.3</i>	<i>19.0</i>	<i>24.3</i>	<i>20.4</i>	<i>12.7</i>	<i>18.4</i>	<i>23.8</i>	<i>29.8</i>	<i>21.6</i>	<i>19.5</i>	<i>20.2</i>
Number of full-time employees	19,862	20,146	22,521	22,777	22,777	20,079	18,428	21,039	21,478	21,478	22,188	22,814

Specification of amortisation and depreciation

(DKKm)	Q2 2021					Q2 2020				
	Air & Sea	Road	Solutions	Group	Total	Air & Sea	Road	Solutions	Group	Total
Right-of-use-assets	144	220	359	7	730	207	207	360	18	792
Customer relationships	33	2	2	0	37	45	3	4	1	53
Owned assets	24	19	64	100	207	33	30	64	81	208
Total	201	241	425	107	974	285	240	428	100	1,053

(DKKm)	H1 2021					H1 2020				
	Air & Sea	Road	Solutions	Group	Total	Air & Sea	Road	Solutions	Group	Total
Right-of-use-assets	280	456	728	18	1,482	418	413	724	35	1,590
Customer relationships	67	4	5	0	76	88	6	8	1	103
Owned assets	51	35	119	160	365	48	53	119	178	398
Total	398	495	852	178	1,923	554	472	851	214	2,091

Investor contact information

Share information



DSV Panalpina A/S is listed on the Copenhagen stock exchange under the symbol 'DSV'.

For further company information, please visit: www.dsv.com

Financial calendar 2021



26 Oct. 2021 Interim Financial Report, Third Quarter 2021

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