A public company incorporated with limited liability under the laws of Denmark
under company registration number 58 23 35 28

Admittance to trading and listing of up to 56,406,250 new shares

This document (the **"Listing Prospectus"**) relates to the admittance to trading and official listing of up to 56,406,250 new shares of DKK 1 nominal value each (the "**New Shares**") in DSV A/S (the **"Company"** or **"DSV A/S"**) to be used as consideration to shareholders in Panalpina Welttransport (Holding) AG (**"Panalpina")** who accept the Company's public exchange offer (the **"Exchange Offer"**) made on 13 May 2019 by way of an offer prospectus (the **"Offer Prospectus"**) pursuant the laws and regulations of Switzerland. In the Exchange Offer, the Company offers 2.375 New Shares for each registered share of Panalpina (**"Exchange Ratio"**), subject to certain adjustments for dilutive effects as set out in the Offer Prospectus. Fractions of New Shares will be paid in cash in CHF.

On 1 April 2019, the Company entered into a transaction agreement with Panalpina (the **"Transaction Agreement"**). Under the terms of the Transaction Agreement, the board of directors of Panalpina agreed, *inter alia*, to recommend that shareholders of Panalpina accept the Exchange Offer.

In addition, on 1 April 2019, the Company entered into tender agreements with Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership, in which the latter three agreed to tender all shares in Panalpina (the **"Panalpina Shares"**) held by them into the Exchange Offer (10,898,352 Panalpina Shares, corresponding to 45.89 per cent of the share capital of Panalpina, held by Ernst Göhner Stiftung, 2,915,802 Panalpina Shares, corresponding to 12.28 per cent of the share capital of Panalpina, held by Cevian Capital II Master Fund LP and 2,791,985 Panalpina Shares, corresponding to 11.76 per cent of the share capital of Panalpina, held or discretionally managed by Artisan Partners Limited Partnership). Ernst Göhner Stiftung in addition undertook not to sell the New Shares it will receive under the Exchange Offer for a period of twenty-four (24) months following the settlement of the Exchange Offer (**"Settlement"**), subject to certain exceptions, and the Company undertook to nominate and support the election of a candidate proposed by Ernst Göhner Stiftung to the board of directors of the Company (the **"Board of Directors"**) at an extraordinary shareholders' meeting to be held after the Settlement.

The New Shares will be issued by the Company by a resolution of the Board of Directors of the Company pursuant to an authorisation adopted by the general meeting of the Company on 27 May 2019. The Board of Directors will issue such number of New Shares as are required to exchange shares in Panalpina to shares in the Company at the Exchange Ratio in respect of Panalpina Shares validly tendered during the offer period for the Exchange Offer (the **"Offer Period"**). The Board of Directors will decide to issue the New Shares, if and when the conditions (the **"Offer Conditions"**) for the Exchange Offer pursuant to the Offer Prospectus are satisfied or waived. The Offer Conditions are expected to be satisfied on or about 20 September 2019, and the Board of Directors are expected to decide to issue the New Shares on or about 30 September 2019 with the subscription of the New Shares and subsequent registration in the Business Authority occurring on the same day or the following day.

The New Shares will be issued without pre-emptive rights for existing shareholders. The issuance of the New Shares will be against a contribution in kind of the Panalpina Shares.

The Company has one (1) class of shares. The New Shares will be issued in that class as ordinary shares with dividend rights and other rights in the Company from the date of subscription.

The Company's existing shares are admitted to trading and official listing on Nasdaq Copenhagen A/S (**"Nasdaq Copenhagen"**) under the symbol DSV in ISIN DK0060079531. An application has been made for the New Shares to be admitted to trading and official listing on Nasdaq Copenhagen. The New Shares will be issued in the same ISIN code as the existing shares, ISIN DK0060079531. The first day of trading in, and official listing of, the New Shares on Nasdaq Copenhagen is expected to be on or about 1 October 2019.

The New Shares are expected to be delivered in dematerialised book-entry form to Receiving Shareholders' accounts with SIX SIS AG, starting on or around 2 October 2019.

The timetable for the issuance of the New Shares, including the satisfaction of the Offer Conditions and the first day of trading in, and official listing of, the New Shares on Nasdaq Copenhagen and Settlement is subject to change. Any such change will be announced via Nasdaq Copenhagen.

The Receiving Shareholders and prospective future investors in the New Shares are advised to examine all risks and legal requirements described in this Listing Prospectus that might be relevant in connection with the Exchange Offer together with

subsequent information published by the Company before making transactions in the New Shares. Investing in the New Shares involves a high degree of risk. See also "*Risk Factors*" for a discussion of certain risks related to the Company and the Combination.

This Listing Prospectus has been prepared under Danish Law, and this Listing Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any of the New Shares in any jurisdiction to any person to whom it would be unlawful to make such an offer in such jurisdiction. The distribution of this Listing Prospectus in certain jurisdictions is restricted by law. Persons into whose possession this Listing Prospectus comes should inform themselves about and to observe such restrictions. For a description of certain restrictions on distribution of this Listing Prospectus, see "*Important Notices Relating to the Listing Prospectus*".

The New Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act") or under the securities laws of any state or other jurisdiction of the United States. The Exchange Offer will be made in the U.S. in reliance on the Tier II exemption pursuant to Rule 14d-1(d) of, and otherwise in compliance with Section 14(e) of, and Regulation 14E under the U.S. Exchange Act of 1934 (the "U.S. Exchange Act"), and otherwise in accordance with the requirements of Danish law and Swiss law. The New Shares may not be offered, sold or delivered, directly or indirectly, in or into the Unites States, except: (i) to qualified institutional buyers ("QIBs") (as defined in Rule 144A under the U.S. Securities Act) in transactions within the United States that do not involve a public offering in accordance with Section 4(a)(2) of the U.S. Securities Act or under Rule 144A; or (ii) pursuant to an applicable exemption from, or in a transaction not subject to the registration requirements of the U.S. Securities Act. A person who receives the New Shares pursuant to the Exchange Offer may not resell such securities without registration under the U.S. Securities Act or without an applicable exemption from registration or in a transaction not subject to registration (including a transaction that satisfies the applicable requirements of Regulations S under the U.S. Securities Act). Shareholders who are resident in or otherwise located in the United States (or a person acting as agent, nominee custodian, trustee or otherwise for or on behalf of a Shareholder resident in or otherwise located in the United States (the "U.S. Shareholders") are encouraged to consult with their legal, financial and tax advisors regarding the Exchange Offer. None of the New Shares, this Listing Prospectus, the Form of Acceptance or any other document relating to the Exchange Offer of the New Shares have been approved or disapproved by the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or determined the adequacy or accuracy of the information contained in this Listing Prospectus and the merits of the Exchange Offer. Any representation to the contrary is a criminal offence in the United States.

The date of this Listing Prospectus is 11 June 2019.

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RESPONSIBILITY STATEMENT

We hereby declare that we, as the persons responsible for this Listing Prospectus on behalf of DSV A/S in accordance with Danish law, have taken all reasonable care to ensure that, to the best of our knowledge, the information contained in this Listing Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Hedehusene, 11 June 2019

DSV A/S

Board of Directors

Kurt K. Larsen Chairman	Thomas Plenborg Deputy Chairman	Jørgen Møller
Marie-Louise Aamund	Robert S. Kledal	Birgit W. Nørgaard
Annette Sadolin		

Primary position

Kurt K. Larsen: Chairman, DSV A/S

Thomas Plenborg: Professor at Department of Accounting and Auditing, Copenhagen Business School

Robert S. Kledal: CEO, Wrist Ship Supply A/S

Annette Sadolin: Deputy Chairman, DSB

Birgit W. Nørgaard: Deputy Chairman, NNE A/S

Jørgen Møller: Board member, DSV A/S

Marie-Louise Aamund: Country Director, Google Denmark ApS

Executive board

Jens Bjørn Andersen CEO	Jens H. Lund CFO

The business address of each of the board members and executive board members is:

Hovedgaden 630

DK-2640 Hedehusene

Denmark

SUMMARY

This summary is made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A-E (A1-E7). This summary contains all required Elements which have to be included in a summary for this type of security and issuer under the Prospectus Regulation. As some Elements are not required to be addressed, there may be gaps in the numbering of the Elements. Even though it is a requirement that an Element may be included in the summary as of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description is included about the Element in the summary with the statement "*not applicable*".

Section A – Introduction and warnings		
A.1	**Warning to investors**	This summary should be read as introduction to this Listing Prospectus. Any decision to invest in the New Shares should be based on consideration of this Listing Prospectus as a whole by the investor. Where a claim relating to the information in this Listing Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating this Listing Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Listing Prospectus or it does not provide, when read together with the other parts of this Listing Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	**Consent for intermediaries**	Not applicable. No agreement has been made in regard to the use of this Listing Prospectus in connection with a subsequent resale or final placement of the New Shares by any financial intermediary.

Section B – Issuer		
B.1	**Legal and commercial name**	The legal and commercial name is DSV A/S. The Company has the following secondary name: "*De Sammensluttede Vognmænd af 13-7 1976 A/S (DSV A/S)*".
B.2	**Domicile, legal form and country of incorporation**	The Company is registered under Danish law with the Danish Business Authority as a public limited liability company (in Danish "*Aktieselskab*") and was founded on 13 July 1976 under company registration (CVR) number 58 23 35 28. It is located in the municipality of Høje-Taastrup and the name and registered office is: DSV A/S Hovedgaden 630 DK-2640 Hedehusene Denmark Telephone no. + 45 43 20 30 40
B.3	**Current operations and principal activities**	DSV is a global supplier of transport and logistics solutions. The Company has subsidiaries and associated companies in more than 75 countries and an international network of partners and agents. DSV operates from more than 1,000 branch offices, terminals and warehouse facilities. DSV's activities are organised in three Divisions: DSV Air & Sea, DSV Road and DSV Solutions. DSV operates as a global freight forwarder with an asset light business model. This means that DSV offers transport and logistics services to its customers, but the physical transport operations are carried out by external hauliers (trucking companies), shipping companies and airlines. DSV owns or leases a number of warehouses and freight terminals throughout the world. Furthermore, DSV leases a number of trailers and other transport equipment. Besides the core transport and logistics services, DSV offers a range of services to the customers, for example preparation of import and export documents, customs clearance, cargo insurance, labelling of goods, repacking and overall supply chain management.

<table>
<tr><td></td><td></td><td></td></tr>
<tr><td>B.4 a</td><td>Description of the most significant recent trends affecting DSV and the industries in which it operates</td><td>DSV and the industries in which its operates are affected by the following recent trends:

The global economy sets the pace for the transport and logistics market. The industry has experienced steady growth guided by global GDP growth, in particular the manufacturing and consumption components.
During 2018, the world saw the introduction of trade tariffs and a general increase in protectionist measures with the US and China as the main campaigners. UK’s planned exit from the EU is another example of a change to international trade conditions.
The global manufacturing industry is characterised by complex supply chains due to components being manufactured in different parts of the world. Supply chains are increasingly becoming demand chains where customer demand dictates purchase orders and flow of goods.
High capital intensity, insufficient flexibility and high programming and update cost have kept the automation of physical processes low so far. This might change with more flexible, adaptable and self-learning devices that can be used in a multitude of contexts.
Driverless trucks, 3D printing and blockchain are examples of technologies that have received significant attention in recent years.
</td></tr>
<tr><td>B.5</td><td>Description of the Group and DSV A/S’ position within the Group</td><td>DSV A/S is the parent company of the Group. DSV A/S is, directly or indirectly, the ultimate holding company of all the subsidiaries in DSV.

In many (but not all) of the countries in which DSV operates, the activities of each Division are organised into separate legal entities.

For an overview of DSV A/S' active subsidiaries and associates as of 31 December 2018, see the 2018 Annual Report of DSV A/S, pages 82-87. According to this overview approximately 150 legal entities are carrying out air & sea activities, approximately 70 legal entities are carrying out road activities and approximately 70 legal entities are carrying out solutions activities.</td></tr>
<tr><td>B.6</td><td>Persons who, directly or indirectly, have an interest in DSV A/S’ capital or voting rights or have control over DSV A/S</td><td>No shareholder has a controlling interest in the Company. Each Share has one vote and all shares have the same rights.

The following table sets forth the information known to the Company as of the date of this Listing Prospectus with respect to the ownership of the Shares prior to and after the Settlement. The following table includes information about the shareholdings of those Company shareholders that hold, directly or indirectly, 5 per cent or more of the Company’s voting rights.

Shareholdings of existing major DSV shareholders and new major shareholders in the Company after settlement, assuming 100 per cent acceptance of the Exchange Offer:
<table>
<tr><td></td><td colspan="2">Prior to Settlement*</td><td colspan="2">Immediately after Settlement</td></tr>
<tr><td></td><td>Shares held**</td><td>%</td><td>Shares held</td><td>%</td></tr>
<tr><td>Ernst Göhner Stiftung . . . .</td><td>0</td><td>0</td><td>25,833,586</td><td>10.68</td></tr>
<tr><td>BlackRock, Inc., New York . . . .</td><td>10,372,436</td><td>5.58</td><td>10,372,436</td><td>4.28</td></tr>
<tr><td>Morgan Stanley, Wilmington, USA. . . . .</td><td>9,420,953</td><td>5.07</td><td>9,420,953</td><td>3.89</td></tr>
<tr><td>Capital Group Companies Inc., Los Angeles, USA . . . .</td><td>9,475,136</td><td>5.09</td><td>9,475,136</td><td>3.91</td></tr>
<tr><td>UBS Group AG, Zurich, Switzerland . . . .</td><td>11,346,465</td><td>6.10</td><td>11,346,465</td><td>4.68</td></tr>
<tr><td>The Company (treasury shares)***. . . . .</td><td>7,362,669</td><td>3.96</td><td>7,362,669</td><td>3.04</td></tr>
</table></td></tr>
</table>

		Total	**47,977,659**	**25.8**	**73,811,245**	**30.39**

*Ownership as of Listing Prospectus Date is calculated based on number of shares (historical number) flagged in a company announcement in per cent of current share capital.
**UBS Group AG holds 834,412 shares (0.45 per cent of the total share capital and total voting rights) and 10,512,053 shares and voting rights through financial instruments (5.65 per cent of the total share capital and of the total voting rights).
***Treasury shares have been calculated as of 7 June 2019.

B.7 **Selected financial information regarding DSV**

The below selected consolidated financial information comprises income statement items, statement of comprehensive income items, balance sheet items, cash flow items and financial ratio information for DSV.

Financial highlights

DSV					
(DKKm)	**2018**	**2017**	**2016**	**Q1 2019 (unaudited)**	**Q1 2018 (unaudited)**
Profit					
Revenue	79,053	74,901	67,747	19,979	18,380
Gross profit	17,489	16,605	15,838	5,114	4,120
Operating profit before amortisation, depreciation and special items (EBITDA)	6,212	5,664	4,250	2,263	1,338
Operating profit before special items (EBIT)	5,450	4,878	3,475	1,454	1,156
Special items, costs	-	525	1,002	-	-
Net financial expenses	249	556	184	173	155
Profit for the year	3,988	3,012	1,678	963	769
Other comprehensive income, net of tax	(199)	(256)	(54)	168	(139)
Adjusted earnings	4,093	3,484	2,506	993	786
Cash flows (DKKm)					
Operating activities**	4,301	4,664	1,273	1,452	500
Investing activities**	(444)	(325)	(4,953)	(177)	(52)
Free cash flow	3,857	4,339	(3,680)	1,275	448
Adjusted free cash flow	3,916	4,835	1,838	540	448
Financing activities	(4,000)	(4,715)	396	(1,294)	(243)
Share buyback	(4,161)	(1,559)	-	-	(691)
Dividends distributed	(380)	(342)	(327)	(423)	(380)
Cash flow for the year	(143)	(376)	(3,284)	(19)	205
Financial position					
DSV A/S shareholders' share of equity	14,561	14,835	13,416	14,916	14,487
Non-controlling interest	(29)	(26)	(38)	(55)	(29)
Balance sheet total	38,812	38,388	40,367	49,649	38,522
Net working capital**	1,767	1,410	1,809	2,199	1,884
Net interest-bearing debt	5,831	5,575	8,299	16,107	6,116
Invested Capital	20,381	20,391	21,336	30,744	20,645
Gross investment in property, plant and equipment					

	720	620	728	198	148
Financial ratios (per cent)					
Gross margin	22.1	22.2	23.4	25.6	22.4
Operating margin	6.9	6.5	5.1	7.3	6.3
Conversion ratio	31.2	29.4	21.9	28.4	28.1
Effective tax rate	23.3	20.7	26.7	24.8	23.2
ROIC before tax	26.7	23.4	21.5	19.5	23.1
Return on equity (ROE)*	27.2	21.1	13.2	28.6	21.7
Solvency ratio	37.5	38.6	33.2	30.0	37.6
Gearing ratio*	0.9	1.0	2.0	1.7	1.1
Share ratios (in DKK)					
Earnings per share of DKK 1	22.0	16.0	9.0	5.5	4.2
Diluted earnings per share of DKK 1	21.6	15.8	8.9	5.4	4.1
Diluted adjusted earnings per share of DKK 1	22.1	18.4	13.4	-	-
Proposed dividend per share	2.25	2.00	1.80	-	-

*For the calculation of financial ratios for Q1 2019, certain pro forma adjustments have been made.
**For the 2017 Annual Report a minor reclassification was made to 2016 balance sheet relating to revised accounting policy for property projects (source: 2017 Annual Report p. 49).

Non-IFRS measures

This Listing Prospectus contains certain measures that are non-IFRS financial measures, but are used by the Group as an integrated part of the financial reporting internally as well as in the audited annual reports and interim financial reports to monitor the financial performance of its business and operations. The Group has presented these measures because it is considered an important supplement measure of the Group's financial performance, and because it is widely used by investors in comparing financial performance between companies. Key figures and financial ratios are calculated in accordance with "Recommendations & Financial Ratios 2015" published by the Danish Financing Society, disclosed in the DSV annual report 2018 page 81. Unless otherwise indicated, tables with financial measures included in this Prospectus are presented on an IFRS basis. Besides the key figures and financial ratios set out in this Listing Prospectus in *"Glossary – Financial Terms"*, DSV uses, *inter alia*, the following non-IFRS measures:

Special items
Special items are used in connection with the presentation of profit or loss for the year to distinguish consolidated operating profit from exceptional items, which by their nature are not related to the Group's ordinary operations or investment in future activities. Special items comprise restructuring costs, impairment costs, etc. relating to fundamental structural, procedural and managerial reorganisations as well as any related gains or losses on disposals. Special items also include transaction and restructuring costs relating to acquisition and divestment of enterprises.

Net financial expenses
Net financial expenses disclose the net amount of financial income (IFRS) and financial expenses (IFRS).

Gross investment in property, plant and equipment
Gross investment in property, plant and equipment disclose the total amount of additions on property, plant and equipment in the respective financial period.

Financial liabilities disclosure
From 2019 financial liabilities have been re-named to "Borrowings" and liabilities relating to leases have been reclassified to a separate line item – named "lease liabilities". This is due to the impact of IFRS 16 Leases, implemented in 2019.

Growth measures

- "Growth" is utilized as a measure including foreign exchange valuation impact and for 2019 also including IFRS 16 Leases impact.
- "Underlying growth" is utilized as a measure excluding foreign exchange valuation impact and for 2019 also excludes IFRS 16 Leases impact.
- "Constant currencies" is utilized as a measure excluding foreign exchange valuation impact and for 2019 including IFRS 16 Leases impact.

NWC relative to revenue
Calculated as Net Working Capital divided by revenue for the period.

ROIC before tax excluding goodwill and customer relations
The alternative measure, ROIC before tax excluding goodwill and customer relations is calculated similar to ROIC before tax, however average invested capital has been calculated without goodwill and customer relations.

Adjusted earnings per share
Calculated as adjusted earnings divided by average number of shares.

Operating segments
Operating segments are defined by the operational and management structure of DSV, which is derived from the types of services DSV delivers. As such the operating segments reflect the divisional and Group reporting used for management decision-making. The business operations are carried out by three divisions; Air & Sea division provides air and sea freight services, Road division provides road freight services and Solutions offers contract logistics services, including warehousing and inventory management.

Segment income, expenses, assets and liabilities comprise the items directly attributable to the individual segment as well as the items that may be allocated to the individual segment on a reliable basis.

Certain non-IFRS measures contained in this Listing Prospectus can be reconciled to the nearest IFRS measure as follows:

Operating profit before amortisation, depreciation and special items
The following table provides a reconciliation of operating profit before special items (EBIT) to profit before tax (special items explained above).

(DKKm)	2018	2017	2016	Q1 2019 (unaudited)	Q1 2018 (unaudited)
Operating profit before amortisation, depreciation and special items	6,212	5,664	4,250	2,263	1,338
Amortisation and depreciations	762	786	775	809	182
Operating profit before special items	**5,450**	**4,878**	**3,475**	**1,454**	**1,156**

Operating profit before special items
The following table provides a reconciliation of operating profit before special items (EBIT) to profit before tax (special items explained above).

(DKKm)	2018	2017	2016	Q1 2019 (unaudited)	Q1 2018 (unaudited)
Operating profit before special items	**5,450**	**4,878**	**3,475**	**1,454**	**1,156**
Special items, costs	-	525	1,002	-	-
Net financial expenses	249	556	184	173	155
Profit before tax	**5,201**	**3,797**	**2,289**	**1,281**	**1,001**

2016-2018

Revenue

In 2018, revenue totalled DKK 79,053 million for 2018 (2017: DKK 74,901 million). Adjusted for exchange rate fluctuations (constant currencies), growth from 2017 was 8.1 per cent. The global transport and logistics markets saw a volume growth of approximately 3 per cent in 2018 compared to 2017, which is estimated to be in line with growth in global economy. DSV's growth in revenue was driven by higher activity levels in all three divisions as well as market share gains, particularly within air freight and in Solutions. Furthermore, average freight rates were higher in 2018 than in

		2017. Revenue – primarily in Air & Sea – was negatively impacted by a DKK 1,786 million currency translation effect in 2018. This was mainly due to the effect of the USD/DKK exchange rate. In 2017, revenue totalled DKK 74,901 million (2016: DKK 67,747 million), corresponding to a growth of 10.6 per cent. The global transport and logistics market was characterised by increasing demand in 2017 compared to 2016, driven by the general economic upturn. The upturn was most significant in the air freight market, but most markets and industries experienced positive trends. From 2016 to 2017, Air & Sea achieved revenue growth of 11.6 per cent, Road achieved 8.9 per cent and Solutions 17.5 per cent (all in constant currencies). The growth in revenue was driven by increasing freight volumes and activity in all DSV's business areas. In addition, average freight rates and fuel prices were higher in 2017 than in 2016. Revenue – primarily in Air & Sea – was negatively impacted by a DKK 851 million currency translation effect in 2017. *Gross profit* In 2018, gross profit totalled DKK 17,489 million (2017: DKK 16,605 million), corresponding to an increase of 7.9 per cent (constant currencies). The growth was driven by higher activity level and higher average gross profit per shipment. From 2017 to 2018, Air & Sea achieved growth in gross profit of 10.1 per cent, Road achieved 2.0 per cent and Solutions 13.2 per cent (constant currencies). The gross margin was 22.1 per cent for 2018, which was on level with 2017. Regionally, the highest growth rates were achieved in the APAC region with 13.1 per cent and in the Americas with 12.5 per cent. In EMEA, growth in gross profit was 5.8 per cent (constant currencies). Gross profit – primarily in Air & Sea – was negatively impacted by a DKK 404 million currency translation effect in 2018. In 2017, gross profit totalled DKK 16,605 million (2016: DKK 15,838 million), corresponding to an increase of 4.8 per cent. Air & Sea reported 5.1 per cent growth in gross profit (constant currencies). From 2016 to 2017, Road reported growth of 4.5 per cent. Solutions reported gross profit growth of 3.8 per cent. Gross profit – primarily in Air & Sea – was negatively impacted by a DKK 160 million currency translation effect in 2017. The gross margin was 22.2 per cent for 2017, down from 23.4 per cent for 2016. The decline in gross margin was mainly due to higher average freight rates, which boosted both revenue and direct costs, but had limited impact on gross profit in absolute numbers. The growth in transport markets led to tight capacity and freight rate increases during peak periods in 2017, especially for air and road freight. This caused temporary pressure on DSV's profit per shipment, as rate increases could not be immediately passed on to customers. *Amortisation and depreciation* Amortisation of intangibles relates primarily to software, and amortisation of tangibles relates primarily to other plant and operating equipment. In 2018, Amortisation and depreciation totalled DKK 762 million (2017: DKK 786 million, and 2016: DKK 775 million). *Operating profit before special items* Operating profit before special items (EBIT) totalled DKK 5,450 million for 2018 (2017: DKK 4,878 million), up 14.5 per cent (constant currencies). Air & Sea reported EBIT DKK 3,693 million (2017: DKK 3,225 million). Road reported EBIT of DKK 1,147 million (2017: DKK 1,201 million). Solutions reported EBIT of DKK 709 million (2017: DKK 494 million). Regionally in 2018 compared to 2017, the Americas recorded EBIT growth of 18.9 per cent, APAC grew 22.9 per cent and EMEA 9.9 per cent (constant currencies). The negative currency translation impact of DKK 116 million was primarily related to Air & Sea. Total staff costs (excluding hourly workers) came to DKK 8,241 million for 2018 (2017: DKK 7,831 million). The development was impacted by inflationary adjustments of salaries, and despite a general improvement in productivity the higher activity level led to a slight increase in headcount in certain areas. The increase was partly offset by currency translation adjustments. Other external expenses totalled DKK 3,036 million for 2018 (2017: DKK 3,110 million). The conversion ratio was 31.2 per cent for 2018 against 29.4 per cent for 2017. The improvement is attributable to improved productivity, especially in Air & Sea and Solutions, driven by a consolidated infrastructure and improved efficiency. Furthermore, the remaining synergies from the UTi integration were realised in 2018. The operating margin was 6.9 per cent for 2018 against 6.5 per cent for 2017 and was impacted by the same factors as the conversion ratio. In 2017, EBIT totalled DKK 4,878 million for 2017 (2016: DKK 3,475 million), corresponding to an increase of 40.4 per cent. Air & Sea reported EBIT of DKK 3,225 million (2016: DKK 2,143 million). Road reported EBIT before special items of DKK 1,201 million (2016: DKK 1,049 million). Solutions reported EBIT of DKK 494 million (2016: DKK 384 million). Regionally, the Americas recorded EBIT growth of 67.2 per cent, APAC grew 43.4 per cent and EMEA 32.9 per cent (all in constant currencies). The negative currency translation impact of DKK 74 million in 2017 was primarily related to Air & Sea. Total staff costs (excluding hourly workers) came to DKK 7,831 million for 2017 (2016: DKK 8,281 million). Other external expenses totalled DKK 3,110 million for 2017 (2016: DKK 3,307 million). Both staff costs and other external expenses were impacted by the cost synergies achieved from the UTi integration. The conversion ratio was 29.4 per cent for 2017 against 21.9 per cent for 2016. The

		improvement is attributable to the UTi integration synergies, and at the same time DSV has achieved higher productivity, driven by a consolidated infrastructure and efficient workflows. ***The Three Months Ended 31 March 2018 and 2019*** In Q1 2019, revenue amounted to DKK 19,979 million compared to DKK 18,380 million for Q1 2018. In constant currencies, growth in quarterly revenue between Q1 2018 and Q1 2019 was 7.9 per cent. In Q1 2019, Gross profit was DKK 5,114 million, compared to DKK 4,120 million for Q1 2018. IFRS 16 Leases impacted gross profit for Q1 2019 positively by DKK 596 million. In constant currencies and excluding IFRS 16 Leases, the underlying growth in gross profit from Q1 2018 to Q1 2019 was 8.5 per cent. Depreciation of own assets relates primarily to software, and amortisation of tangibles relates primarily to property, plant and operating equipment. Operating profit before special items (EBIT) was DKK 1,454 million for Q1 2019, compared to DKK 1,156 million for Q1 2018. IFRS 16 Leases impacted EBIT for the period positively by DKK 96 million. In constant currencies and excluding IFRS 16 Leases, underlying growth for Q1 2019 compared to Q1 2018 was 14.9 per cent. ***Lease Liabilities*** Implementation of IFRS 16 Leases has resulted in recognition of lease liabilities as of 1 January 2019 according to the reconciliation table below:

DKKm	0-1 year	1-5 years	>5 years	Total
Land and buildings (finance leases)	13	1	-	14
Other plant and operating equipment (finance leases)	48	130	-	178
Land and building and other plant and operating equipment (operating leases)	2,777	6,752	2,491	12,020
Total	2,838	6,883	2,491	12,212

B.8	**Selected key pro forma financial information**	As a result of the acquisition of Panalpina, significant gross changes in relation to key figures are expected. Thus, pro forma financial statements are included in this Listing Prospectus, describing the impact of the transaction on DSV's performance in 2018 and financial position as at 31 December 2018 as if the transaction had taken place as at 1 January 2018. Accordingly, the unaudited pro forma financial information does not reflect what DSV's actual assets, liabilities, financial position and results of operations would have been if DSV had had control of Panalpina in 2018 or if DSV had operated on that basis during such period, nor can it be relied upon to reflect DSV's future assets and liabilities or results of operations or financial position and should thus not be used as a basis for forecasts for DSV's results of operations or cash flows or as an indication of the accounting estimates related to the fair value of the Panalpina Shares. It should be noted that the unaudited pro forma financial information only reflects an illustrative preliminary purchase price allocation and shows an estimated effect of such illustrative preliminary allocation on the pro forma income statement. Management expects that a purchase price allocation will be included in DSV's annual financial statements as at and for the twelve months ended 31 December 2019. There may be significant adjustments to the preliminary purchase price allocation in the pro forma balance sheet which may have a significant effect on the illustrative preliminary effects on the pro forma income statement. *Pro Forma Income Statement for the Year ended on 31 December 2018 (unaudited)*

PRO FORMA INCOME STATEMENT

2018 (DKKm)	Note	**DSV**	**Panalpina adjusted**	**Pro forma adjustments**	**DSV Panalpina combined**
Revenue		79,053	38,977		118,030
Direct costs		61,564	29,497		91,061
Gross profit		**17,489**	**9,480**	**-**	**26,969**
Other external expenses		3,036	2,441		5,477
Staff costs		8,241	5,980		14,221
Operating profit before amortisation, depreciation		**6,212**	**1,059**	**-**	**7,271**

and special items					
Amortisation and depreciation	8	762	303	96	1,161
Operating profit before special items		**5,450**	**756**	**(96)**	**6,110**
Special items, costs	9	-	-	100	100
Financial income		130	19		149
Financial expenses		379	45		424
Profit before tax		**5,201**	**730**	**(196)**	**5,735**
Tax on profit for the year	10	1,213	213	(58)	1,368
Profit for the year		**3,988**	**517**	**(138)**	**4,367**

Pro Forma Balance Sheet Data as at 31 December 2018 (unaudited)

PRO FORMA ASSETS

2018 (DKKm)	Note	**DSV**	**Panalpina adjusted**	**Pro forma adjustments**	**DSV Panalpina combined**
Intangible assets	11	16,742	791	30,531	48,064
Property, plant and equipment		2,490	665		3,155
Other receivables		291	206		497
Deferred tax assets		851	446		1,297
Total non-current assets		**20,374**	**2,108**	**30,531**	**53,013**
Trade receivables		13,252	7,070		20,322
Contract assets		1,554	918		2,472
Inventories		718	-		718
Other receivables		1,662	785		2,447
Cash and cash equivalents		1,158	1,909		3,067
Assets held for sale		94	40		134
Total current assets		**18,438**	**10,722**	**-**	**29,160**
Total assets		**38,812**	**12,830**	**30,531**	**82,173**

PRO FORMA EQUITY AND LIABILITIES

2018 (DKKm)	Note	**DSV**	**Panalpina adjusted**	**Pro forma adjustments**	**DSV Panalpina combined**
Share capital	12	188	13	43	244
Reserves and retained earnings	13	14,373	3,771	30,334	48,478
DSV A/S shareholders' share of equity		**14,561**	**3,784**	**30,377**	**48,722**
Non-controlling interests		(29)	40		11
Total equity		**14,532**	**3,824**	**30,377**	**48,733**
Borrowings	14	6,593	1,024	(998)	6,619
Pensions and similar obligations		915	299		1,214
Provisions		627	646		1,273
Deferred tax liabilities	15	188	106	74	368

Total non-current liabilities		**8,323**	**2,075**	**(924)**	**9,474**
Borrowings	14	545	13	998	1,556
Trade payables		7,646	3,013		10,659
Contract liabilities	16	-	279		279
Accrued cost of services		2,813	1,929		4,742
Provisions		412	126		538
Other payables	17	4,087	1,471	110	5,668
Corporation tax	18	454	100	(30)	524
Total current liabilities		**15,957**	**6,931**	**1,078**	**23,966**
Total liabilities		**24,280**	**9,006**	**154**	**33,440**
Total equity and liabilities		**38,812**	**12,830**	**30,531**	**82,173**

B.9	**Profit forecast or estimate**	Not applicable, as no forecast or estimate is outstanding.
B.10	**Qualification in the audit report on the historical financial information**	Not applicable. The audit reports om the historical financial information included or incorporated by reference in this Listing Prospectus have been issued without qualifications.
B.11	**Explanation if DSV A/S' working capital is not sufficient for the Group's present requirements**	Not applicable, as of the date of this Listing Prospectus, the Management believes that DSV has sufficient working capital to support the working capital requirements of the DSV Group for at least twelve months following the prospectus date.

Section C – Securities		
C.1	**A description of the type and the class of the New Shares, including any security identification number**	The Company has one (1) class of shares. The New Shares will be issued in that class as ordinary shares with dividend rights and other rights in the Company from the date of subscription (expected to be on or about 30 September 2019). The New Shares will be issued in ISIN DK0060079531.
C.2	**Currency of the New Shares**	The Shares are, and the New Shares will be, denominated in DKK and have a nominal value of DKK 1 each.
C.3	**The number of Shares issued and fully paid and issued but not fully paid**	As of the date of this Listing Prospectus, the Company has issued 186,000,000 shares with a denomination of DKK 1 per share. Accordingly, the Company's share capital has a nominal value of DKK 186,000,000 as of the date of this Listing Prospectus. All Shares are fully paid up and have the same rights.
C.4	**Description**	Each New Share entitles its holder to one vote at the general meeting of the Company, subject

	of the rights attached to the New Shares	name registration requirements set out in the Articles of Association. No shares have any special rights. No shareholder is obliged to let his or her shares be redeemed in full or in part.
C.5	**Description of any restriction on the free transferability of the New Shares**	The New Shares will be negotiable instruments, and no restrictions apply to the transferability of the Shares.
C.6	**Admission to trading on a regulated market**	An application has been made for the New Shares to be admitted to trading and official listing on Nasdaq Copenhagen. The New Shares will be issued in ISIN DK0060079531. The first day of trading in, and official listing of, the New Shares on Nasdaq Copenhagen is expected to be on or about 1 October 2019.
C.7	**Description of dividend policy**	The value generated by the Company is distributed to shareholders through share buybacks and dividends. The Management of DSV continuously monitors whether the realised and expected capital structure meets the targets set. Any adjustments to the capital structure are determined in connection with the release of quarterly financial reports and are made primarily through share buybacks. The Company aims to ensure that the dividend per share develops in line with the earnings per share. Dividends declared by the Company are declared in Danish Kroner. In the Transaction Agreement, DSV has agreed with Panalpina (subject to applicable legal requirements and conditional on commercial considerations) to propose at the next annual general meeting to the DSV shareholders to increase the dividend pay-out ratio to approximately 15 per cent of profit for the year.

Section D – Risks		
D.1	**Key information on the key risks that are specific to the Group or its industry**	*An investment in equity shares such as the New Shares involves a high degree of financial risk. Receiving Shareholders and prospective future investors in the New Shares should carefully consider all information in this Listing Prospectus (together with subsequent information published by the Company), including the risks described below. This section addresses general risks associated with the industry in which DSV operates and the specific risks associated with DSV's business. The actual occurrence of any of such risks could have a material adverse effect on DSV's business, financial condition, and results of operations and/or value of the New Shares. Further, this section describes certain risks relating to the Combination, which could also adversely impact the value of the New Shares.* *The risks and uncertainties discussed below are those that the Management believes could be material, but these risks and uncertainties are not the only ones that DSV faces. Additional risks and uncertainties, including risks which are not known to the Management at present or which the Management currently deems immaterial, may also arise or become material in the future and result in an adverse impact on DSV's business, financial condition, and results of operations and could lead to a decline in the value of the New Shares. The following risk factors are not listed in any particular order of priority.* **Risk related to the industry in which DSV operates** • DSV's business could be materially adversely affected by a worsened economic climate. • Changes in volume of trade may adversely affect DSV's business, financial condition, revenue, cash flow or results of operations. • The freight forwarding and logistics business is highly competitive, and DSV may not be able to compete successfully. **Commercial Risks related to DSV's Business** • DSV's business relies on customer's international production set up and distribution channels. • DSV's customers could decide to insource their transportation logistics requirements. • DSV's success depends, in part, on its ability to manage growth through acquisitions. • A failure of DSV to retain customers and attract new customers may negatively affect

		its business. • DSV's business in certain countries depends on agents, local partners and local shareholders. • Because DSV's operations are dependent on subcontractors, changes in available haulage and carrier capacity and other changes affecting such subcontractors, as well as interruptions in service or work stoppages, may negatively impact DSV's business. • DSV is subject to risks associated with managing international operations. • DSV's business may be adversely affected by its reliance on local management control in each jurisdiction. • DSV's operations depend on its ability to maintain and upgrade its IT systems. A significant failure of, or attack or disruption relating to DSV's IT systems could adversely affect DSV. • The impact of technological developments and the adaption of new technologies may impact DSV's ability to compete. • Oil price fluctuations may negatively affect DSV's business. • DSV's suppliers, who are also competitors, could provide preferences to others, including their own competing operations, which could decrease DSV's profitability. • DSV is exposed to credit risk on its customers. • DSV depends on its key personnel. • DSV operates in certain high profile industries and the occurrence of accidents could have negative consequences for DSV's reputation beyond and monetary liability. **Legal and Regulatory Risks related to DSV's Business** • A failure of DSV to comply with applicable law, rules and regulations or a change in law, rules or regulations may negatively affect DSV's business. • DSV is exposed to the risk of claims that may be neither covered by insurance nor limited by contract. • Litigation, regulatory proceedings and similar claims could materially adversely affect DSV. **Financial risks related to DSV's business** • Foreign currency fluctuations could result in currency translation exchange gains or losses. • DSV is exposed to interest rate risk. • DSV is exposed to counterparty risk in its hedging arrangements. • DSV is exposed to liquidity risk. • As a holding company with no independent operations, the Company's ability to pay dividends in the future will depend upon the performance of its subsidiaries. • Potential future changes in accounting standards, policies or practices may impact the reporting of DSV and its financial position. • DSV may have to incur significant charges for impairment of goodwill. • Management's estimates and evaluations may not be accurate. **Risks related to the Combination** • The operational integration of Panalpina involves costs and uncertainties and may not be successful. • Unknown risks, valuation adjustments and liabilities may have a material adverse effect on DSV's business, results of operations, cash flows or financial condition. • Any delay or change in the Combination could result in delays and additional costs incurred by DSV in order to complete the Combination. • Change of control, rights of first refusal, and any other adverse rights provisions in agreements entered into by the Panalpina Group may be triggered upon the completion of the Combination, and may lead to adverse consequences for DSV.
D.3	**Key information on the key risks relating to the New Shares**	• The Company's share price has been and may continue to be volatile, and volatility may increase in connection with the Settlement. • Shareholders outside Denmark are subject to exchange rate risk. • Future sales or issuances of Shares may cause a decline in the market price of such Shares and issuances may dilute any shareholding in the Company that are not offered, able or willing to take part in an offering. • U.S. holders and any other non-Danish holder of Shares may not be able to exercise pre-emptive rights or participate in any future rights offerings.

Section E – Offer		
E.1	**Total net proceeds of the Exchange Offer and estimated expenses**	This Listing Prospectus relates to the admittance to trading and official listing on Nasdaq Copenhagen of up to 56,406,250 New Shares of DKK 1 nominal value each in the Company to be used as consideration to shareholders in Panalpina who accept the Company's Exchange Offer made on 13 May 2019 by way of the Offer Prospectus pursuant to the laws and regulations of Switzerland. In the Exchange Offer, the Company offers 2.375 New Shares for each registered share of Panalpina, subject to certain adjustments for dilutive effects as set out in the Offer Prospectus. Fractions of New Shares will be paid on cash in CHF. Special items costs in the pro forma financials are related to the estimated cost derived in the early stages of the transaction of DKK 100 million, and comprise cost to external advisors expected to occur during the due diligence and the following M&A process.
E.2a	**Reasons for the Exchange Offer and use of proceeds; estimated net amount of the proceeds**	The rationale of the Exchange Offer is to combine two global transport and logistics networks into one, leveraging on scale, joint infrastructure and ultimately improve profitability and future growth to the benefit of shareholders, customers, suppliers and employees. The Combination with the Panalpina Group is expected to increase DSV's annual revenue by close to 50 per cent, which will rank the Combined Group in the industry top four with a pro forma revenue in 2018 of approximately DKK 118 billion and a combined pro forma workforce as at 31 December 2018 of more than 60,000 employees.
E.3	**Terms and conditions of the Exchange Offer**	The Exchange Offer is subject to the Offer Conditions, which are set out in the Offer Prospectus and attached as Annex B to this Listing Prospectus. In summary form, the Offer Conditions include (but are not limited to) the following: • <u>Minimum acceptance level</u>: Upon expiry of the (possibly extended) Main Offer Period, the Company shall have received valid and irrevocable declarations of acceptance for at least 80 per cent of all Panalpina Shares. • <u>Merger clearances and other approvals</u>: All waiting periods applicable to the acquisition of Panalpina by the Company shall have expired or been terminated and all competent merger control and other authorities (including the Committee on Foreign Investment in the United States ("CFIUS")) and, if applicable, courts, in all relevant jurisdictions shall have approved (or cleared, as applicable) the Exchange Offer, without imposing any undertaking or condition on DSV and/or Panalpina and/or any of their respective subsidiaries or making their approvals and/or clearance subject to the satisfaction of any condition or undertaking that would reasonably be capable of causing a material adverse effect. • <u>No Material Adverse Effect</u>: By the end of the (possibly extended) Main Offer Period, no circumstances shall have arisen and no events shall have occurred, and no circumstances or events shall have been reported by Panalpina or otherwise come to the attention of the Company that would reasonably be capable of having a material adverse effect on the Panalpina Group. • <u>Approval of listing prospectus</u>: The Danish Financial Supervisory Authority shall have approved a prospectus required for the listing and admittance to trading of the DSV Shares to be delivered under the Exchange Offer. • <u>Listing of DSV Shares</u>: Nasdaq Copenhagen shall have approved the listing and admittance to trading of the DSV Shares to be delivered under the Exchange Offer. On 1 April 2019, the Company entered into Transaction Agreement with Panalpina. Under the terms of the Transaction Agreement, the board of directors of Panalpina agreed, inter alia, to recommend that shareholders of Panalpina accept the Exchange Offer. In addition, on 1 April 2019, the Company entered into Tender Agreements with Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership, in which the latter three agreed to tender all Panalpina Shares held by them into the Exchange Offer (10,898,352 Panalpina Shares, corresponding to 45.89 per cent of the share capital of Panalpina, held by Ernst Göhner Stiftung, 2,915,802 Panalpina Shares, corresponding to 12.28 per cent of the share capital of Panalpina, held by Cevian Capital II Master Fund LP and 2,791,985 Panalpina Shares, cor-

		responding to 11.76 per cent of the share capital of Panalpina, held or discretionally managed by Artisan Partners Limited Partnership).
E.4	**Material interest in the Exchange Offer, including conflicts of interest**	Not applicable. DSV A/S is not aware of any conflicts and/or interest of importance to the issuance of New Shares under this Listing Prospectus.
E.5	**Selling shareholders and lock-up agreements**	No Shares are being offered for sale by shareholders. Ernst Göhner Stiftung in addition undertook not to sell the New Shares it will receive under the Exchange Offer for a period of twenty-four (24) months following Settlement, subject to certain exceptions, and the Company undertook to nominate and support the election of a candidate proposed by Ernst Göhner Stiftung to the Board of Directors at an extraordinary shareholders' meeting to be held after the Settlement.
E.6	**The amount and percentage of immediate dilution resulting from the Exchange Offer**	The existing DSV shareholders' combined ownership interests will as a minimum be diluted by 17.49 per cent corresponding to New Shares to be issued to exchange the Panalpina Shares held by the Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership, who have agreed to tender all the Panalpina Shares held by them combined (a combined 69.93 per cent of the Panalpina Shares) through Tender Agreements. The existing DSV shareholders' ownership interests will as a maximum be diluted by 23.27 per cent under the assumption that 100 per cent of the issued Panalpina Shares (including treasury shares) will be tendered validly in the Offer Period. *The shareholdings of existing major DSV shareholders after Settlement, assuming exclusively acceptance of the Exchange Offer by the Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership:*

	Listing Prospectus date*		**Immediately after Settlement**	
	Shares held**	%	Shares held	%
BlackRock, Inc., New York	10,372,436	5.58	10,372,436	4.60
Morgan Stanley, Wilmington, USA. .	9,420,953	5.07	9,420,953	4.18
Capital Group Companies Inc., Los Angeles, USA	9,475,136	5.09	9,475,136	4.20
UBS Group AG, Zurich, Switzerland	11,346,465	6.10	11,346,465	5.03
The Company (treasury shares)***. .	7,362,669	3.96	7,362,669	3.27
Total	**47,977,659**	**25.8**	**47,977,659**	**21.28**

*Ownership as of Listing Prospectus Date is calculated based on number of shares (historical number) flagged in a company announcement in per cent of current share capital.
**UBS Group AG holds 834,412 shares (0.45 per cent of the total share capital and total voting rights) and 10,512,053 shares and voting rights through financial instruments (5.65 per cent of the total share capital and of the total voting rights).
***Treasury shares have been calculated as of 7 June 2019.

Shareholdings of existing major DSV shareholders after settlement, assuming 100 per cent acceptance of the Exchange Offer:

	Listing Prospectus date*	**Immediately after Settlement**

	Shares held**	%	Shares held	%
BlackRock, Inc., New York	10,372,436	5.58	10,372,436	4.28
Morgan Stanley, Wilmington, USA. .	9,420,953	5.07	9,420,953	3.89
Capital Group Companies Inc., Los Angeles, USA	9,475,136	5.09	9,475,136	3.91
UBS Group AG, Zurich, Switzerland	11,346,465	6.10	11,346,465	4.68
The Company (treasury shares)***. .	7,362,669	3.96	7,362,669	3.04
Total	**47,977,659**	**25.8**	**47,977,659**	**19.8**

*Ownership as of Listing Prospectus Date is calculated based on the flagged number of shares (historical number) in per cent of current share capital.
**UBS Group AG holds 834,412 shares (0.45 per cent of the total share capital and total voting rights) and 10,512,053 shares and voting rights through financial instruments (5.65 per cent of the total share capital and of the total voting rights).
***Treasury shares have been calculated as of 7 June 2019.

E.7	**Estimated expenses charged to the investor by DSV A/S**	Not applicable, as the costs associated with the issuance of the New Shares will be paid by the Company.

RISK FACTORS

An investment in equity shares such as the New Shares involves a high degree of financial risk. Receiving Shareholders and prospective future investors in the New Shares should carefully consider all information in this Listing Prospectus (together with subsequent information published by the Company), including the risks described below. This section addresses general risks associated with the industry in which DSV operates and the specific risks associated with DSV's business. The actual occurrence of any of such risks could have a material adverse effect on DSV's business, financial condition, and results of operations and/or value of the New Shares. Further, this section describes certain risks relating to the Combination, which could also adversely impact the value of the New Shares.

The risks and uncertainties discussed below are those that the Management believes could be material, but these risks and uncertainties are not the only ones that DSV faces. Additional risks and uncertainties, including risks which are not known to the Management at present or which the Management currently deems immaterial, may also arise or become material in the future and result in an adverse impact on DSV's business, financial condition, and results of operations and could lead to a decline in the value of the New Shares. The following risk factors are not listed in any particular order of priority.

Risks related to the Industry in which DSV operates

DSV's business could be materially adversely affected by a worsened economic climate.

Like other service providers in the freight forwarding and logistics industry, the demand for DSV's services is directly related to the economic conditions for sale and purchase of goods and transportation. An economic recession leading to stagnation or declining economic growth will therefore directly impact DSV's activity level and consequently DSV's financial results.

Uncertainty about global economic conditions poses a risk as consumers and businesses may postpone or reduce spending in response to tighter credit, negative financial news and/or declines in income or asset values and other macroeconomic factors, which could affect consumer spending behaviour and have a material negative effect on demand

and pricing for freight forwarding and logistics services. DSV's revenue and gross margins are dependent upon demand for freight forwarding and logistics services and if this demand declines and/or the margins decline, DSV's business, financial condition, revenue, cash flow or results of operations could be adversely affected.

DSV is unable to predict the global economic conditions. If the current economic conditions deteriorate or uncertainty related to the global economic conditions increase, DSV's business, results of operations and financial condition could be materially and adversely affected. Furthermore, if the economic climate worsens, DSV may not be able to secure short-term and long-term credit or leasing facilities on favourable terms or at all, which may materially and adversely affect DSV's financial resources.

Changes in volume of trade may adversely affect DSV's business, financial condition, revenue, cash flow or results of operations.

DSV's business is directly affected by the volume of trade. Trade volumes may be influenced by many economic, political, and other factors that are beyond DSV's control, including but not limited to:

- downturns in the global economic cycle (as described above);
- currency unrest or a currency breakdown in specific regions or countries that are important to DSV such as the Eurozone;
- one or more countries leaving the European Union or the euro or the euro dissolving entirely;
- currency fluctuations that may make exports and/or imports from or to certain countries or regions unattractive;
- changes in government trade policies, protectionist measures and threat of increase of import duties for goods imported triggering "trade wars" or retaliatory actions by affected countries;
- the introduction of local and regional laws and regulations increasing customs duties or imposing restrictions on trade and/or foreign investments;
- natural disasters, war, civil unrest, acts of terrorism, explosions, strikes and other conflicts that disrupt trade and/or of transportation;
- imposition of new taxes, duties or tolls, which may result in a shift to other forms of transport;
- increased security measures resulting in additional workload and costs influencing the transport volumes or routing of cargo;
- changes in flows of products due to local and regional changes in costs of production (e.g. if production which is currently outsourced to low cost countries is sourced back due to increasing production costs abroad and/or protectionist policies which reduce international trade); and
- changes in consumer demand for transportation due to political, social or climate perceptions.

Each of these factors, which are difficult or impossible to predict, may adversely affect customers' demand for DSV's services and/or DSV's ability to supply services. Such changes may prevent DSV from achieving in some or all markets the critical mass of volumes necessary for profitable operations in what is a low margin industry and such changes could have a material address effect on DSV's business, financial condition and results of operations.

The freight forwarding and logistics business is highly competitive, and DSV may not be able to compete successfully.

The freight forwarding and logistics industry is highly competitive and characterised by intense price competition, low margins, limited customer loyalty and low barriers for entry. DSV faces competition from other freight forwarders, integrated carriers, logistics companies, and third-party logistics providers. Competition is being intensified through the current industry trend towards consolidation of niche players into larger companies, decline in global economy and blurring of sectorial barriers.

There are a large number of companies competing in one or more segments of the industry. Depending on the location of the customer and the scope of services requested, DSV must compete against both niche players and global players.

New market entrants, including start-ups, established carriers and online retailers (such as Amazon or Alibaba) could develop digital customer interfaces and start offering traditional freight forwarding services, thereby disrupting the industry or intensifying competition.

This intense competition may result in loss of market share and market position, reduced revenue and reduced margins. Any increase in competition or new market entrants disrupting the industry or intensifying competition could have a material address effect on DSV's business, financial condition and results of operations.

Commercial Risks related to DSV's Business

DSV's business relies on customers' international production set up and distribution channels.

Globalisation, changes in demand patterns and the constant re-design of production setups and supply chains with increasing complexity (e.g. supply chains that include mixtures of off- and near-shoring) drive the changing needs of DSV's customers (existing or potential) in terms of logistics services. In this context for example, logistics companies are increasingly being asked to provide integrated solutions including a range of value-added services, rather than just one element of the transportation or warehousing process. In the context of addressing growing complexity, some customers are reducing the number of logistics suppliers they use. This offers opportunities, but may also lead to customer losses if DSV is not retained as a supplier. In addition, DSV must also be able to anticipate shifts in geographic centres of production (such as from China to Southeast Asia or Africa). In order to succeed in the business, DSV must understand, react and where possible pre-emptively anticipate customer needs in the optimisation of their supply chains. Failure to provide these services successfully may have a material adverse effect on DSV's business, results of operations, financial condition and prospects.

DSV's customers could decide to insource their transportation logistics requirements.

Rather than outsourcing their transportation logistics requirements, some customers could decide to provide such services internally, which could adversely affect DSV's business volumes and revenue.

DSV's success depends, in part, on its ability to manage growth through acquisitions.

The freight forwarding and logistics industry is subject to a continuous consolidation process driven by the increase in cross-border trade and search for economies of scale. The strategy of DSV is to participate actively in this consolidation process. This strategy for long-term growth, improved productivity and profitability depends in part on DSV's ability to make acquisitions and to realise the expected benefits from its acquisitions. While DSV expects such acquisitions to enhance its value proposition to customers and improve its long-term profitability, there can be no assurances that the acquisitions will meet DSV's expectations within the established timeframe or at all.

Deciding on and carrying out the wrong acquisition may be costly and take up valuable resources that could have been spent on other potential acquisition candidates.

Acquisitions involve a significant number of risks, including, but not limited to, risks arising from change of control provisions in contracts of any acquired company, local law factors, pending and threatening lawsuits and risks associated with restructuring operations. The integration of acquired companies may result in unforeseen operational difficulties and costs, and DSV may encounter unforeseen difficulty in retaining customers from and key personnel in acquired businesses. Although DSV has considerable experience in undertaking acquisitions and notwithstanding the fact that DSV undertakes due diligence exercises on acquired companies prior to acquisition, DSV may not be able to realise the expected benefits from a certain acquisition and/or the profitability of the acquired company may be lower than expected or even result in a loss.

In addition, to successfully manage the integration of acquired companies and/or assets, DSV will need to maintain high standards of service and manage its employees effectively. DSV's successful growth will furthermore depend on its ability to manage its expanding operations, as well as the operations of its local partners, including its ability to establish and maintain an adequate IT infrastructure, to integrate new qualified personnel and any newly acquired businesses on a timely basis, and to maintain robust financial and management control and reporting systems and procedures. There is a risk that DSV will not succeed therein.

See also "*Risk Factors - Risks related to the Combination*" for specific risks associated with the combination between DSV and Panalpina Group.

A failure of DSV to retain customers and attract new customers may negatively affect its business.

Freight forwarding business relationships with customers are generally not based on long-term contracts and can be terminated on relatively short notice by the customer. Moreover, customers do not generally commit to specific minimum purchases of DSV's services, and the rates for DSV's services are subject to market fluctuations. As a result, there is a risk that DSV's current revenue level cannot be maintained. Any loss of a significant number of customers or decrease in business with such customers or failure of DSV to attract new customers may lead to a significant decrease in sales.

DSV's business in certain countries depends on agents, local partners and local shareholders.

DSV conducts its business in a limited number of countries using local agents or local partners. In certain other countries, DSV cooperates with local shareholders of its subsidiaries and associates.

There is a risk that an agent acting for or on behalf of DSV and over which DSV has no control could act illegally (including by making illicit payments), fraudulently, or negligently and such action could lead to damage to DSV's local or international reputation and liability to pay damages.

In addition, the local business might be impaired if local partners were to terminate their relationships with DSV. Business might also be impaired if DSV cannot continue its positive relations with local shareholders as such local shareholders are not only instrumental in complying with local regulations on foreign investments but also to promote and otherwise support the local company's business.

Because DSV's operations are dependent on subcontractors, changes in available haulage and carrier capacity and other changes affecting such subcontractors, as well as interruptions in service or work stoppages, may negatively impact DSV's business.

DSV relies heavily on subcontractors such as commercial airfreight carriers, air charter operators, ocean freight carriers, trucking companies, railway operators and other transportation companies. Consequently, DSV's ability to provide its services for its customers could be adversely impacted by shortages in available haulage and carrier capacity, alliances and consolidation among carriers, changes by carriers and transportation companies in policies and practices such as scheduling, pricing, payment terms and frequency of service or increases in the cost of fuel, taxes and labour, and other factors not within DSV's control. In addition, DSV's business, financial condition, revenue, cash flow, or results of operations could be adversely affected by material interruptions in service or stoppages in transportation, whether caused by strike, work stoppage, lock-out, slowdown, IT-outages or otherwise. There is a risk that a subcontractor acting for or on behalf of DSV and over which DSV has no control could act illegally, fraudulently, or negligently and such action could lead to damage to DSV's local or international reputation and liability to pay damages.

DSV is subject to risks associated with managing international operations.

DSV operates mainly outside Denmark and most of its revenue derives from international operations. The risks inherent in conducting such international business include:

- difficulties in staffing and managing dispersed international operations and adapting to local cultural requirements;
- general political and economic instability in certain countries in which DSV operates and fluctuations in local economic growth;
- changes in inflation rates and devaluation, depreciation or excessive valuation of local currencies;
- currency fluctuations, foreign exchange controls or restrictions on profit repatriation;
- changing interest rate environments and changes in financial, economic and tax policies;
- risk of expropriation of assets in certain countries;
- different liability standards in each country;
- difficulties in finding subcontractors with sufficient quality standards, liability insurance cover or appropriate health, safety and environment processes in place;
- in certain jurisdictions, dealing with higher levels of crime, including theft, kidnaping, and tampering with or stealing from shipments; and
- inability to ensure that all customer service contracts and other contracts entered into by DSV are sufficiently protective of DSV's interests and are at least in accordance with local market practice.

The above list of risks inherent in conducting international business is not exhaustive.

DSV's business may be adversely affected by its reliance on local management control in each jurisdiction.

DSV conducts its business in many countries around the world with local and regional managements retaining responsibility for day-to-day operations, profitability and the growth of the business in those jurisdictions. There is a risk that local management or employees could act illegally (including by making illicit payments), fraudulently, or negligently in violation of applicable law or group-wide policies (Code of Conduct, or standard operating procedures) and such action could lead to damage to DSV's local or international reputation and liability to pay damages or fines.

DSV's operations depend on its ability to maintain and upgrade its IT systems. A significant failure of, or attack or disruption relating to DSV's IT systems could adversely affect DSV.

Operations in the transport and logistics industries are highly dependent on IT systems, networks and related processes and DSV's services, analytic capabilities and reporting to the financial markets are, to a large extent, based on its IT systems. DSV's ability to efficiently and securely process, as well as perform business critical operations, relies on the seamless and uninterrupted operation of DSV's IT systems and procedures. A failure of the hardware or software that supports these systems, the loss of data contained in such systems, or the inability to access or interact with DSV's websites or to connect with customers electronically could significantly disrupt DSV's operations, prevent customers from placing orders, or cause DSV to lose freight orders or customers.

Such systems can be disrupted by, among other things, system outages, power outages, deliberate cyber-attack or sabotage, computer viruses, hacking, software errors and physical damage.

The ability to integrate, develop and implement new IT systems is key to DSV's optimisation of business processes. Furthermore, DSV relies on the scalability of its systems, continuous innovation and improvement of its IT landscape to be able to offer competitive services that meet customers' expectations, improve DSV's productivity and respond to new business opportunities as they arise. Any failure to integrate, develop and implement new IT systems or meet customer expectations could mean that DSV loses its competitive edge.

Acquisition of companies involves integration of IT systems and there is no guarantee that such integrations will happen as planned.

It can also be expected that customers will continue to demand increasingly sophisticated IT systems from DSV. If DSV fails to upgrade and replace IT systems to handle increased volumes and to meet increased customer demand, its business, financial situation, cash flow, or results of operations may be adversely affected.

DSV's technology systems depend on global communication providers, telephone systems, and global and local internet infrastructures that may be subject to significant system failures and similar disruptive events. DSV's servers and other hardware are vulnerable to computer viruses, break-ins, and similar disruptions and are exposed to "cyber risk". For the supply of software and the maintenance of software and hardware, DSV relies, to a large extent, on outside suppliers. Therefore, DSV's IT structure could be adversely affected by failures of such third-party suppliers to comply with their contractual obligations or by third-party suppliers terminating their business or increasing their prices significantly.

The impact of technological developments and the adaptation of new technologies may impact DSV's ability to compete.

The freight forwarding and logistics industry is subject to constant change as a result of the development, adaptation and use of new technologies. This development is driven both by existing competitors in the industry as well as new entrants. Digitalisation and automation of processes (such as quoting, booking, tracking, reporting and billing) are among the most important trends in the freight forwarding and logistics industry.

Technological development can also result in new and higher standards for the service level that customers expect from the industry.

Any failure by DSV to adapt its services to technological developments and the use of new technologies could affect the Group's ability to compete in the industry which may result in a loss of market share and market position, reduced revenue and reduced margins.

Oil price fluctuations may negatively affect DSV's business.

The cost of transportation depends to a large extent on oil prices. Increases in oil prices are likely to increase carrier costs for DSV. There can be no assurance that DSV will be able to pass on increased transportation costs to customers. If DSV is not able to pass on price increases to its customers, an increase in oil prices could adversely affect DSV's business, financial condition, revenue, cash flow or results of operations.

DSV's suppliers, who are also, competitors, could provide preferences to others, including their own competing operations, which could decrease DSV's profitability.

DSV buys transportation services from several companies with whom it competes – e.g. hauliers with own freight forwarding operations or ocean freight carriers. As these suppliers interact with DSV's customers, it is possible that these suppliers could take business away from DSV by dealing directly with DSV's customers. Although DSV may have in place certain legal and other restrictions intended to reduce the possibility of loss of customers, any loss of customers could make an impact on DSV's profitability.

DSV is exposed to credit risk on its customers.

DSV's credit risks relate mainly to its customers. The inability of customers to pay or significant time delays in receipt of payments from customers may materially and adversely affect DSV's business, financial condition, revenue, cash flow or results of operations.

DSV depends on its key personnel.

Employees are a vital resource to DSV. DSV's business depends on highly qualified management teams and employees with technical and operational qualifications at all organisational levels, who are capable of handling situations out of the ordinary, and jointly contributing to DSV's financial results. Failure to attract new talents or retaining existing, experienced key employees can potentially have long-term consequences for the operational, strategic and financial development of DSV.

DSV operates in certain high profile industries and the occurrence of accidents could have negative consequences for DSV's reputation beyond any monetary liability.

DSV transports cargo and personnel for the military, oil and gas, mining and hazardous cargo sectors. In these sectors and others, accidents, damage or loss could result in severe consequences, including loss of life and environmental catastrophe. In addition to the financial liability DSV may face in connection with such events, their occurrence could attract significant negative publicity for DSV and result in severe damage to DSV's local and international reputation.

Legal and Regulatory Risks Related to DSV's Business

A failure of DSV to comply with applicable law, rules and regulations or a change in law, rules or regulations may negatively affect DSV's business.

General Law, rules and regulations (and changes therein), licenses and permits

Because of DSV's global operations, DSV is subject to extensive national and international legislation and regulations. Statutory regulations relating to tax, customs, VAT and competition laws are increasing in scope and complexity. Furthermore, DSV is required to obtain and maintain various licenses and permits in several countries. Due to the low margins for transportation and logistics services, DSV's results of operations are particularly sensitive to relatively small changes in law, rules or regulations requiring DSV to change operating practices or influencing the demand for and costs for providing services.

Any failure to comply with applicable laws, rules and regulations may not only subject DSV to substantial fines, penalties, revocation of permits and licenses, criminal liability or lawsuits, but also force DSV to withdraw from certain countries. In addition, permits and licenses may be withdrawn or suspended without any particular reason. Non-compliance may also have a long-term negative impact on DSV's reputation.

Customs regulations

Due to the nature of the services it renders, DSV must comply with a multitude of customs regulations. A failure to comply with any such regulations may not only lead to claims from the pertinent customs authorities and customers against DSV, but also prevent DSV from continuing to do customs clearance business in the country/countries in question. Any failure to comply with customs regulations may adversely affect DSV's business and results of operations.

Regulations on unlawful transportation or storage of hazardous, explosive or illegal materials and trade embargoes or sanctions

DSV is subject to a broad range of environmental, workplace health and safety laws and regulations, including those governing the storage, handling, and disposal of solid and hazardous cargo and regulations regarding shipment of explosive or illegal substances. Furthermore, DSV is subject to export, transfer and import controls. For instance, DSV performs transport services to, from and via most regions in the world, and an increasing number of countries, organisations and persons are subject to international embargoes or sanctions, ordered by e.g. the UN, EU or USA, denying or restricting transports of specific types of cargo. If DSV fails to comply with such regulations, embargoes or sanctions, it could be subject to substantial fines, penalties, revocation of permits and licenses, criminal liability or lawsuits and may be banned from conducting its activities in certain countries or geographic areas. Under some countries' applicable laws and regulations, DSV has an obligation to exercise reasonable care to ensure that each of DSV's customers is in compliance with such laws and regulations, including laws and regulations requiring that the customer obtain appropriate licenses for shipments and accurately declare the contents of shipments. There is a risk that DSV fails to fulfil its obligations, which could lead to damage to DSV's local or international reputation and liability to pay damages or fines.

DSV's business is also affected by regulatory and legislative changes, such as security measures resulting from terrorist attacks or the implementation of trade embargoes, which can affect the economics of the global transportation services industry by requiring changes in DSV's operating practices, or influencing the demand for or the costs of providing services to DSV's customers or the ability of DSV to satisfy customer demand.

In addition, if a leakage of hazardous substances occurs at or from DSV's facilities while the substances are in the custody of a carrier DSV has mandated, DSV may be required to participate in the remedy or otherwise bear liability for such release.

Any failure to comply with regulations on transportation, storage of hazardous, explosive or illegal materials and trade embargoes or sanctions and any regulatory changes causing the costs of services to increase, may adversely affect DSV's business and results of operations.

Environmental laws and regulations including, but not limited to, restrictions regarding pollution and greenhouse gas emissions

Regulation concerning the environment and climate has increased and is expected to continue to do so. Environmental regulations can impose costs on DSV either directly if fees are levied or indirectly due to compliance costs and, as a result, could have an adverse effect on DSV's business, financial condition or results of operations, if DSV is not able to pass the costs on to its customers.

Competition laws

DSV's operations are subject to competition laws and regulations. Any alleged violations of competition laws and regulations (including by local partners over whom DSV has no control) or the outcome of any legal or administrative proceedings brought against DSV could have a material adverse effect on DSV's business, results of operations and financial condition.

Tax legislation

Because DSV conducts its business in a large number of countries, it is subject to a multitude of tax rules relating to income taxes, VAT, sales taxes, payroll taxes and other taxes. There is a risk that tax authorities in a country in which DSV does business will raise claims against DSV for failure to comply with applicable tax laws and any such failure to comply may adversely affect DSV's business and results of operations.

DSV is exposed to the risk of claims that may be neither covered by insurance nor limited by contract.

Possible claims

Freight forwarding and logistics operations involve exposure to a variety of risks. All the parties involved in those operations, from the shippers, forwarders, carriers, warehouse operators and others, to the recipients of the goods, may potentially incur damages or losses or become liable to other parties involved in those operations and to third parties in case of certain events, actions, errors or omissions. As a consequence, any such party may claim indemnification directly from DSV for any loss or damage suffered, including financial damages. In particular, damage to or loss of valuable cargo, as well as third-party liabilities in cases of accidents (for instance those caused by the carriers or by the cargo shipped), may have large financial impacts on a scale that is not commensurate with the consideration that can be obtained for freight forwarding or logistics services or with the available insurance coverage.

Contractual limitations on DSV's liability

DSV generally seeks to limit by contract its liability towards customers for loss or damage to their goods and for late delivery. Customers often seek to increase or eliminate such limits, therefore loss or damage to customers' goods in transport and late delivery may lead to an increased exposure of DSV. In some, but not all cases, DSV purchases additional insurance in case of such increased liability.

Insurance coverage

DSV has a captive insurance subsidiary, DSV Insurance, through which it self-insures certain identified risks and offers cargo insurance to customers of DSV. DSV Insurance takes out reinsurance directly with third-party reinsurers to cover its material risks. In addition, DSV takes out insurance directly with third-party insurers. Nevertheless, there can be no assurance that DSV will not incur losses beyond the limits or outside of its insurance coverage.

There is generally no or limited insurance coverage for certain risks such as war, strike, acts of terrorism, explosions and consequential loss liability.

As insurance coverage is subject to considerable deductibles, exclusions for specific cases and coverage limits, any damages, losses or other claims which will fall within these categories and which are not covered by the insurers are consequently borne by DSV. Furthermore, there have been and may be in the future disputes with insurers concerning the coverage of specific incidents. Moreover, DSV faces the risk that, due to incidents occurring, a third-party insurer could terminate or refuse to renew its insurance contract. As a consequence, DSV might have difficulties entering into new insurance agreements on commercially acceptable terms and conditions.

If any of DSV's insurers or reinsurers becomes unable to fulfil its insurance obligations to DSV, this could result in DSV having to bear the full amount of the relevant damage or loss.

In addition, DSV's future insurance claims expenses might exceed expected levels, which could reduce DSV's earnings. If the number or severity of claims increases, DSV's operating results could be adversely affected. DSV’s insurance and claims expenses could increase when its current coverage expires.

Litigation, regulatory proceedings and similar claims could materially adversely affect DSV.

From time to time, DSV is involved in lawsuits, regulatory proceedings and similar matters incidental to the ordinary operations of its business. Such matters can be lengthy, costly and disruptive to normal business operations. The results of these proceedings cannot be predicted with any certainty and such proceedings could result in DSV’s obligation to pay the claimed amounts or fines. Alternatively, authorities could impose other sanctions on DSV, which could have a material adverse effect on DSV's business, financial condition, revenue, cash flow or results of operations.

Financial risks related to DSV's business

Foreign currency fluctuations could result in currency translation exchange gains or losses.

DSV's reporting currency is DKK and due to the global nature of its operations a substantial portion of its revenue is derived in currencies other than DKK. In particular, container rates are primarily denominated in USD. In those areas where DSV's revenue and costs are denominated in a local currency other than DKK, a depreciation of the local currency against DKK could adversely affect DSV's reported DKK earnings.

Additionally, the revenue of DSV's international operations are settled in each country's local currency and the results and equity of those operations are translated into DKK based on average exchange rates for operating activities and year-end exchange rates for the balance sheet. As such, foreign currency exchange rates may adversely affect DSV's business, reported revenue, financial condition, cash flow, results of operations and shareholder's equity. DSV cannot predict the effects of exchange rate fluctuations on its future operating results.

DSV is exposed to interest rate risk.

DSV is exposed to interest rate movements on its external funding. Furthermore, DSV is to some extent exposed to interest rate risks in connection with the leases it has.

Interest rates are sensitive to numerous factors not in DSV's control including, but not limited to, government and central bank monetary policy in the jurisdictions in which DSV operates.

DSV is exposed to counterparty risk in its hedging arrangements.

In ordinary cause of business DSV enters into arrangements with other parties to hedge its exposure to fluctuations in currency and interest rates, including forward contracts and swap agreements. If any of the counterparties to DSV's hedging arrangements becomes unable to fulfil its obligations to DSV, DSV may lose the financial benefits of these arrangements.

DSV is exposed to liquidity risk.

DSV must be able to secure financing to be able to continue and expand its operations through implementation of its growth strategy. DSV's ability to secure financing or enter into leasing arrangements depends on several factors, many of which are beyond its control, including general economic conditions, adverse effects in the debt or capital markets, the availability of funds from financial institutions and monetary policy in the markets in which it operates. If DSV is unable to secure financing or enter into leasing arrangements on favourable terms, or at all, its growth opportunities would be limited and its business, financial condition and results of operations may be adversely affected.

DSV's financial resources are dependent in part on DSV's existing bilateral revolving credit facilities. If any of the lenders under these facilities fails to satisfy its obligations to extend credit under the facility and DSV is unable to find an alternative source of funding at comparable rates, DSV's financial resources may be adversely affected or the interest expense may increase.

In addition, DSV may seek to refinance its existing debt and there can be no assurances that it will be able to do so on acceptable terms. Furthermore, unforeseen cost increases and/or unforeseen income reductions may result in DSV's liquidity reserve becoming insufficient.

In the event that a breach of any of the provisions of the Company's financing agreements triggers cross-acceleration provisions in the Company's financing agreements, a substantial number of the Company's lenders would have the right to cancel their commitments to provide financing to the Company and to require the amount of any outstanding indebtedness to be immediately repaid by the Company. In addition, an event of default would occur under credit facilities. In such circumstances, all of the Company's debt could be accelerated at the same time and, should the Company not be able to arrange adequate refinancing, the Company may not have the funds necessary to pay all of its debt, including amounts outstanding under credit facilities, when due.

As a holding company with no independent operations, the Company's ability to pay dividends in the future will depend upon the performance of its subsidiaries.

The Company is a holding company with no independent operations. All of its operations are conducted by its subsidiaries, and the Company has no significant assets other than the equity interests in its subsidiaries. The Company has no legal obligation to, and may not, declare dividends or other distributions on the Shares. If the Company was to choose to declare dividends in the future, the ability to pay such dividends to the shareholders of the Company will depend on the performance of the Company's subsidiaries and the ability of those entities to distribute funds to the Company. Each subsidiary is a distinct legal entity and, under certain circumstances, legal restrictions may limit the Company's ability to obtain cash from its subsidiaries. Any payment of interest, dividends, distributions, loans or advances by the Company's operating subsidiaries to the Company could be subject to restrictions on dividends or repatriation of distributions under applicable local law, monetary transfer restrictions and foreign currency exchange regulations in the jurisdictions in which the subsidiaries operate or under arrangements with local partners. Accordingly, there can be no assurance that the Company will be able to pay a dividend in the future. See "*Dividends; Results and Dividends per Share; Dividend Policy"*.

Potential future changes in accounting standards, policies or practices may impact the reporting of DSV and its financial position.

The consolidated financial statements of DSV are being prepared under IFRS as adopted by the EU and further requirements under the Danish Financial Statements Act. Over the years, accounting policies have changed as a consequence of new standards and amendments to IFRS. For a summary of DSV's significant accounting policies and changes in such accounting policies during the period 2016-2019, see "*Management's Review of Operations and Financial Statements - Significant accounting policies and - Changes in accounting standards".*

The IFRS 16 Leases accounting standard for leases has been applied from 1 January 2019. The standard has had a material impact on DSV's financial statements. See "*Management's Review of Operations and Financial Statements - Changes in accounting standards and - IFRS 16 Leases*" for a description of the effects of the changes.

Future changes in accounting standards, policies or practices, and related legal and regulatory interpretations of those changes, can have material adverse effects on DSV's reported results of operations, financial condition and prospects.

DSV may have to incur significant charges for impairment of goodwill.

Goodwill represents the excess of the costs of an acquisition over the fair value of DSV's share of the net identifiable assets of the acquired subsidiary or associate as the date of acquisition. As at 31 December 2018, the carrying balance of DSV's goodwill was DKK 15,508 million (DKK 15,667 million as at 31 March 2019) and is expected to increase significantly as a result of the Combination. See note 11 to the unaudited pro forma financial information set out in "*Financial Information – Unaudited Pro Forma Financial Information for DSV and Panalpina*".

As required by IFRS, DSV tests goodwill annually for impairment. Any significant charge for impairment of goodwill in the future could materially and adversely affect DSV's results.

Management's estimates and evaluations may not be accurate.

When preparing the consolidated financial statements of DSV and the financial statements of the Company, the Management makes various accounting estimates and judgements that affect the reported amounts of assets, liabilities, income, expenses, cash flow and related information at the reporting date. The estimates are based on historical experience and other factors deemed reasonable in the circumstances. By their nature, such estimates are subjective and subject to uncertainty and there is a risk that the actual results may deviate from these estimates.

Risks related to the Combination

The operational integration of Panalpina involves costs and uncertainties and may not be successful.

The proposed Combination pursuant to the Exchange Offer will substantially increase the size of DSV's operations and will require DSV to integrate certain activities that DSV did not previously operate. Although Management expects to achieve synergies and cost savings through integrating Panalpina with the existing business, DSV may encounter difficulties, which may be exacerbated when integrating companies in different countries, or fail to realise the expected synergies. Moreover, realising the expected synergies may take longer than expected.

The integration process involves the inherent costs and uncertainties of integration into a new organisation and the availability of, and strain upon, management resources to oversee the operations and manage the human resources of a significantly larger company. Although Management believes the integration will be able to proceed in an orderly fashion, there may be differences over corporate strategies and corporate cultures and general cultural differences that need to be overcome. Any material delays or unexpected costs incurred in connection with the integration and restructuring process could result in the failure to realise expected synergies and could have a material adverse effect on DSV's business, financial condition, revenue, cash flow or results of operations.

Unknown risks, valuation adjustments and liabilities may have a material adverse effect on DSV's business, results of operations, cash flows or financial condition.

The Company has only conducted a limited due diligence review of Panalpina. The Company has relied on publicly available information relating to Panalpina and certain representations made by Panalpina in the Transaction Agreement. As a result of the Combination, DSV may be subject to unknown risks, valuation adjustments and liabilities of Panalpina, which may have a material adverse effect on the DSV´s business, financial condition, revenue, cash flow or results of operations.

Any delay or change in the Combination could result in delays and additional costs incurred by DSV in order to complete the Combination.

The timely completion of the Exchange Offer depends upon the satisfaction of the Offer Conditions, including receipt of valid and irrevocable declarations of acceptance for a certain number of Panalpina Shares, merger clearances in multiple jurisdictions and clearances by the Committee on Foreign Investments in the United States (CIFIUS) and other regulatory approvals. Circumstances might occur that delay acceptances or the grant of clearances required or conditions may be imposed, which means that DSV will not get the full benefit of the Combination or would incur additional costs in order to complete the Combination.

Change of control, rights of first refusal, and any other adverse rights provisions in agreements entered into by the Panalpina Group may be triggered upon the completion of the Combination, and may lead to adverse consequences for DSV.

Entities in the Panalpina Group may be a party to joint ventures, licenses and other agreements and instruments that contain change of control, rights of first refusal or other adverse rights provisions that may be triggered upon the completion of the Combination. DSV has not prior to the announcement of the Exchange Offer reviewed agreements to which one or more of the entities in the Panalpina Group are parties. Agreements with change of control provisions typically provide for or permit the termination of the agreement upon the occurrence of a change of control of one of the parties or, in the case of debt instruments, require repayment of all outstanding indebtedness. Agreements with rights of first refusal typically provide the holder of the right with an option to acquire shares in a business upon transfer of such shares before the owner is allowed to enter the transaction with a third party. The operation of the change of control provisions, if any, could result in the loss of material contractual rights and benefits, the termination of joint venture agreements and licensing agreements or the requirement to repay outstanding indebtedness and the operation of rights of first refusal provisions, if any, could result in the loss of a business or activity at less than market price.

Risks related to investment in the New Shares

The Company's share price has been and may continue to be volatile, and volatility may increase in connection with the Settlement.

The Company's share price has been volatile, which relate to uncertainty with respect to the Combination and to volatility in the securities markets generally. Factors other than the financial results of DSV that may affect the Company's share price include, but are not limited to:

- continued significant price and volume fluctuations experienced by Nasdaq Copenhagen and/or global securities markets;
- the market expectations of the performance of the freight forwarding and logistics services industry;
- changes in financial estimates and investment recommendations or ratings by securities analysts;
- announcements by the Company or its competitors of new service offerings;
- claims or lawsuits against the Company;

- changes in Management; and
- changes to the regulatory environment in which the Company operates.

The issuance of the New Shares implies an increase of up to 23.27 per cent of the share capital of the Company traded on Nasdaq Copenhagen, of which only 10.68 per cent held by Ernst Göhner Stiftung are subject to sales restrictions. The volatility in the Company's share price may increase after Settlement as a result of a potential rebalancing of investment portfolios of Receiving Shareholders and such rebalancing may put pressure on the Company's share price.

Shareholders outside Denmark are subject to exchange rate risk.

The DSV Shares are priced in DKK. Accordingly, any investor outside Denmark is subject to adverse movements in their local currency against DKK.

Future sales or issuances of Shares may cause a decline in the market price of such Shares and issuances may dilute any shareholding in the Company that are not offered, able or willing to take part in an offering.

The market prices of the Shares may decline as a result the sale of Shares in the market by any shareholder(s) after the Settlement or the perception that such sales could occur. In particular, Receiving Shareholders, who will automatically without affirmative subscription receive New Shares as consideration for their Panalpina Shares, may look to monetize their New Shares as soon as practicable.

Such sales may also make it difficult for the Company to issue securities in the future at a time and a price that it deems appropriate. Any issuances of new shares could have a material adverse effect on the public trading price of the Shares and may dilute the economic value of or the administrative rights vested with any shareholding in the Company by shareholders that are not offered, able or willing to take part in the offering.

U.S. holders and any other non-Danish holder of Shares may not be able to exercise pre-emptive rights or participate in any future rights offerings.

Holders of Shares will have certain pre-emptive rights in respect of certain future issues of new shares, unless those rights are dis-applied by a resolution of the shareholders at a general meeting or the new shares are issued on the basis of an authorisation to the Board of Directors under which the Board of Directors may dis-apply the pre-emptive rights. The securities laws of certain jurisdictions may restrict the ability for shareholders in such jurisdictions to participate in any future issue of new shares carried out on a pre-emptive basis. Shareholders in the United States, as well as certain other countries may not be able to exercise their pre-emptive rights or participate in future rights offerings, including in connection with offerings at below market value, unless the Company decides to comply with local requirements, and in the case of the United States, unless a registration statement is effective, or an exemption from the registration requirements is available, under the U.S. Securities Act with respect to such rights. In such cases, shareholders resident in jurisdictions other than Denmark may experience a dilution of their shareholding, possibly without such dilution being offset by any compensation received in exchange for subscription rights. There can be no assurance that local requirements will be complied with or that any registration statement would be filed in the United States or other relevant jurisdiction or that any exemption from such registration would be available so as to enable the exercise of such holders' pre-emptive rights or participation in any rights offering.

IMPORTANT NOTICES RELATING TO THE LISTING PROSPECTUS

This Listing Prospectus comprises a prospectus for admission to trading of securities for the purpose of article 5(3) of the 2003 prospectus directive (Directive 2003/71/EC), and for the purpose of giving information with regard to the Company and its subsidiaries taken as a whole and the New Shares which, according to the particular nature of the Company and the New Shares, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company. This Listing Prospectus has been prepared in compliance with the format and content requirements set out in the 2004 prospectus regulation (Commission Regulation (EC) No 809/2004) and the Danish executive order on prospectuses (BEK nr 1170 af 25/09/2018).

Notice to Shareholders and Investors

Restricted Jurisdictions

The release, publication or distribution of this Listing Prospectus, the Form of Acceptance or any other document relating to the Exchange Offer and the making of the Exchange Offer in certain jurisdictions (including, but not limited to, Australia and Japan) ("**Restricted Jurisdictions**") may be restricted by law, be considered unlawful or otherwise violate any applicable laws or regulations, or may require the Company or any of their direct and indirect subsidiaries to change or amend the terms or conditions of the Exchange Offer in any way, to make an additional filing with any governmental, regulatory or other authority or take additional action in relation to the Exchange Offer. Therefore, persons obtaining this Listing Prospectus and any other materials relating to the Exchange Offer or into whose possession this Listing Prospectus and any other materials relating to the Exchange Offer otherwise comes, are required to, and should inform themselves of and observe, all such restrictions. Neither the Company nor the receiving agent accept or assume any responsibility or liability for any violation by any person whomsoever of any such restriction.

The Exchange Offer is not being and will not be made, directly or indirectly, in or into the Restricted Jurisdiction. It is not intended to extend the Exchange Offer to any such Restricted Jurisdictions. No shares are being solicited for purchase or sale from or to a resident of the Restricted Jurisdictions. This Listing Prospectus and any other materials relating to the Exchange Offer, and any and all materials related thereto, should not be sent or otherwise distributed in or into the Restricted Jurisdictions and the Exchange Offer cannot be accepted by any such use, means or instrumentality, in or from within the Restricted Jurisdictions. Accordingly, copies of this Listing Prospectus and any other materials relating to the Exchange Offer are not being, and must not be, sent or otherwise distributed in or into or from any Restricted Jurisdiction or, in their capacities as such, to custodians, trustees or nominees holding shares for persons in any Restricted Jurisdictions, and persons receiving any such documents (including custodians, nominees and trustees) must not distribute or send them in, into or from any Restricted Jurisdiction. Any purported acceptance of the Exchange Offer resulting directly or indirectly from a violation of these restrictions will be invalid. Such documents relating to the Exchange Offer must not be used for the purpose of soliciting the purchase or sale of any Panalpina Shares or the New Shares by any person or entity resident or incorporated in any Restricted Jurisdictions.

United States

The New Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States. The Exchange Offer relates to the shares of a Swiss company by a Danish company and is subject to Danish and Swiss disclosure and procedural requirements, which are different from those of the United States of America. The Exchange Offer will be made in the U.S. in reliance on the Tier II exemption pursuant to Rule 14d-1(d) of, and otherwise in compliance with Section 14(e) of, and Regulation 14E under the U.S. Exchange Act, and otherwise in accordance with the requirements of Danish law and Swiss law. Accordingly, the Exchange Offer will be subject to disclosure and other procedural requirements, including with respect to settlement and withdrawal rights that are different from those applicable under U.S. domestic tender offer procedures and laws. A person who receives the New Shares pursuant to the Exchange Offer may not resell such securities without registration under the U.S. Securities Act or without an applicable exemption from registration or in a transaction not subject to registration (including a transaction that satisfies the applicable requirements of Regulations S under the U.S. Securities Act). U.S. Shareholders are encouraged to consult with their legal, financial and tax advisors regarding the Exchange Offer.

None of the New Shares, this Listing Prospectus, the Form of Acceptance or any other document relating to the Exchange Offer of the New Shares have been approved or disapproved by the SEC, any state securities commission or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or determined the adequacy or accuracy of the information contained in this Listing Prospectus and the merits of the Exchange Offer. Any representation to the contrary is a criminal offence in the United States.

Unless the Company is satisfied, in its sole discretion, that the New Shares can be offered, sold or delivered to a U.S. Shareholder, or for its account or benefit, in a transaction not subject to the registration requirements of the U.S. Securities Act, such U.S. Shareholders that validly accepts the Exchange Offer will receive, in lieu of the New Shares to which it would otherwise be entitled under the terms of the Exchange Offer, the net cash proceeds of the sale of such New Shares (we refer to such sale as a "vendor placement"). The sale of the New Shares pursuant to a vendor placement will occur outside of the United States pursuant to a centralized sale process and will be subject to applicable fees and expenses.

Nothing in this Listing Prospectus shall be deemed an acknowledgment that any SEC filing is required or that an offer required registration under the U.S. Securities Act may ever occur in connection with the Exchange Offer.

The New Shares have not been, and will not be, registered under the securities laws of any state or jurisdiction in the United States and, accordingly, will only be issued to the extent that exemptions from the registration or qualification requirements of state "blue sky" securities laws are available or such registration or qualification requirements have been complied with.

The receipt of cash pursuant to the Exchange Offer by a U.S. Shareholder may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each shareholder is urged to consult his/her independent professional adviser immediately regarding the tax consequences of accepting the Exchange Offer.

In accordance with, and to the extent permitted by, Danish and Swiss law, normal market practice and Rule 14e-5(b)(12) under the U.S. Exchange Act, the Company reserves the right to acquire or agree to acquire Panalpina Shares or rights to Panalpina Shares outside the Exchange Offer prior to the Settlement of the Exchange Offer. Any of the purchases referred to in this paragraph may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Information about such purchases will be disclosed as and if required by applicable securities laws. To the extent that such information is required to be publicly disclosed in Switzerland or Denmark in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

The New Shares generally should not be treated as "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, and persons who receive securities as a result of the Settlement (other than "affiliates") may resell them without restriction under the U.S. Securities Act. It is expected that the Company will rely on the exemption from registration under Rule 12g3-2(b) of the U.S. Exchange Act, and accordingly the Company will not be registered under the U.S. Exchange Act, and the Company will not be subject to the reporting requirements of the U.S. Exchange Act. Under the U.S. securities laws, persons who are affiliates of the Company as of the date and time at which the Settlement becomes effective, or who become affiliates thereafter, may not resell the New Shares received pursuant to the Settlement without registration under the U.S. Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Whether a person is an affiliate of a company for such purpose depends upon the circumstances, but affiliates of a company can include certain officers and directors and significant shareholders. Receiving Shareholders who believe they may be affiliates for the purposes of the U.S. Securities Act should consult their own legal advisors prior to any resale of New Shares received pursuant to the Settlement.

It may be difficult for U.S. Shareholders to enforce their rights and any claims they may have arising under the U.S. federal securities laws in connection with the Exchange Offer, since the Company and Panalpina are located in countries other than the United States, and some or all of their officers and directors may be residents of counties other than the United States. U.S. Shareholders of the Company or Panalpina may not be able to sue the Company, Panalpina or their respective officers or directors in a non-US court for violations of U.S. Securities laws. Further, it may be difficult to compel the Company, Panalpina and their respective affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

European Economic Area ("EEA")

This Listing Prospectus has been prepared in connection with the issue of the New Shares in connection with the Settlement and admission to trading and official listing of the New Shares on Nasdaq Copenhagen and on the basis that no offer to the public of the New Shares will be made in that connection in Denmark or in any other member state of the EEA. Accordingly, any person making or intending to make any offer within the EEA of New Shares should only do so in circumstances in which no obligation arises for the Company to produce a prospectus for such offer.

Australia

This Listing Prospectus is only made available in Australia pursuant to a specific relief instrument granted by the Australian Securities and Investments Commission ("**ASIC**") pursuant to the Australian Corporations Act 2001 (Cth) ("**Australian Corporations Act**"). This Listing Prospectus is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of the Australian Corporations Act, and is not required to, and does not contain all the information which would be required in a disclosure document under the Australian Corporations Act. This Listing Prospectus has not been and will not be lodged or registered with ASIC or any other regulatory body or agency in Australia. This Listing Prospectus does not take into account the investment objectives, financial situation or needs of any particular person, and accordingly should be read with this in mind.

Canada

The Company is created under the laws of Denmark and will not be a reporting issuer in any province or territory in Canada, the Company does have its head office outside Canada, and all of its executive management, officers and directors are ordinarily resident outside Canada. New Shares of the Company will not be listed on any stock exchange in Canada. As there is no market for New Shares in Canada, it may be difficult or even impossible for a Canadian investor to sell them. Any resale of New Shares in Canada will be subject to the registration and prospectus requirements of applicable Canadian securities legislation, unless pursuant to an exemption therefrom, or in a transaction not subject thereto. In certain circumstances Canadian holders of New Shares may be able to sell them outside of Canada, without complying with any Canadian prospectus requirements. Canadian investors, and accordingly should be read with this in mind. Disclosure, financial statements and investments are and will be made, prepared and realised in currencies other than the Canadian dollar and not in accordance with Canadian generally accepted accounting principles.

Hong Kong

The contents of this Listing Prospectus have not been reviewed by any regulatory authority in Hong Kong. Any recipient of this Listing Prospectus is advised to exercise caution. If there is any doubt about any of the contents in this Listing Prospectus, the recipient should obtain independent professional advice.

South Africa

The Settlement as defined in this Listing Prospectus does not constitute an "offer" in terms of section 95(1)(g) of the South African Companies Act, 71 of 2008 (the "**SA Companies Act**") and therefore does not constitute an "offer to the public", as envisaged the SA Companies Act and, accordingly, this Listing Prospectus does not, nor does it intend to, constitute a "registered prospectus", as contemplated in Chapter 4 of the SA Companies Act. South African residents are not permitted to hold or deal in securities abroad except as permitted under the South African Exchange Control Regulations, 1961 promulgated pursuant to the South African Currency and Exchanges Act, 1933 and/or the rulings, circulars and directives issued by the Financial Surveillance Department of the South African Reserve Bank from time to time. South African shareholders should obtain independent advice on the exchange control requirements applicable to them, if any, in relation to the Company New Shares to be distributed to them pursuant to the Settlement.

Switzerland

This Listing Prospectus has been prepared without regard to the disclosure standards for issue prospectuses under art. 652a of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the listing rules SIX Swiss Exchange or the listing rules of any other stock exchange or regulated trading facility in Switzerland. This Listing Prospectus does not constitute an offer to sell or a solicitation of offers to purchase or subscribe for New Shares in the Company nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with any contract therefor. Neither this Listing Document nor any other material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority.

Stabilisation

No price stabilisation activities will be undertaken in relation to the Listing.

DOCUMENTS AVAILABLE FOR INSPECTION

The documents set out below are available for inspection:

- The Company's Memorandum of Association
- The Offer Prospectus
- Minutes of the general meeting held on 27 May 2019 adopting the authorisation to the Board of Directors to issue the New Shares
- The third-party sources referenced in this Listing Prospectus and set out in "*Sources of Market Data*"
- The Company's consolidated financial statements for 2016-2018 and the interim financial report Q1 2019

The above-mentioned documents are available at the office of the Company at Hovedgaden 630, DK-2640 Hedehusene, Denmark.

FORWARD-LOOKING STATEMENTS

The Company has no forecast, outlook or guidance outstanding and any forecast, outlook and guidance previously communicated is since 30 April 2019 no longer outstanding. As announced in the Interim financial report Q1 2019, the Company withdrew its outlook effective on 30 April 2019 to facilitate the preparation of this Listing Prospectus. Until the Combination has been completed, the Company intends not to publish or comment on any financial forecast, guidance or outlook for DSV stand-alone or in combination with Panalpina Group except as required by law.

Certain statements in this Listing Prospectus constitute forward-looking statements. Forward-looking statements are statements (other than statements of historical fact) relating to future events and the anticipated or planned financial and operational performance of the Company. The words "targets", "believes", "expects", "aims", "intends", "plans", "seeks", "will", "may", "might", "anticipates", "would", "could", "should", "continues", "estimates" or similar expressions or the negatives thereof, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a number of places in this Listing Prospectus and include, among other things statements addressing matters such as:

- The Company's future financial condition;
- The Company's future working capital, cash flow and capital expenditure;
- The Company's future dividends;
- The Company's business strategy, plans and objectives for future operations and events;
- General economic trends and trends in the Company's industry and markets; and
- The competitive environment in which the Company operates.

Although Management believes that the expectations reflected in these forward-looking statements are reasonable, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the Company's actual results, performance or achievements expressed or implied by such forward-looking statements to deviate from the statements so expressed or implied. Such risks, uncertainties and other important factors include, among others:

- The performance of the global economy and a worsened economic climate;
- Changes in volume of trade;
- Competition;
- Catastrophic events, terrorist attacks, violence or war;
- Changes in customer production setup or insourcing;
- Ability to manage growth through acquisitions;
- Failure to retain or attract customers;
- Dependency on agents, local partners or subcontractors;
- Risks associated with managing international operations and reliance on local management;
- Ability to maintain and update IT systems or IT failures;
- Technological developments;
- Oil price;
- Preferences of suppliers who are also competitors;
- Dependency on key personnel;
- Credit risk;
- Reputational risk
- The ability of DSV to integrate Panalpina into DSV's operations;
- Unknown risks due to limited due diligence;
- Delay or change in the Combination including changes caused by regulatory conditions;
- Change of control resulting from the Combination;
- Legal and regulatory risks;
- Financial risks;
- Capital markets risks; and
- Other risk factors listed from time to time in DSV's and Panalpina's public disclosure.

Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, the Company's actual financial condition, cash flows or results of operations could differ materially from what is described herein as anticipated, believed, estimated or expected. Management urges investors to read the sections entitled *"Risk Factors"* and *"Management's Review of Operations and Financial Statements"* for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates.

The Company does not intend, and does not assume any obligation, to update any forward-looking statements contained herein, except as may be required by law or the rules of Nasdaq Copenhagen. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and elsewhere in this Listing Prospectus.

PRESENTATION OF FINANCIAL DATA

Historical Financial Information Included or Incorporated by Reference

This Listing Prospectus contains selected financial information of DSV based on the audited consolidated financial statements of the Company for the year ended 31 December 2018 with comparative numbers for the financial years ended 31 December 2017 and 31 December 2016. The financial information for the years 2016-2018 has been prepared in accordance with the IFRS as adopted by the European Union and further requirements in the Danish Financial Statements Act. No information on the Company in this Listing Prospectus other than the consolidated financial statements has been audited.

Further, the interim financial statements for DSV for the three months ended on 31 March 2019 prepared in accordance with IAS 34 and further requirements in the Danish Financial Statements Act are included by reference. The interim financial statements have not been audited by the Company's auditors. The accounting policies applied are disclosed on page 48-80 in the consolidated financial statements for 2018.

The audited consolidated financial statements of Panalpina for the financial years 2016-2018 are included in this Listing Prospectus by reference as for DSV. The financial information for the years 2016-2018 has been prepared in accordance with the IFRS as adopted by the European Union and additional requirements in Swiss law. Panalpina has chosen to early adopt IFRS 16 Leases as from 1 January 2018, whereas DSV has implemented the standards as of 1 January 2019. For further information on early adoption of IFRS 16 see "*Part F - Unaudited Reclassification to DSV Statement of Accounts"*.

Unless otherwise indicated, the historical financial data presented in this Listing Prospectus has been derived from the consolidated financial statements of DSV and Panalpina.

Pro Forma Financial Information

The unaudited combined condensed pro forma financial information as at and for the year ended 31 December 2018 has been prepared in accordance with Commission Regulation no. 809/2004 of 29 April 2014 for DSV and Panalpina.

The unaudited pro forma financial information in this Listing Prospectus has been prepared for the sole purpose of giving an inherently illustrative estimated and hypothetical presentation of DSV's assets, liabilities, financial position and results of operations would have been if DSV had obtained financial control and/or had acquired Panalpina on 1 January 2018 and obtained the illustrative estimated financing in the form of an equity contribution.

As a result of the acquisition of Panalpina, significant gross changes in relation to key figures are expected. Thus, pro forma financial statements are included in this Listing Prospectus, describing the impact of the transaction on DSV's performance in 2018 and financial position as at 31 December 2018 as if the transaction had taken place as at 1 January 2018. Accordingly, the unaudited pro forma financial information does not reflect what DSV's actual assets, liabilities, financial position and results of operations would have been if DSV had had control of Panalpina in 2018 or if DSV had operated on that basis during such period, nor can it be relied upon to reflect DSV's future assets and liabilities or results of operations or financial position and should thus not be used as a basis for forecasts for DSV's results of operations or cash flows or as an indication of the accounting estimates related to the fair value of the Panalpina Shares. It should be noted that the unaudited pro forma financial information only reflects an illustrative preliminary purchase price allocation and shows an estimated effect of such illustrative preliminary allocation on the pro forma income statement. Management expects that a purchase price allocation will be included in DSV's annual financial statements as at and for the twelve months ended 31 December 2019. There may be significant adjustments to the preliminary purchase price allocation in the pro forma balance sheet which may have a significant effect on the illustrative preliminary effects on the pro forma income statement.

Non-IFRS Measures

This Listing Prospectus contains certain measures that are non-IFRS financial measures, but are used by the Group as an integrated part of the financial reporting internally as well as in the audited annual reports and interim financial reports to monitor the financial performance of its business and operations. The Group has presented these measures because it is considered an important supplement measure of the Group's financial performance, and because it is widely used by investors in comparing financial performance between companies. Key figures and financial ratios are calculated in accordance with "Recommendations & Financial Ratios 2015" published by the Danish Financing Society, disclosed in the DSV annual report 2018 page 81. Unless otherwise indicated, tables with financial measures included in this Prospectus are presented on an IFRS basis.

Besides the key figures and financial ratios set out in this Listing Prospectus in *"Glossary – Financial Terms"*, DSV uses, *inter alia*, the following non-IFRS measures:

<u>Special items</u>

Special items are used in connection with the presentation of profit or loss for the year to distinguish consolidated operating profit from exceptional items, which by their nature are not related to the Group's ordinary operations or investment in future activities. Special items comprise restructuring costs, impairment costs, etc. relating to fundamental structural, procedural and managerial reorganisations as well as any related gains or losses on disposals. Special items also include transaction and restructuring costs relating to acquisition and divestment of enterprises.

<u>Net financial expenses</u>

Net financial expenses disclose the net amount of financial income (IFRS) and financial expenses (IFRS).

Gross investment in property, plant and equipment

Gross investment in property, plant and equipment disclose the total amount of additions on property, plant and equipment in the respective financial period.

Financial liabilities disclosure

From 2019 financial liabilities have been re-named to “Borrowings” and liabilities relating to leases have been reclassified to a separate line item – named “lease liabilities”. This is due to the impact of IFRS 16 Leases, implemented in 2019.

Growth measures

- “Growth” is utilized as a measure including foreign exchange valuation impact and for 2019 also including IFRS 16 Leases impact.
- “Underlying growth” is utilized as a measure excluding foreign exchange valuation impact and for 2019 also excludes IFRS 16 Leases impact.
- “Constant currencies” is utilized as a measure excluding foreign exchange valuation impact and for 2019 including IFRS 16 Leases impact.

NWC relative to revenue

Calculated as Net Working Capital divided by revenue for the period.

ROIC before tax excluding goodwill and customer relations

The alternative measure, ROIC before tax excluding goodwill and customer relations is calculated similar to ROIC before tax, however average invested capital has been calculated without goodwill and customer relations.

Adjusted earnings per share

Calculated as adjusted earnings divided by average number of shares.

Operating segments

Operating segments are defined by the operational and management structure of DSV, which is derived from the types of services DSV delivers. As such the operating segments reflect the divisional and Group reporting used for management decision-making. The business operations are carried out by three divisions; Air & Sea division provides air and sea freight services, Road division provides road freight services and Solutions offers contract logistics services, including warehousing and inventory management.

Segment income, expenses, assets and liabilities comprise the items directly attributable to the individual segment as well as the items that may be allocated to the individual segment on a reliable basis.

Certain non-IFRS measures contained in this Listing Prospectus can be reconciled to the nearest IFRS measure as follows:

Operating profit before amortisation, depreciation and special items

The following table provides a reconciliation of operating profit before special items (EBIT) to profit before tax (special items explained above).

(DKKm)	**2018**	**2017**	**2016**	**Q1 2019 (unaudited)**	**Q1 2018 (unaudited)**
Operating profit before amortisation, depreciation and special items	6,212	5,664	4,250	2,263	1,338
Amortisation and depreciations	762	786	775	809	182
Operating profit before special items	**5,450**	**4,878**	**3,475**	**1,454**	**1,156**

Operating profit before special items

The following table provides a reconciliation of operating profit before special items (EBIT) to profit before tax (special items explained above).

(DKKm)	2018	2017	2016	Q1 2019 (unaudited)	Q1 2018 (unaudited)
Operating profit before special items	**5,450**	**4,878**	**3,475**	**1,454**	**1,156**
Special items, costs	-	525	1,002	-	-
Net financial expenses	249	556	184	173	155
Profit before tax	**5,201**	**3,797**	**2,289**	**1,281**	**1,001**

Rounding

Financial information set forth in a number of tables in this Listing Prospectus has been rounded. Accordingly, in certain instances, the sum of the numbers in a column or row may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this Listing Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Foreign currency presentation

All references in this Listing Prospectus to (i) ‘‘Danish Kroner’’ or ‘‘DKK’’ are to the currency of Denmark and (ii) ‘‘Swiss Franc,’’ ‘‘CHF’’’ are to the currency of the Switzerland.

The Company publishes its consolidated financial statements in Danish Kroner. For the convenience of the reader, this Listing Prospectus contains translations of certain Swiss Franc amounts into Danish Kroner at specified rates. These translations should not be construed as representations that the Danish Kroner amounts actually represent such Swiss Franc amounts, or could be converted into Swiss Franc at the rates indicated or at any other rate. Unless otherwise indicated, the translations of Swiss Franc amounts into Danish kroner have been made at the foreign exchange reference rate (the ‘‘Mid-Price of the sell and buy’’) certified by Danmarks Nationalbank (the ‘‘Danish Central Bank’’).

Amounts included in DSV’s consolidated financial statements that were not originally denominated in Danish Kroner have been translated into Danish Kroner using the average exchange rate for the individual months of the relevant year or other financial period with respect to income statement and the period-end exchange rate with respect to balance sheet items.

SOURCES OF MARKET DATA

This Listing Prospectus contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company’s business and markets. This information has been obtained from publicly available information, including websites as well as Management’s knowledge of the markets and analysis of multiple sources.

Information sourced from third parties has been accurately reproduced to the best of the Management’s knowledge and belief, and so far as can be ascertained from the information published by such third parties, no facts have been omitted which would render the information provided inaccurate or misleading. The Company has not independently verified and cannot give any assurances as to the accuracy of the market data as presented in this Listing Prospectus that was extracted or derived from these external sources, and the Company does not make any representation as to the accuracy of market data as presented in this Listing Prospectus that was extracted or derived from these external sources, and the Company does not make any representation as to the accuracy of information provided by third parties. Thus, developments in the Company’s activities may deviate from the market developments stated in this Listing Prospectus the Company does not assume any obligation to update such information.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. Market data and statistics are inherently unpredictable and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researches and the respondents, including judgements about what types of products, services and transactions should be included in the relevant market.

The third-party sources referenced in this Listing Prospectus include reports published by:

- *Transport Intelligence – European Road Freight Transport 2018*
- *Total Logistics 2018 – Transport Intelligence*
- *Transport Intelligence – Global Freight Forwarding 2018*
- *Transport Intelligence – Global Contract Logistics 2018*
- *Transport Intelligence – Global E-Commerce Logistics 2018*
- *Journal of Commerce and Management estimates – Global economy boosts revenue 2018*
- *Morgan Stanley Research: Year-Ahead Outlook – Europe, 21 January 2019*

Unless otherwise indicated in this Listing Prospectus, any references to or statements regarding the Company's competitive position have been based on Management's own assessment and knowledge of the market, regions and countries in which it operates. Additionally, unless otherwise indicated in this Listing Prospectus, any references to or statements regarding customer perception of the Company have been based on Management's own assessment and knowledge, including customer surveys.

As a result, investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Listing Prospectus (and projections, assumptions, and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and a variety of other factors, including those described under the section *"Risk Factors"* and elsewhere in this Listing Prospectus.

THE COMBINATION

Transaction overview

The Company has made an all share voluntary public exchange offer for all publicly held shares of Panalpina. In the Exchange Offer, the Company offers 2.375 New Shares for each registered share of Panalpina, subject to certain adjustments for dilutive effects. Fractions of New Shares will be paid in cash in CHF.

The board of directors of Panalpina has recommended that shareholders of Panalpina accept the Exchange Offer. The Exchange Offer already has the support of shareholders representing 69.93 per cent of the registered shares of Panalpina, who have irrevocably agreed to tender their shares into the Exchange Offer. This includes Panalpina's largest shareholder, Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership.

If the Exchange Offer is successful, DSV and the Panalpina Group will become one of the world's largest transport and logistics companies with combined pro forma revenue for 2018 of approximately DKK 118 billion and a combined pro forma workforce at 31 December 2018 of more than 60,000 employees.

If the Panalpina shareholders accept the Exchange Offer for 100 per cent of the publicly held Panalpina Shares, the Company will issue an aggregate of 56,406,250 New Shares equivalent to 23.27 per cent of the enlarged share capital of DSV A/S as consideration in the Exchange Offer.

The Exchange Offer is subject to certain Offer Conditions. Settlement is expected to occur on or about 2 October 2019.

The Panalpina Group

The Panalpina Group is a global provider of supply chain solutions within air freight, ocean freight and contract logistics. In 2018, it generated revenues of approximately CHF 6 billion and EBIT of about CHF 118 million with over 14,800 employees in more than 500 locations. The Panalpina Group has a global presence in over 70 countries.

Panalpina is a Swiss stock corporation. The Panalpina Shares have been listed on the SIX Swiss Exchange (securities number: 216.808; ISIN: CH0002168083; ticker symbol: PWTN) since 22 September 2005.

Rationale for the Combination and plans

The rationale of the Exchange Offer is to combine two global transport and logistics networks into one, leveraging on scale, joint infrastructure and ultimately improve profitability and future growth to the benefit of shareholders, customers, suppliers and employees.

Acquisitions are an integral part of DSV's strategy, and DSV has a track record of successful integrations. The Combination with the Panalpina Group is expected to increase DSV's annual revenue by close to 50 per cent, which will rank the Combined Group in the industry top four with a pro forma revenue for 2018 of approximately DKK 118 billion and a combined pro forma workforce as at 31 December 2018 of more than 60,000 employees. The Combined Group 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 Combination will create a more extensive global logistics network and a more complete service offering to customers, supporting the entire supply chain. Furthermore customers will benefit from stronger carrier relationships.

The Air & Sea Division will be substantially strengthened and will be among the largest providers globally with close to 3 million containers (TEU's) and more than 1.5 million tonnes of air freight transported yearly.

Contract logistics capabilities are increasingly important due to complex supply chains and changing distribution channels. The Solutions Division will be strengthened and the Panalpina Group will bring additional warehousing capacity of more than 500,000 square metres.

DSV's road network will be a strong addition to the Panalpina Group's existing service offering.

The Combination will increase DSV's exposure to APAC and the Americas thereby further balancing DSV's geographical footprint.

DSV and the Panalpina Group is a strong match with many potential synergies as a result of similarities in business models, services and strategies:

- Unique customer relationships and vertical expertise;
- Operational excellence and efficiency 'DNA';
- Commercial synergies and cross-selling opportunities from stronger network and service offerings, new competencies and skills;
- Consolidation of operations, administration and logistics facilities; and
- Consolidation of IT infrastructure

It is the target for the transaction to be EPS accretive (diluted and adjusted) in year 2 after Settlement, and it is DSV's aspiration to lift the operating margin of the Combined Group towards DSV's existing level. Financial targets are not and should not be construed to imply a forecast, outlook or guidance, and the Company has no forecast, outlook or guidance outstanding.

By way of the Exchange Offer, the Company intends to obtain full (100 per cent) control over Panalpina.

Following the Settlement of the Offer, DSV plans to commence the integration process and intends to combine the businesses of the Panalpina Group with DSV in order to realize the synergies and potential of the Combination. DSV intends to join forces with existing management, employees and all relevant stakeholders to create value and for the combined company to be better positioned to provide an enhanced value proposition to customers.

The Company intends to replace the members of the board of directors of Panalpina after the Settlement.

After the Settlement of the Exchange Offer and irrespective of the acceptance level, the Company intends to have Panalpina submit an application to SIX for the delisting of the Panalpina Shares in accordance with the listing rules of SIX and, in the event that the Company holds more than 98 per cent of the voting rights in Panalpina after the Settlement, for an exemption from certain disclosure and publicity obligations under the listing rules of SIX until the date of delisting of the Panalpina Shares.

In the event that the Company holds more than 98 per cent of the voting rights in Panalpina after the Settlement, the Company intends to request the cancellation of the remaining Panalpina Shares. In the event that the Company, as a consequence of the Exchange Offer, holds between 90 per cent and 98 per cent of the voting rights in Panalpina after the Settlement, it intends to merge Panalpina with a Swiss company directly or indirectly controlled by the Company whereby the remaining public shareholders of Panalpina would be compensated by the Company in cash or with Shares (and cash payments in CHF for fractions) and would not receive any shares in the surviving company (so-called squeeze-out merger).

Summary terms and conditions for the Exchange Offer
The Exchange Offer was made on 13 May 2019 by way of an offer prospectus pursuant to the laws and regulations of Switzerland. The Offer Prospectus is available to eligible persons at DSV's investor site (investor.dsv.com) or via the following link https://dsv.gcs-web.com/news-releases/news-release-details/panalpina-transaction. In the Exchange Offer, the Company offers 2.375 New Shares for each registered share of Panalpina, subject to certain adjustments for dilutive effects as set out in the Offer Prospectus. Fractions of New Shares will be paid in cash in CHF.

The Exchange Offer is expected to be open for acceptance from 28 May 2019 until 26 June 2019, 4.00 p.m. CEST (the "**Main Offer Period**").The Company has reserved the right to extend the Main Offer Period on one or more occasions to a maximum of forty (40) trading days. An extension of the Main Offer Period beyond forty (40) trading days would require the prior consent of the Swiss Takeover Board.

After expiry of the (possibly extended) Main Offer Period and if the Exchange Offer is declared successful, there will be an additional acceptance period of ten (10) trading days for subsequent acceptance of the Exchange Offer. Unless the Main Offer Period is extended, the additional acceptance period is expected to commence on 3 July 2019 and end on 16 July 2019 at 4.00 p.m. CEST (the "**Additional Acceptance Period**").

The Exchange Offer is subject to the Offer Conditions, which are set out in the Offer Prospectus and attached as Annex B to this Listing Prospectus. In summary form, the Offer Conditions include (but are not limited to) the following:

- Minimum acceptance level: Upon expiry of the (possibly extended) Main Offer Period, the Company shall have received valid and irrevocable declarations of acceptance for at least 80 per cent of all Panalpina Shares.

- Merger clearances and other approvals: All waiting periods applicable to the acquisition of Panalpina by the Company shall have expired or been terminated and all competent merger control and other authorities (including the Committee on Foreign Investment in the United States (**"CFIUS"**)) and, if applicable, courts, in all relevant jurisdictions shall have approved (or cleared, as applicable) the Exchange Offer, without imposing any undertaking or condition on DSV A/S and/or Panalpina and/or any of their respective subsidiaries or making their approvals and/or clearance subject to the satisfaction of any condition or undertaking that would reasonably be capable of causing a material adverse effect.

- No Material Adverse Effect: By the end of the (possibly extended) Main Offer Period, no circumstances shall have arisen and no events shall have occurred, and no circumstances or events shall have been reported by Panalpina or otherwise come to the attention of the Company that would reasonably be capable of having a material adverse effect on the Panalpina Group.

- Approval of listing prospectus: The Danish Financial Supervisory Authority shall have approved a prospectus required for the listing and admittance to trading of the New Shares to be delivered under the Exchange Offer.

- Listing of New Shares: Nasdaq Copenhagen shall have approved the listing and admittance to trading of the New Shares to be delivered under the Exchange Offer.

Principal events in the Exchange Offer
Indicative key dates for the Exchange Offer, which has been made by way of the Offer Prospectus on 13 May 2019, and which may change, are as follows:

Date	Event
28 May 2019	Start of Main Offer Period
26 June 2019*	End of Main Offer Period, 4.00 p.m. CEST
27 June 2019*	Publication of provisional notice of interim result
2 July 2019*	Publication of definitive notice of interim result
3 July 2019*	Start of Additional Acceptance Period
16 July 2019	Extraordinary shareholders' meeting of Panalpina
16 July 2019*	End of the Additional Acceptance Period, 4.00 p.m. CEST
17 July 2019*	Publication of provisional notice of final result
22 July 2019*	Publication of definitive notice of final result
2 October 2019**	Settlement

*The Company reserves the right to extend the Main Offer Period on one or more occasions, which would result in the above dates being postponed.

**The Company reserves the right to defer Settlement.

Agreements in relation to the Exchange Offer
On 1 April 2019, the Company and Panalpina entered into the Transaction Agreement. The Transaction Agreement contains provisions regarding the submission of Exchange Offer, the Panalpina board of directors' recommendations to accept the Exchange Offer and the terms of conditions of the Exchange Offer. In addition, the Transaction Agreement sets forth important rights and obligations of the parties, which among others include the following:

- Panalpina agreed to procure that all incumbent members of its board of directors shall resign with effect as of the Settlement.

- Panalpina agreed to timely convene an extraordinary shareholders' meeting to take place during the Additional Acceptance Period and to propose and recommend at such shareholders' meeting (i) the unconditional repeal of the transfer restriction according to art. 5 para 2 of Panalpina's articles of association and the voting right restriction according to art. 12 para 2 thereof without replacement and (ii) the election of nominees to be designated by the Company for election to the board of directors of Panalpina with effect as of the Settlement.

- The Company undertook to convene an extraordinary shareholders' meeting within six (6) weeks following the Settlement of the Exchange Offer to resolve on a proposal to change its registered name from "*DSV A/S*" to "*DSV Panalpina A/S*" and to maintain such registered name, except in case of a transformative event.

- The Company undertook that, after Settlement, the local Swiss operation of the Air & Sea division will be managed by Panalpina's management, incumbent on the day prior to the pre-announcement of the Exchange Offer. In addition, subject to the performance of a thorough review, the Company undertakes to potentially maintain, after Settlement, further competences in Switzerland.

- The Company undertook to establish, after Settlement, an integration committee comprising representatives of the Company and Panalpina with the aim to oversee the integration process and create an evaluation framework to be applied for the nomination of regional and country management and specialist functions. In addition, for up to twelve (12) months from the Settlement, Panalpina shall be entitled to designate two board observers to attend the board meetings of the Company.

- The Company and Panalpina agreed that a list of key employees of Panalpina be identified in good faith between the two CEO's of the Company and Panalpina within five (5) days following the pre-announcement on 1 April 2019. The key employees shall be eligible for retention compensation with regards to their contribution to Panalpina and their continued service (generally) until six (6) months (for certain employees, this period has been extended) after the Settlement of the Exchange Offer, provided that they agree to customary restrictive covenants.

- Subject to applicable legal requirements and conditional on commercial considerations, the Company is prepared to propose at the next annual general meeting to the Company shareholders to increase the dividend pay-put ratio to approximately 15 per cent of profit for the year.

- The Company and Panalpina agreed on a break fee for the benefit of the Company and a reverse break fee for the benefit of Panalpina, respectively, of CHF 20 million each, as a lump sum cost reimbursement, if the Exchange Offer is not successful or does not become unconditional for reasons specified in the Transaction Agreement.

In addition, on 1 April 2019, the Company entered into Tender Agreements with Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership, in which the latter three agreed to tender all the Panalpina Shares held by them into the Exchange Offer (10,898,352 Panalpina Shares, corresponding to 45.89 per cent of the share capital of Panalpina, held by Ernst Göhner Stiftung, 2,915,802 Panalpina Shares, corresponding to 12.28 per cent of the share capital of Panalpina, held by Cevian Capital II Master Fund LP and 2,791,985 Panalpina Shares, corresponding to 11.76 per cent of the share capital of Panalpina, held or discretionally managed by Artisan Partners Limited Partnership). In the Tender Agreement with Ernst Göhner Stiftung, Ernst Göhner Stiftung in addition undertook not to sell the New Shares it will receive under the Exchange Offer for a period of twenty-four (24) months following the Settlement (other than in case of a merger of, a takeover offer made for or any similar transaction in relation to DSV, provided such transaction has been recommended by the DSV board of directors). Ernst Göhner Stiftung shall, however, have the right to sell DSV Shares during such 24-month period into any share buyback undertaken by the Company for so long as its shareholding in the Company remains at or above 10 per cent of the then outstanding share capital of the Company. Further, the Company undertook to nominate and support the election of a candidate proposed by Ernst Göhner Stiftung to the board of directors of the Company at an extraordinary shareholders' meeting to be held after the Settlement.

THE ISSUANCE OF NEW SHARES

Background

This Listing Prospectus relates to the admittance to trading and official listing on Nasdaq Copenhagen of up to 56,406,250 new shares of DKK 1 nominal value each in the Company to be used as consideration to shareholders in Panalpina who accept the Company's Exchange Offer made on 13 May 2019 by way of the Offer Prospectus pursuant the laws and regulations of Switzerland. No offer of the New Shares will be made by means of this Listing Prospectus.

The New Shares will be issued by the Company by a resolution of the Board of Directors of the Company pursuant to an authorisation adopted by the General Meeting of the Company on 27 May 2019. The Board of Directors will issue such number of New Shares as are required to exchange shares in Panalpina to shares in the Company at the Exchange Ratio in respect of Panalpina Shares validly tendered during the Offer Period. The Board of Directors will decide to issue the New Shares, if and when the Offer Conditions for the Exchange Offer pursuant to the Offer Prospectus are satisfied or waived. The Offer Conditions are expected to be satisfied on or about 20 September 2019, and the Board of Directors are expected to decide to issue the New Shares on or about 30 September 2019 with the subscription of the New Shares and subsequent registration in the Business Authority occurring on the same day or the following day.

The New Shares will be issued without pre-emptive rights for existing shareholders. The issuance of the New Shares will be against a contribution in kind of the Panalpina Shares.

The Company has one (1) class of shares. The New Shares will be issued in that class as ordinary shares with dividend rights and other rights in the Company from the date of subscription.

Expected timetable of principal events in the issuance of New Shares
The following is the expected timetable for the issuance of New Shares and the official listing and first day of trading of the New Shares on Nasdaq Copenhagen.

Date	**Activity**
20 September 2019*	Last Offer Condition satisfied or waived
30 September 2019	Meeting of the Board of Directors adopting the capital increase
30 September 2019	Contribution in kind of tendered Panalpina Shares into the Company
30 September 2019	Registration of the New Shares with the Danish Business Authority
1 October 2019	First trading day for the New Shares on Nasdaq Copenhagen
2 October 2019	Settlement of Exchange Offer (delivery of the New Shares and cash amount in CHF for fractions to tendering Panalpina shareholders)

*The date for the satisfaction or waiver of the last Offer Condition is tentative and depends on a number of events and circumstances beyond the control of the Company, including multiple regulatory approvals by public authorities around the world. The satisfaction or waiver of the last Offer Condition will be announced via Nasdaq Copenhagen but the Company will not announce updates of its expectations to this date nor to expectations for the remainder of the principal events, which are all dependent upon the date, on which the last Offer Condition is satisfied or waived.

The above timetable is subject to change. Save as otherwise set out above, any changes will be announced via Nasdaq Copenhagen.

Authorisations and resolutions used to issue the New Shares
The New Shares will be issued by the Company by a resolution of the Board of Directors of the Company pursuant to an authorisation adopted by the General Meeting of the Company on 27 May 2019. The Board of Directors will issue such number of New Shares as are required to exchange shares in Panalpina to shares in the Company at the Exchange Ratio in respect of Panalpina Shares validly tendered during the offer period for the Exchange Offer. The Board of Directors will decide to issue the New Shares, if and when the Offer Conditions for the Exchange Offer pursuant to the Offer Prospectus are satisfied or waived. The Offer Conditions are expected to be satisfied on or about 20 September 2019, and the Board of Directors are expected to decide to issue the New Shares on or about 30 September 2019 with the subscription of the New Shares and subsequent registration in the Business Authority occurring on the same day or the following day.

The issuance of the New Shares
The New Shares will be issued without pre-emptive rights for existing shareholders. The issuance of the New Shares will be effected against a contribution in kind to the Company of Panalpina Shares.

The New Shares will be issued in dematerialised form through VP Securities. The address of VP Securities is Weidekampsgade 14, P.O. Box 4040, DK-2300 Copenhagen S, Denmark.

The New Shares will be delivered to the Panalpina shareholders having accepted the Exchange Offer through SIX SIS AG within two calendar days after the contribution of the Panalpina Shares.

Share Issuing Agent
The Company's share issuing agent is:

Danske Bank A/S
Holmens Kanal 2 - 12
DK-1060 Copenhagen K
Denmark

Currency
The Shares are, and the New Shares will be, denominated in DKK and have a nominal value of DKK 1 each.

Rights attached to shares and shareholder rights
The Company has one (1) class of Shares. The New Shares will be issued in that class as ordinary shares with dividend rights and other rights in the Company from the date of subscription (expected to be on or about 30 September 2019). Each New Share entitles its holder to one vote at the general meeting of the Company, subject to name registration requirements as set out in the Articles of Association.

No shares have any special rights.

No shareholder is obliged to let his or her Shares be redeemed in full or in part.

Registered name
The Shares are to be registered in the names of the holders and entered into the Company's register of shareholders.

The Company's register of shareholders is kept by Computershare A/S, company reg. (CVR) no. 27 08 88 99.

Transferability of the Shares
The New Shares will be negotiable instruments, and no restrictions apply to the transferability of the Shares.

Registration of New Shares
The New Shares to be issued and delivered to Panalpina shareholders are expected to be issued and delivered in dematerialized form through SIX SIS AG within two calendar days after the contribution of the Panalpina Shares. Under Danish law, such DSV Shares will be deemed registered in the name of a nominee and are generally not considered to comply with the above registration requirements for attending and voting at general meetings, neither in person, by postal vote or by proxy.

In order to be entitled to attend or vote on the DSV Shares, the Panalpina shareholders must therefore choose one of the following options.

(1) Register their New Shares directly and permanently in their own name in the share register (and not through a nominee account). Shareholders seeking to obtain a direct registration should contact and instruct their depositary bank accordingly, and it will depend on the depositary bank, whether this service is offered and the conditions thereof.

(2) Obtain a temporary registration for the general meeting in question. To vote on New Shares held through SIX SIS AG or a custody bank as nominee, shareholders should ensure that the nominee has a power of attorney to vote on behalf of the shareholder. The notice from the nominee that identifies the Panalpina shareholder, the relevant share position of the Panalpina shareholder and a written power of attorney to the nominee must be received by DSV before the end of the record date. If the Panalpina shareholder wants to attend the general meeting in person, the Panalpina shareholder must ask the custody bank as nominee to request admission cards. Also in case of a temporary registration, voting by proxy, admission cards etc., it will depend on SIX SIS AG or the depositary bank, whether this service is offered and the conditions thereof.

Existing Shareholders
The existing shareholders of the Company will not have any pre-emptive right in the capital increase.

Admission to Nasdaq Copenhagen and commencement of trading
The Company's existing Shares are admitted to trading and official listing on Nasdaq Copenhagen under the symbol DSV in ISIN DK0060079531. An application has been made for the New Shares to be admitted to trading and official listing on Nasdaq Copenhagen. The New Shares will be issued in ISIN DK0060079531. The first day of trading in, and official listing of, the New Shares on Nasdaq Copenhagen is expected to be on or about 1 October 2019.

Governing law and Jurisdiction
The New Shares will be issued in accordance with Danish law. The Listing Prospectus has been prepared in compliance with the format and content requirements set out in the Prospectus Regulation and the Danish Executive Order on Prospectuses.

DIVIDENDS; RESULTS AND DIVIDENDS PER SHARE; DIVIDEND POLICY

General provisions relating to Profit Allocation and Dividend Payments
Holders of the Shares, including New Shares, will be entitled to receive future dividends, provided that dividends are declared.

Legal considerations
Dividends may be paid by the Company only if it has sufficient distributable reserves from previous years or freely distributable reserves to allow the distribution of a dividend, in each case, as presented on the Company's annual statutory parent company balance sheet prepared in accordance with Danish law. As per 31 December 2018, the Company had distributable reserves of approximately DKK 6,994 million. The Company's Board of Directors must put forward or approve any decision at a general meeting to pay out dividends to holders of Shares. Subject to the limitations described above, the shareholders' meeting of the Company has the authority to decide on the distribution of the profit as dividends. Claims for dividends are subject to a 3-year limitation period after which the amount will become free reserves.

Dividends paid on the Shares are subject to Danish withholding tax. However, Danish withholding tax may be recoverable for investors not subject to Danish tax on dividends. For further information see "*Tax*ation"

Dividends and Share Buybacks
The Company has distributed funds to its shareholders in the form of dividends and share buybacks as follows:

(DKKm)*	**2016**	**2017**	**2018**	**2019** (as of 7 June)
Dividend	327	342	380	423
Dividend per share (DKK)	1.70	1.80	2.00	2.25
Share buyback	0	1,559	4,161	642

*The numbers in the table set out above represent the year in which they had financial impact meaning, for example, that the dividend of DKK 423 million was paid in 2019, but is the dividend for financial year 2018. Number of shares used for "Dividend per share" equals number of shares issued at the time of dividend payments and prior to any reduction of share capital adopted on the general meeting, at which the dividend was declared.

DSV's Dividend Policy
The value generated by the Company is distributed to shareholders through share buybacks and dividends. The Management of DSV continuously monitors whether the realised and expected capital structure meets the targets set. Any adjustments to the capital structure are determined in connection with the release of quarterly financial reports and are made primarily through share buybacks. The Company aims to ensure that the dividend per share develops in line with the earnings per share. Dividends declared by the Company are declared in Danish Kroner.

Dividends paid out for 2018 amounted to DKK 2.25 per share, equivalent to an increase of 12.5 per cent on 2017. The Company has historically had a policy of distributing dividends of approximately 10 per cent of the earnings for the relevant financial year.

However, the timing of the payment of future dividends, if any, and the amounts thereof will depend upon a number of factors including, but not limited to, the amount of the Company's distributable reserves on an unconsolidated basis, the Company's earnings, liquidity, free cash flow generation and financial condition and such other factors as the Board of

Directors may deem relevant. Accordingly, the Company's Board of Directors retains authority to change the dividend policy at any time, especially if unexpected events occur that would change its view as to the prudent level of cash and capital conservation as well as the Company's financial goals and strategy.

In the Transaction Agreement, DSV has agreed with Panalpina (subject to applicable legal requirements and conditional on commercial considerations) to propose at the next annual general meeting to the DSV shareholders to increase the dividend pay-out ratio to approximately 15 per cent of profit for the year.

CAPITALISATION AND INDEBTEDNESS

Capitalisation

The following tables set forth the Group's total capitalisation, indebtedness and cash and bank balances as of 31 March 2019, which was derived from the Q1 2019 financial statement.

This table should be read in conjunction with "*Management's Review of Operations and Financial Statements – Liabilities"* and DSV's consolidated financial statements as of and for the three month period ended 31 March 2019 and the notes thereto incorporated by reference.

Since 31 March 2019, there have been no material changes in the total capitalisation and indebtedness of the Group.

	As of 31 March 2019 (unaudited)
Current lease liabilities and borrowings	(in DKK millions)
Guaranteed	0
Secured	3,190
Unguaranteed/unsecured	0
Total current lease liabilities and borrowings	**3,190**
Non-current lease liabilities and borrowings	
Guaranteed	0
Secured	14,272
Unguaranteed/unsecured	0
Total non-current lease liabilities and borrowings	**14,272**
Shareholder´s funding (equity)	
Share capital	188
Reserves (excluding minorities interest)	14,673
Total Equity	**14,861**
Total capitalisation	**32,323**

Indebtedness

The following table sets forth the Group's net financial indebtedness as of 31 March 2019, which was derived from Interim Financial Statement Q1 2019.

Net Indebtedness	**As of 31 March 2019 (unaudited)** (in DKK millions)
Liquidity - cash and cash equivalents	**1,182**
Current financial liabilities	**-3,190**

Non-current financial liabilities	**-14,272**
Net financial Indebtedness	**-16,280**

For additional information of financial indebtedness, see "*Management's Review of Operations and Financial Statements – Liabilities"*.

No restrictions on the use of DSV's capital resources have materially affected or could materially affect, directly or indirectly, DSV's operations.

Statement of working capital
As of the date of this Listing Prospectus, the Management believes that DSV has sufficient working capital to support the working capital requirements of the Group for at least twelve months following the prospectus date

DILUTION

As a result of the Exchange Offer, the Company's share capital will be increased by the issuance of the New Shares to be used as consideration in the Exchange Offer. The share capital increase will be made without pre-emptive rights for the existing shareholders in DSV pursuant to Article 4a3 of the Articles of Association and the number of New Shares issued will correspond to the number of Panalpina Shares validly tendered during the Offer Period at the Exchange Ratio.

The existing DSV A/S shareholders' combined ownership interests will as a minimum be diluted by 17.49 per cent corresponding to the New Shares to be issued to exchange the Panalpina Shares held by the Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership, who have agreed to tender all the Panalpina Shares held by them combined (a combined 69.93 per cent of the Panalpina Shares) through Tender Agreements. The existing DSV A/S shareholders' ownership interests will as a maximum be diluted by 23.27 per cent under the assumption that 100 per cent of the issued Panalpina Shares (including treasury shares) will be tendered validly in the Offer Period.

As the capital increase and issuance of New Shares will be at market price at the date of the capital increase there will be no dilution of existing DSV shareholder's financial rights.

As of the date of this Listing Prospectus, the Company's share capital amounted to DKK 186,000,000 of DKK 1 per share. If only the Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership tender their respective shares, the number of New Shares would be 39,439,580 and the Company's resulting pro forma share capital, would be DKK 225,439,580 following the Settlement. Under the assumption that 100 per cent of the issued Panalpina Shares are validly tendered in the Offer Period (and assuming that no fractions exist), the number of New Shares would be 56,406,250, and the Company's pro forma share capital would be DKK 242,406,250 following the Settlement.

The s*hareholdings of existing major DSV shareholders after Settlement, assuming exclusively acceptance of the Exchange Offer by the Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership:*

	Listing Prospectus date*		**Immediately after Settlement**	
	Shares held**	%	Shares held	%
BlackRock, Inc., New York	10,372,436	5.58	10,372,436	4.60
Morgan Stanley, Wilmington, USA.	9,420,953	5.07	9,420,953	4.18
Capital Group Companies Inc., Los Angeles, USA	9,475,136	5.09	9,475,136	4.20

UBS Group AG, Zurich, Switzerland	11,346,465	6.10	11,346,465	5.03
The Company (treasury shares)***.	7,362,669	3.96	7,362,669	3.27
Total	**47,977,659**	**25.8**	**47,977,659**	**21.28**

*Ownership as of Listing Prospectus Date is calculated based on number of shares (historical number) flagged in a company announcement in per cent of current share capital.
**UBS Group AG holds 834,412 shares (0.45 per cent of the total share capital and total voting rights) and 10,512,053 shares and voting rights through financial instruments (5.65 per cent of the total share capital and of the total voting rights).
***Treasury shares have been calculated as of 7 June 2019.

Shareholdings of existing major DSV shareholders after settlement, assuming 100 per cent acceptance of the Exchange Offer:

	Listing Prospectus date*		**Immediately after Settlement**	
	Shares held**	%	Shares held	%
BlackRock, Inc., New York	10,372,436	5.58	10,372,436	4.28
Morgan Stanley, Wilmington, USA.	9,420,953	5.07	9,420,953	3.89
Capital Group Companies Inc., Los Angeles, USA	9,475,136	5.09	9,475,136	3.91
UBS Group AG, Zurich, Switzerland	11,346,465	6.10	11,346,465	4.68
The Company (treasury shares)***.	7,362,669	3.96	7,362,669	3.04
Total	**47,977,659**	**25.8**	**47,977,659**	**19.8**

*Ownership as of Listing Prospectus Date is calculated based on the flagged number of shares (historical number) in per cent of current share capital.
**UBS Group AG holds 834,412 shares (0.45 per cent of the total share capital and total voting rights) and 10,512,053 shares and voting rights through financial instruments (5.65 per cent of the total share capital and of the total voting rights).
***Treasury shares have been calculated as of 7 June 2019.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The below selected consolidated financial information comprises income statement items, statement of comprehensive income items, balance sheet items, cash flow items and financial ratio information for DSV. The consolidated figures are extracted from the audited consolidated financial statements of the Company as at and for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 and the unaudited condensed Interim Financial Report as at and for the three months ended 31 March 2018 and 2019. The consolidated financial statements of DSV are being prepared under IFRS as adopted by the EU and further requirements under the Danish Financial Statements Act.

The selected consolidated financial information for the three months period ended 31 March 2018 and 31 March 2019 is extracted from the Company's Interim Financial Report for Q1 2018 as well as its Interim Financial Report for Q1 2019. The interim financial report is prepared in accordance with IAS 34 and further requirements under the Danish Financial Statements Act.

Changes in accounting policies and accounting standards are described in "*Management's Review of Operations and Financial Statements – Changes in accounting standards".*

Financial highlights

DSV					
(DKKm)	**2018**	**2017**	**2016**	**Q1 2019 (unaudited)**	**Q1 2018 (unaudited)**
Profit					
Revenue	79,053	74,901	67,747	19,979	18,380
Gross profit	17,489	16,605	15,838	5,114	4,120
Operating profit before amortisation, depreciation and special items (EBITDA)	6,212	5,664	4,250	2,263	1,338
Operating profit before special items (EBIT)	5,450	4,878	3,475	1,454	1,156
Special items, costs	-	525	1,002	-	-
Net financial expenses	249	556	184	173	155
Profit for the year	3,988	3,012	1,678	963	769
Other comprehensive income, net of tax	(199)	(256)	(54)	168	(139)
Adjusted earnings	4,093	3,484	2,506	993	786
Cash flows (DKKm)					
Operating activities**	4,301	4,664	1,273	1,452	500
Investing activities**	(444)	(325)	(4,953)	(177)	(52)
Free cash flow	3,857	4,339	(3,680)	1,275	448
Adjusted free cash flow	3,916	4,835	1,838	540	448
Financing activities	(4,000)	(4,715)	396	(1,294)	(243)
Share buyback	(4,161)	(1,559)	-	-	(691)
Dividends distributed	(380)	(342)	(327)	(423)	(380)
Cash flow for the year	(143)	(376)	(3,284)	(19)	205
Financial position					
DSV A/S shareholders' share of equity	14,561	14,835	13,416	14,916	14,487
Non-controlling interest	(29)	(26)	(38)	(55)	(29)
Balance sheet total	38,812	38,388	40,367	49,649	38,522
Net working capital**	1,767	1,410	1,809	2,199	1,884
Net interest-bearing debt	5,831	5,575	8,299	16,107	6,116
Invested Capital	20,381	20,391	21,336	30,744	20,645
Gross investment in property, plant and equipment	720	620	728	198	148
Financial ratios (per cent)					
Gross margin	22.1	22.2	23.4	25.6	22.4
Operating margin	6.9	6.5	5.1	7.3	6.3
Conversion ratio	31.2	29.4	21.9	28.4	28.1
Effective tax rate	23.3	20.7	26.7	24.8	23.2
ROIC before tax	26.7	23.4	21.5	19.5	23.1
Return on equity (ROE)*	27.2	21.1	13.2	28.6	21.7
Solvency ratio	37.5	38.6	33.2	30.0	37.6
Gearing ratio*	0.9	1.0	2.0	1.7	1.1

Share ratios (in DKK)					
Earnings per share of DKK 1	22.0	16.0	9.0	5.5	4.2
Diluted earnings per share of DKK 1	21.6	15.8	8.9	5.4	4.1
Diluted adjusted earnings per share of DKK 1	22.1	18.4	13.4	-	-
Proposed dividend per share	2.25	2.00	1.80	-	-

*For the calculation of financial ratios for Q1 2019, certain pro forma adjustments have been made.
**For the 2017 Annual Report a minor reclassification was made to 2016 balance sheet relating to revised accounting policy for property projects (source: 2017 Annual Report p. 49).

Notes to key figures and financial ratios

Key figures and financial ratios are calculated in accordance with "Recommendations & Financial Ratios 2015" published by the Danish Finance Society, disclosed in the DSV Annual Report 2018 page 81. The following key figures are included; net interest-bearing debt, net working capital, invested capital, adjusted earnings and adjusted free cash flow as well as the following financial ratios; gross margin, operating margin, conversion ratio, effective tax rate, ROIC before tax, return on equity (ROE), solvency ratio and gearing ratio.

Due to the impact of IFRS 16 Leases two of the financial ratios for Q1 2019 have been pro forma adjusted to include IFRS 16 Leases. ROIC before tax has been adjusted by adding DKK 9,500 million to invested capital at the beginning of the period and gearing ratio has been adjusted by increasing EBITDA for 9 months of 2018 by DKK 2,145 million (corresponding to a full year pro forma EBITDA impact of DKK 2,860 million). Other financial highlights in Q1 2019 are presented in line with the definition on page 81 in the 2018 Annual Report.

Alternative performance measures (Non-IFRS financial measures)

This Listing Prospectus, including the selected consolidated financial information, contains certain measures that are non-IFRS financial measures, but are used by DSV as an integrated part of the financial reporting internally as well as in the audited annual reports and interim financial reports to monitor the financial performance of its business and operations. DSV has presented these measures because it is considered an important supplement measure for DSV's financial performance, and because it is widely used by investors in comparing financial performance between companies. Unless otherwise indicated, tables with financial measures included in this Listing Prospectus are presented on an IFRS basis.

In this Listing Prospectus and in the 2016, 2017 and 2018 Annual Reports of the Company as well as in the Q1 Interim Financial Statement 2018 and Q1 Interim Financial Statement 2019, the terms operating profit before special items and EBIT are used synonymously.

For an explanation of non-IFRS measures used and reconciliation to the nearest IFRS measure, see "*Presentation of Financial Data – Non-IFRS Measures*".

Panalpina

The below selected consolidated financial information comprises selected consolidated income statement items, balance sheet items, cash flow items, financial and share ratios for 2016, 2017 and 2018 of the Panalpina Group.

The consolidated figures of the Group for 2016, 2017 and 2018 have been extracted from the audited financial statements of the Group, prepared in accordance with IFRS and comply with Swiss law.

Financial highlights			
(CHFm)	**2018**	**2017**	**2016**
Forwarding services	7,104	6,532	6,321
Net forwarding revenue	6,036	5,533	5,196
Gross profit	1,500	1,398	1,425
In % of net revenue	24.85	25.26	27.42
Profit	75.7	57.5	52.3
in % of gross profit		4.11	

	5.05		3.67
Operating profit before amortisation and depreciation (EBITDA)	289.5	146.2	131.7
Operating profit before amortization (EBITA)	266.8	124.9	105.9
in % of gross profit	17.79	8.94	7.43
Operating result (EBIT)	118.4	103.3	82.0
in % of gross profit	7.89	7.39	5.75
Cash generated from operations	164.5	105.6	150.1
Net cash from operating activities	125.5	67.3	110.8
Free cash flow	59.3	(0.8)	86.6
Net (operational) working capital	415.8	300.4	256.3
Capital expenditure on tangible and intangible assets	40.8	54.0	24.6
Net capital expenditure on tangible and intangible assets	46.4	52.2	8.2
Leverage (liabilities/equity)	2.95	1.99	1.72
Net-interest-bearing liabilities	186	(305)	(386)
Gross gearing (interest-bearing liabilities/equity)	0.83	0.01	0.00
Return on equity in %	12.77	9.40	8.40
Earnings per share (in CHF):			
Basic	3.29	2.48	2.29
Diluted	3.29	2.48	2.29

MARKETS AND COMPETITION

Market
Freight forwarding and logistics industry

The outsourced logistics industry in which DSV operates makes for an attractive environment as it is a large market with an intrinsic growth dynamic, strengthened by further outsourcing trends within customers. In addition, the fragmented nature of the freight forwarder landscape gives global players, like DSV, the opportunity to increase their market share.

The transportation and logistics industry was estimated by Transport Intelligence in 2017 to amount to more than DKK 37 trillion. The total global air and ocean freight forwarding market outsourced to forwarders was approximately DKK 1,036 billion in 2017, of which DKK 544 billion was air freight, and DKK 492 billion was ocean freight. The European road freight market, outsourced to forwarders, was estimated to a total of DKK 2,429 billion in 2017 (source: Transport Intelligence – European Road Freight Transport 2018).

Transport Intelligence estimated that the global contract logistics market amounted to approximately DKK 12 trillion in 2017. Contract logistics outsourced to logistics companies amounted to DKK 1,475 billion.

Freight forwarders play a significant role in the logistics industry as they organise transports for the cargo owners and when possible secure volumes going in both directions of a trade lane. It is the job of a freight forwarder to optimise trade flows, and to the extent possible, ensure that no trucks drive, no airplanes fly and no ships sail without cargo. According to Transport Intelligence, freight forwarders control more than 50 per cent of container freight on average, while freight forwarders control 85 per cent of all air freight (source: Transport Intelligence – Total Logistics 2018).

Market drivers and trends

GDP sets the pace for market growth

The global economy sets the pace for the transport and logistics market. The industry has experienced steady growth guided by global GDP growth, in particular the manufacturing and consumption components. During the historic phase of globalisation of supply chains, transport and logistics experienced growth that was a several fold multiple of the growth in the underlying industrial sectors. Global trade has also historically remained resilient despite short-term disruptions which occur from time-to-time between various regions in the world. In an already globalised world and with the service component of overall economic growth dominating, the transport and logistics pace of growth has slowed down, but is expected to grow on par with the global real GDP growth rates published by the International Monetary Fund.

The growth varies regionally, and several global trends impact global trade flows – most significantly, the gradual change to consumption-driven economy, which is taking place in several developing countries. This means that classic export markets, mainly in Asia, are becoming more balanced as import grows.

Over time one may see increased regionalisation, where certain products are manufactured close to the end market. In this case, the need for transportation and logistics will partly shift focus from international to regional and domestic. Companies with diversified geographical and business mix will be well-positioned to pick up on regional and segmental growth to compensate for any declines in other areas. Therefore, the freight forwarding industry will have to adjust its geographical network and expand their presence and network in emerging markets.

CAGR	**1980-2008**	**2000-2015**	**2015**	**2016**	**2017**	**2018***	**2019e**	**2020e**
Global real GDP	2.3%	4.6%	3.2%	3.1%	3.5%	3.7%	3.4%	3.5%
Global Trade	4.4%	4.3%	2.8%	2.4%	4.2%	4.2%	4.0%	4.1%
multiplier ^	1.9x	0.9x	0.9x	0.8x	1.2x	1.1x	1.2x	1.2x
Container volumes*	9%	7%	1.2%	3.2%	5.7%	4.2%	3.7%	3.6%
multiplier ^	3.9x	1.4x	0.4x	1.0x	1.6x	1.1x	1.1x	1.0x
Air freight volumes*	4.9%	3.7%	1.4%	4.0%	10.3%	4.1%	3.7%	3.0%
multiplier ^	2.1x	0.8x	0.4x	1.3x	2.9x	1.1x	1.1x	0.9x
Euro Area GDP**	0.9%	2.5%	2.0%	1.8%	2.1%	1.8%	1.0%	1.3%
European Road freight *	3.6%	1.0%	2.4%	3.9%	4.5%	4.0%	3.0%	2.5%
multiplier ^	4.2x	0.4x	1.2x	2.2x	2.1x	2.2x	3.0x	1.9x

^over global GDP

*containers in TEU, Airfreight in tonnes, road in tonne-km

**Euro Area GDP for the period 1980-2008 refers to the 1992-2008 period

***2018 numbers have been updated with actual figures based on input from Morgan Stanley Research

Source: Morgan Stanley Research: *Year-Ahead Outlook – Europe*, 21 January 2019

Trade tariffs and Brexit

During 2018, the world saw the introduction of trade tariffs and a general increase in protectionist measures with the US and China as the main campaigners. Following the implementation of the first tariffs during 2018, some companies have been able to find alternative suppliers in alternative countries and there have been examples of inventory build-up ahead of the tariffs. However, large scale changes to established supply chains will take years.

UK's planned exit from the EU is another example of a change to international trade conditions. Preparations for various Brexit scenarios could affect the transport and logistics companies by adding extra capacity to handle customs clearance formalities. New or increasing customs formalities will add complexity to supply chains and can lead to higher demand for value-added services.

From supply to demand chains

The global manufacturing industry is characterised by complex supply chains due to components being manufactured in different parts of the world.

Successful providers will evolve from being suppliers of largely commoditised services to partners. Supply chains are increasingly becoming demand chains where customer demand dictates purchase orders and flow of goods. Consequently, companies are keeping stocks low to minimise inventory and risk. This is driving demand for efficient logistics solutions where real-time tracking, alerts and punctual delivery are crucial elements.

Furthermore, e-commerce and omni-channel logistics (allowing consumers multiple options of shopping and delivery) continues to grow. Freight forwarders' roles in e-commerce are to deliver solutions for e-fulfilment: receiving orders, picking and packing and handling returns in warehouses. The market size for e-commerce logistics, as estimated by Transport Intelligence – Global E-Commerce Logistics 2018 amounted to DKK 1,572 billion in 2017, an increase of almost 20 per cent from 2016, of which DKK 663 billion in Asia, DKK 499 billion in North America and DKK 350 billion in Europe with estimated annual growth rates from 2017 to 2021 of 21 per cent, 11 per cent and 9 per cent respectively.

According to Transport Intelligence – Global E-Commerce Logistics 2018, e-commerce has seen double digit growth in most geographies over the last couple of years and is covering a significant part of the consumer's purchases, notably in the US and China. It makes up already 10.1 per cent of the retail market. As an increasing number of "brick-and-mortar" retailers embrace e-commerce they will need to bolster their supply chain to provide a successful multi-channel or omni-channel experience.

This will increasingly compel transport and logistics providers to add services to their portfolios, notably in fulfilment and will benefit players that can show global coverage and appropriate solutions and IT systems. In addition, the growth of e-commerce leads to a significant increase in air freight demand, throughout the year and reinforcing certain "peak season" effects. DSV, as an integrated provider can provide logistics services and optimisation to e-commerce platforms and integrate, accompany and shape the e-commerce strategies of consumer brands in an omni-channel approach.

Furthermore, sustainability is also on the agenda of freight forwarders and their customers. The focus of the transport and logistics industry is on reducing impact on the environment and the maturing of greener transportation technologies.

Prevalent technological trends

High capital intensity, insufficient flexibility and high programming and update cost have kept the automation of physical processes low so far. This might change with more flexible, adaptable and self-learning devices that can be used in a multitude of contexts. Even in low labour cost countries, automated warehouses are being set-up and complex processes performed by robots. Similarly, decision processes in air and ocean freight (e.g. pricing) can now or will in the near future be automated to a large extent.

Digitalisation impacts the interactions with customers and subcontractors in several ways and covers all the steps in the supply chain; from quote, purchase order, booking, shipment tracking and status alerts to the final billing and KPI reporting.

Warehouse processes can be automated and streamlined in several ways. As an example some logistics providers have implemented voice-picking software in warehouses and it is expected to have a positive impact on productivity. Due to the high volumes in e-commerce, the potential benefits from warehouse automation are often highest for e-commerce customers.

Technologies on the horizon

Driverless trucks, 3D printing and blockchain are examples of technologies that have received significant attention in recent years. However, they are still a few years away from having a significant impact on the industry in which DSV operates.

These and other technological developments will see numerous new entrants in the market, with niche technologies or products and seeking to expand their application or footprint. Some carriers (notably in ocean freight) aspire to integrate vertically into the supply chain by offering end-to-end products and thus reducing complexity.

Competitive environment and DSV's positioning

One of the big five

DSV is among the top five global third party logistics provider's freight forwarders with an estimated 2 per cent market share on the accessible market for freight forwarding and contract logistics. Together, the top 5 players have a market share of approximately 15 per cent of the global freight forwarding market, and the top 20 players have approximately 30 per cent of the market (source: Journal of Commerce – *Global economy boosts revenue 2018 and Management estimates).*

Globally, Air & Sea ranks as a top 10 provider of freight forwarding services within air and sea measured on 2017 revenue (source: Transport Intelligence – Global Freight Forwarding 2018, page 92-95).

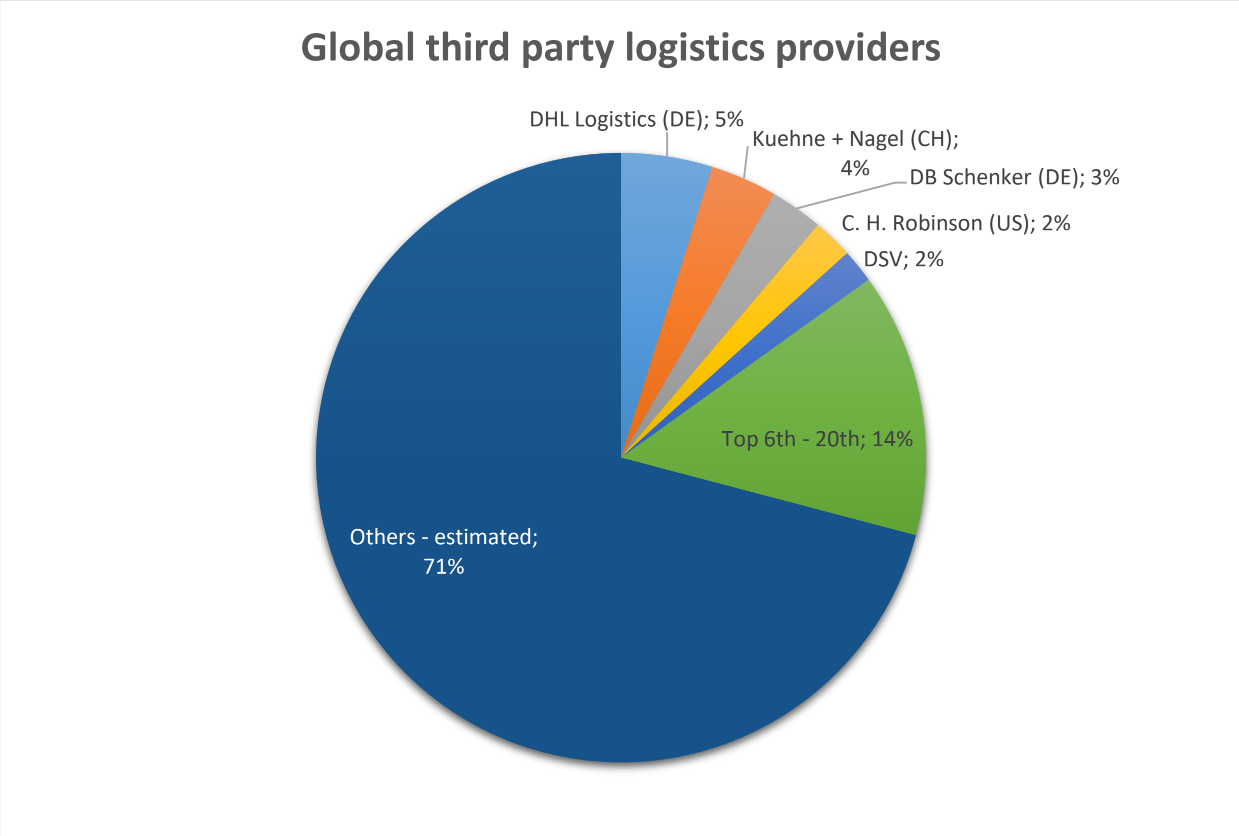
Road ranks a top 5 provider of road transport in Europe in terms of 2017 revenue (source: Transport Intelligence – European Road Freight Transport 2018, page 78).

Management estimates that Solutions ranks within top 20 in the global contract logistics industry, measured on 2017 revenue (source: Management based on Transport Intelligence – Global Contract Logistics 2018, page 78-81).

Because the freight forwarding market is fragmented it is highly competitive, making price one of the main competitive factors. Larger size often also provides plentiful opportunity to grow further, notably against a number of smaller-scale local providers with limited scope of service offerings.

This is a trend the Company expects will continue, and DSV is committed to taking an active part in the industry consolidation by growing both organically and via M&A.

Figure 1.1: Global third party logistics providers



Source: Journal of Commerce – Global economy boosts revenue 2018 and Management estimates

For the market position of the Combined Group, see "*The Combination – Rationale for the Combination and plans".*

DSV believes that the following factors are significant for the evaluation of DSV's competitive position:

Freight forwarders charge their customers fees that are accounted for as revenue. The difference between revenue and the transportation costs the forwarder pays to the transportation carriers is the freight forwarders "gross profit". Such gross profit reflects the value of the services rendered by the freight forwarder.

There is considerable range in the profitability of the leading freight forwarders. This is driven in part by the reliance on management and staff to buy and sell capacity effectively. A supporting factor contributing to this is buying power; for example, a freight forwarder with large volumes is able to acquire better rates from a shipping line/airline. In addition, specific trade lane exposure can affect profitability, as some trade lanes face heavy competition whereas others accommodate a built-up customer base or specialty services. However, many freight forwarders share a similar gross margin (Transport Intelligence – Global Freight Forwarding 2018); hence the largest driver of profitability could lie in productivity and operational excellence.

Typical contractual relationships between a freight forwarder and a shipper are the result of tenders with a high focus on pricing. These contracts provide a pricing and service level framework, are short-term in nature, and are based on the allocation of transport management on certain trade lanes, often without volume guarantees. Large shippers will allocate their volumes to several freight forwarders to manage their exposure. The larger the client the more integrated the freight forwarder becomes in the customers supply chain especially from an IT point of view (i.e. edi / API integrations from TMS to customer ERP).

When start-ups (new digital freight forwarders), established carriers and online retailers develop digital customer interfaces and start offering traditional freight forwarding services the established forwarders are potentially faced with new competition. However, DSV believes that the established freight forwarders with years of experience, large freight volumes and pre-existing global networks are in a strong position to hold on to and expand their market position.

DSV believes the key competitive factors in freight forwarding include;

- Price: Scale is required to secure capacity allocation and suitable service offerings at attractive prices from carriers;
- Operational excellence: In a very competitive environment, high productivity and the optimisation of processes is the only way to optimise quality, delivery times and prices for the benefit of the customer;
- Service: Personal service and depth and breadth of service offering;
- Value added services: Service offering to specific end-markets, customs brokerage, cargo insurance, purchase order management etc.;
- Expertise: Technical knowledge or knowledge of customs and regulation in different countries;
- IT capabilities: They drive optimisation potential for customers' supply chains through visibility such as real-time tracking and monitoring, KPI reporting and direct integrations to customers platform;
- Coverage: To offer global transportation solutions for global clients and equally important a personal service to the small to midsized clients; and
- Warehouse flexibility: The ability to cater to customers demanding storage and distribution.

BUSINESS

Introduction

Today, DSV provides and manages supply chain solutions for thousands of companies every day – from the small family run business to the large global corporation.

As of 30 April 2019 DSV employed approximately 47,000 employees in more than 75 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 is organised into three divisions offering the complete range of services to support the customers' entire supply chain:

- Air & Sea
- Road
- Solutions

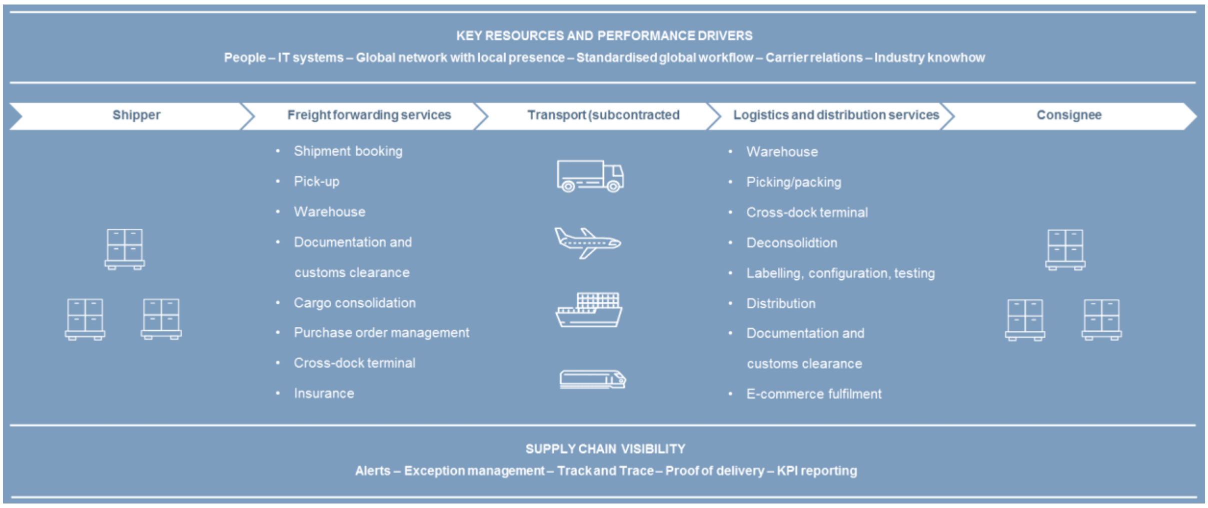
As a freight forwarder, DSV does not own or operate transport equipment; actual transportation of goods is carried out via the global network of partners and subcontractors (carriers and hauliers).

More than 1,000 offices, terminals and warehouses across the world enable DSV to be close to the local markets while taking advantage of a global perspective and network to secure the best possible service at competitive rates.

In addition to organising transports, companies like DSV offer customers a full range of services necessary for processing goods in different parts of the supply chain. These value-added services include purchase order management, cargo consolidation, insurance, customs clearance, pick-and-pack, tracking of shipping, KPI reporting etc.

Value-added services are a vital part of modern supply chains and they require a high level of industry knowhow. It is secure and convenient for customers to procure these services from a third-party logistics specialist, and allows the logistics specialist to monitor the entire supply chain and provide supply chain visibility services (e.g. exception management, track and trace, proof of delivery) as well as suggest initiatives for optimisation. Revenue from value-added services represents a significant part of DSV's gross profit.

Figure 1.2: Key resources and performance drivers



Strengths

Profitable organic growth

Measured by revenue and profit margins, DSV is among the largest and most profitable players in the industry. DSV has a strong market position and a foundation for growing the business above market level in the markets where the Company operates. It is Management's assessment that DSV has historically been able to gain market shares by growing ahead of the market. DSV has also been able to maintain more or less the same gross margin despite margin pressure in the industry.

Diversified customer base and long-standing relationships.

The financial results of DSV have continuously developed positively and the good developments of these are closely connected to the diverse customer portfolio. DSV's customer portfolio consists of more than 100,000 customers where no single customer accounts for more than 2 per cent of revenue in 2018. Furthermore, the top 100 customers in DSV accounted for approximately 30 per cent of revenue in 2018.

DSV is not dependent on any single industry and customers are widely spread among industries with automotive being the single most important for DSV, accounting for approximately 15-20 per cent of the revenue in 2018.

Global reach with local empowerment

DSV supports its customers in more than 75 countries with own offices and people on the ground with specialized knowledge of local and global regulation and with in-depth knowledge of supply chains. This is a key component in DSV's value proposition.

DSV is characterised by a flat and decentralised organisational structure which in Management's opinion is a key differentiator to the closest competitors. DSV continually work with customers to find optimal solutions to their logistics challenges across countries using the DSV network. The local managements are in charge of their respective operations but have to act in accordance with the guidelines communicated by Group management. This allows for consideration of local market conditions and enables local management to make quick decisions when needed.

As part of DSV's overall strategy, a number of functions have been centralised in shared service centres, a development that DSV expects to continue. The centralised functions are mainly related to large-scale, back-office functions whereas commercial activities are carried out by operational staffs who are close to the customer and the local market.

Proven track record of value creating M&A

M&A is an integral part of the Company's growth strategy; DSV has a high level of experience and expertise in this area, and the organisation and infrastructure are designed with scalability in mind. Through the years DSV has acquired and successfully integrated a number of companies with similar business models and achieved significant commercial as well as cost synergies. The most significant transactions are DFDS Dan Transport (2000), Frans Maas (2006), ABX Logistics (2008) and UTi Worldwide (2016).

Consolidated infrastructure

DSV continuously invests in the consolidation of logistics facilities, creating large, modern multi-client warehouses and terminals as well as joint offices shared by all three Divisions. This enables DSV to utilise shared services in each country and promote the One DSV spirit between the Divisions, aiming to support customers with a one stop shop for supply chain services.

As a result of DSV's strategic focus on IT, DSV operates a consolidated, standardised and scalable IT landscape based on the principle of one main system for each business area. This supports efficient and standardised global workflows and is a prerequisite for being cost-competitive in the industry.

Loyal employees with "DSV DNA"

DSV's success is built upon a strong foundation of people who have been loyal to DSV for most or their entire career. The special "DSV DNA" is characterised by a relentless focus to improve yesterday's achievements, customer centric decisions and pride in the company, which ultimately leads to a deeply embedded profit culture.

Strategy
Vision

DSV is one among many players in a large, fragmented and competitive freight forwarding market. The Company's vision is simple, yet ambitious:

"We want to be a leading global supplier, fulfilling customers' needs for transport and logistics services, targeting extensive growth and to be among the most profitable in our industry".

With a few modifications of the wording, DSV's vision has been the same for years. Global supply chains and technology change and this impact the way the industry works, but the fundamentals of freight forwarding do not change overnight.

Four strategic focus areas

Figure 1.3: Four strategic focus areas

Customers

DSV aims to offer customers global and competitive transport and logistics services of a consistent high quality – and to support their entire supply chain. DSV has a strong foothold among small and mid-sized customers and will continue to focus on this segment. In recent years, DSV has also achieved growth with large, multinational customers and is increasingly offering industry-specific solutions, e.g. within automotive and pharma logistics. DSV continuously works with customers to find optimal solutions to their logistics challenges – and systematically and proactively manage relations through a global customer success programme.

Growth

DSV actively pursues profitable growth-organically and via M&A. Measured by revenue and profit margins, DSV is among the largest and most profitable players in the industry. As a result, the company has a strong market position and a foundation for continuously growing the business above market level in the markets where the Company operates. DSV has a track record of company integrations and the Company will continue to look for suitable M&A opportunities, if an attractive and value-adding opportunity arises. DSV's main acquisition targets are large, global freight forwarders, preferably with high exposure to the air and sea market.

Operational Excellence

Freight forwarding is a service industry characterised by high volumes and relatively low profit per shipment/unit. This means that high productivity – operational excellence – is essential to profitability above market level. DSV constantly strive to do things better than yesterday and to optimise quality, delivery times and prices to the benefit of customers. Based on the principle of one main system per business area, DSV operates a consolidated, standardised and scalable IT landscape. The Company works systematically to ensure high data quality and security. When available, DSV prefers standard, off-the-shelf IT systems. The Company measures productivity and financial performance methodically across the organisation to ensure that management has the best possible basis for decision making. DSV continues to develop and grow international and regional shared service centres as administrative competency hubs, servicing the global organisation.

People

While DSV focuses intensely on IT and business process optimisation, DSV's people are at the heart of the operations. The Company strives to ensure that they have the best tools, training and conditions to perform their best. DSV continues to develop and optimise the operational and administrative systems to support their skilled and entrepreneurial freight forwarders in working smarter. This ultimately translates to high quality service and supply chain visibility for customers and value creation for DSV shareholders. Recruitment and retainment of talent remain key to DSV's success. The company offers clear career advancing opportunities to talented employees. Global HR initiatives, e.g. DSV Academy, e-learning, talent management and global mobility, are all in place to attract, motivate and retain the very best people.

History and organizational structure

History

In 1976, in the small town of Skuldelev in Denmark, ten owner-operated hauliers joined forces and founded DSV – De Sammensluttede Vognmænd (the "*United Trucking Companies"*).

DSV has reached its current size through consolidation as well as through organic growth. In the future, DSV aims to achieve continued growth above the market growth rate through organic growth and further acquisitions. However, there can be no assurance that this aim will be reached.

In 1987, the Company was listed on Nasdaq Copenhagen (then called the Copenhagen Stock Exchange).

In 1997, the Company acquired Samson Transport Co. A/S.

In 2000, the Company acquired DFDS Dan Transport Company A/S and branded the Company as DFDS Transport. In addition to road transport services in Scandinavia, the United Kingdom, the Baltics and Europe, the acquisition secured a logistics set-up as well as activities within airfreight and sea freight transports to/from the US and Asia Pacific markets.

In 2001, the Company divested DPD parcel (Nordic countries) and 50 per cent of the shares in Tollpost Globe AS.

In 2004, the Company divested DSV Miljø A/S (Environment Division) to focus on transport and logistics.

In 2006, the Company acquired Koninklijke Frans Maas Groep N.V. Through this acquisition, the Company gained presence in a number of new countries, particularly in Southern and Eastern Europe. The acquisition of Frans Maas also led to an increase in the Solutions Division's activities, particularly in the Benelux area.

In 2007, the Company branded itself as DSV A/S once again, ceasing the use of the names DFDS Transport and Frans Maas.

In 2008, the Company divested its remaining stake of 50 per cent of the shares in Tollpost Globe AS.

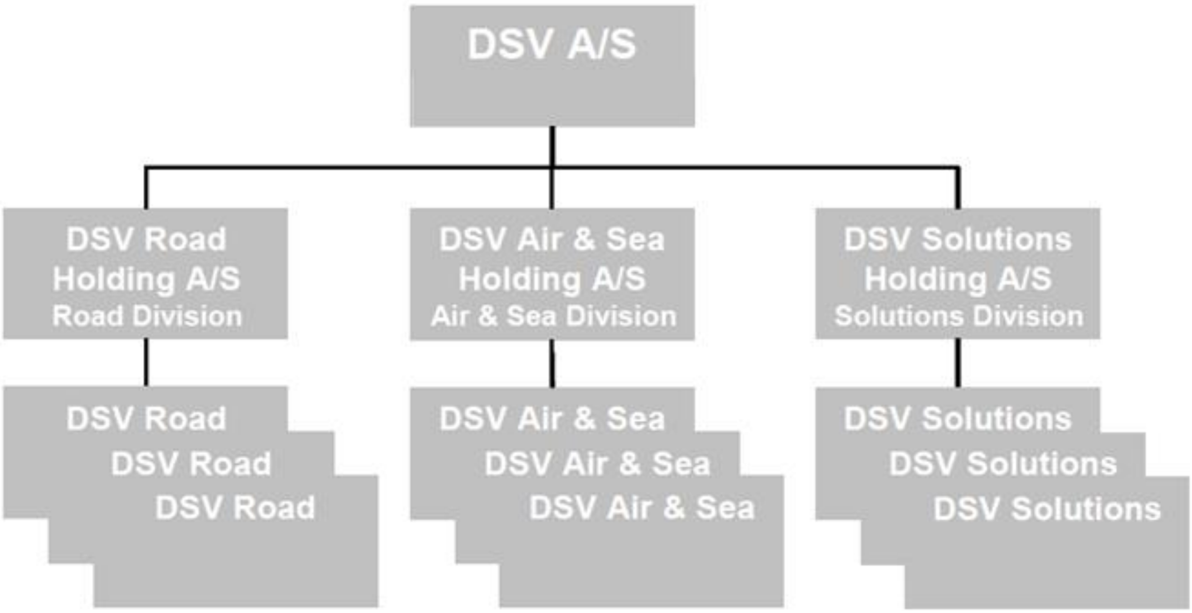
In 2008, the Company acquired ABX Logistics. The acquisition roughly doubled the size of the Company's Air & Sea Division and increased the presence of the Road Division in Italy, Germany, France and Spain.

In 2016, the Company acquired UTi which increased the Company's revenue significantly and almost doubled its number of employees. The acquisition significantly strengthened the Company's Air & Sea division, while giving the combined companies a more balanced geographical footprint.

Organizational structure

DSV A/S is the parent company of the Group. The shares of DSV A/S are listed on Nasdaq Copenhagen. A simplified legal structure of the Group is illustrated below in figure 1.4.

Figure 1.4: Simplified legal structure of the Group



In many (but not all) of the countries in which DSV operates, the activities of each Division are organised into separate legal entities.

For an overview of DSV A/S' active subsidiaries and associates as of 31 December 2018, see the 2018 Annual Report of DSV A/S, pages 82-87. According to this overview approximately 150 legal entities are carrying out air & sea activities, approximately 70 legal entities are carrying out road activities and approximately 70 legal entities are carrying out solutions activities.

DSV A/S is, directly or indirectly, the ultimate holding company of all the subsidiaries in the Group.

Business operations
Group view

DSV is a global supplier of transport and logistics solutions. The Company has subsidiaries and associated companies in more than 75 countries and an international network of partners and agents. DSV operates from more than 1,000 branch offices, terminals and warehouse facilities. DSV's activities are organised in three Divisions: DSV Air & Sea, DSV Road and DSV Solutions.

DSV operates as a global freight forwarder with an asset light business model. This means that DSV offers transport and logistics services to its customers, but the physical transport operations are carried out by external hauliers (trucking companies), shipping companies and airlines. DSV owns or leases a number of warehouses and freight terminals throughout the world. Furthermore, DSV leases a number of trailers and other transport equipment. In 2018, land and buildings normally had a lease term of up to 10 years. Other plant and operating equipment normally had a lease term of up to 5 years.

Besides the core transport and logistics services, DSV offers a range of services to the customers, for example preparation of import and export documents, customs clearance, cargo insurance, labelling of goods, repacking and overall supply chain management. These services are referred to as value added services.

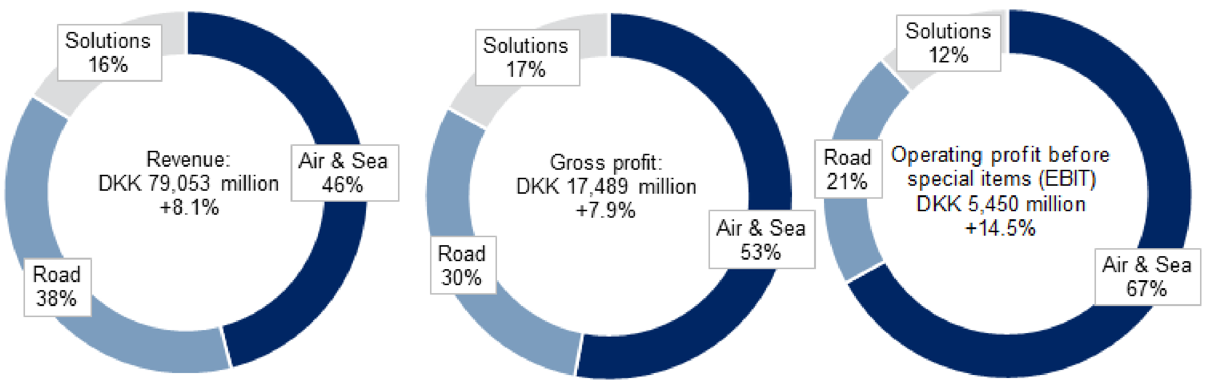
In many countries, where DSV is present, the activities are organised in separate legal entities, reflecting the divisional structure of the Group. While each Division provides different services to the customers, the Company focuses on cross-divisional sales and cooperation, offering the customer a full logistics solution.

As described, commercial activities in the Company are carried out in the three Divisions. The activities of the Company include executive management and a number of central support and service functions such as finance, treasury, legal, M&A, compliance, CSR, procurement, property management, corporate communications, HR and IT.

DSV is committed to being a responsible and reliable business partner as well as an active participant in the global community. By working systemically with the United Nations Global Compact and supporting the Sustainable Development Goals, the Company reports and improves on a wide range of responsibility areas.

The revenue, gross profit and operating profit before special items (EBIT) distribution across Divisions for 2018 are illustrated below. Measured on EBIT, the Air & Sea Division was the most profitable and accounted for 67 per cent of the Company's EBIT in 2018. The Road Division accounted for 21 per cent and the Solutions Division accounts for 12 per cent of the Company's EBIT in 2018. The EBIT split in 2017 was similar to 2018.

Figure 1.5: Revenue, Gross profit and operating profit before special items (EBIT) by division (2018)



Source: 2018 Annual Report of DSV A/S

DSV operates a global network with EMEA as the most important market accounting for 67 per cent of gross profit and 55 per cent of EBIT in 2018.

The activities outside EMEA are mainly related to the Air & Sea Division. However, the acquisition of UTi has contributed to the footprint in Road and Solutions with 8 per cent and 23 per cent of operations, respectively, being conducted outside of EMEA.

DSV operates in more than 75 countries across the globe and is present in all major trade economies. In 2018 the most important countries for DSV, measured on revenue, was USA accounting for approximately 15 per cent, Denmark accounting for approximately 10 per cent, Germany accounting for approximately 9 per cent, Sweden and Italy accounting for approximately 6 per cent each.

The growth in gross profit and operating profit before special items has for 2018 been higher for DSV outside of Europe and DSV continues to become more diversified from a geographical perspective. The acquisition of UTi contributed to more exposure outside Europe.

Figure 1.6: 2018 Revenue, gross profit and EBIT by region and by Division.

(DKKm)	**Revenue**	**Gross profit**	**Growth% GP***	**EBIT**	**Growth% EBIT***
Americas	15,315	3,309	12.5%	1,404	18.9%
EMEA	56,078	11,794	5.8%	2,996	9.9%
APAC	7,660	2,386	13.1%	1,050	22.9%
Total	79,053	17,489	7.9%	5,450	14.5%

**Growth% GP and Growth% EBIT are presented in constant currencies.*

Source: 2018 Annual Report of DSV A/S

DSV Air & Sea

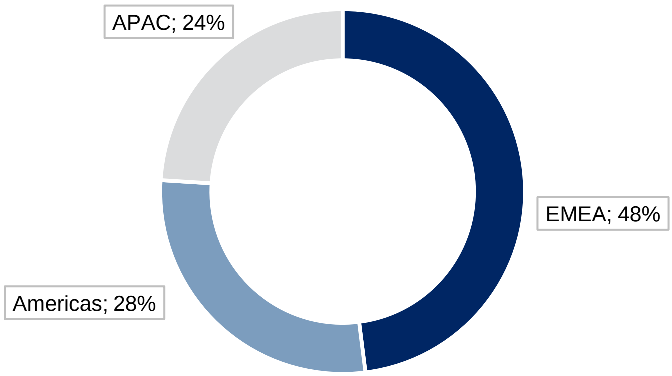
Air & Sea organises transports of cargo by air freight and sea freight. In 2018, the division had approximately 12,100 employees and a global network of subsidiaries and associated companies in more than 75 countries. These countries cover more than 90 per cent of world trade and are considered to be very close to a complete network. However, in order to be able to offer a complete global network to the customers, the division also works with agents in other countries where it is not represented with own offices. These partnerships are based on long term relationships and strict adherence by the agents to the DSV Supplier Code of Conduct.

In 2018, the Air & Sea Division handled approximately 1,440,000 containers (20 foot equivalent unit - TEU) of sea freight and approximately 690,000 tonnes of air freight. More than 95 per cent of the volume transported by the Division is controlled volume, where DSV is responsible for negotiations and relations with the shipping lines and airlines. The Air & Sea Division does not own any ships or airplanes, and all transport is carried out by subcontractors (shipping lines and airlines).

The Air & Sea Division conducts business globally with a diverse exposure to trade lanes. In 2018, the most important traffic route was Asia to Europe which accounted for approximately 30 per cent of the division's sea freight volume. Other important trade lanes for sea freight in 2018 were intra EMEA (~15 per cent), EMEA to Americas (~12 per cent) and APAC to Americas (~10 per cent). For air freight the most important trade lane in 2018 was EMEA to APAC which accounted for approximately 19 per cent. Other important trade lanes for air freight in 2018 were APAC to EMEA (~16 per cent), EMEA to Americas (~15 per cent) and Americas to EMEA (~13 per cent).

The Air & Sea Division's regional exposure, measured on gross profit in 2018, is illustrated below.

Figure 1.7: DSV Air & Sea gross profit by region



Source: 2018 Annual Report of DSV A/S

Globally, Air & Sea ranks as a top 10 provider of freight forwarding services within air and sea measured on 2017 revenue (source: Transport Intelligence – Global Freight Forwarding 2018, page 92-95).

Within sea freight the Air & Sea Division offers Full Container Loads (FCL), and consolidations of smaller shipments (Less than Container Load – LCL). Within airfreight the Air & Sea Division offers consolidated air freight, air charters of full planes, express and courier services. The Air & Sea Division also offers project-related transport services for over dimensioned and/or heavy cargo, e.g. transport of wind turbines or industrial equipment.

As a freight forwarder DSV Air & Sea utilizes a wide range of suppliers who are selected for the individual shipment based on trade lane, service capability, available space and cost. In order to take advantage of scale DSV has a dedicated procurement department for both air and sea freight. The purpose is to make the best possible rates, service and payment conditions available to the entire DSV network. In order for the local organisation to support customers with the best possible solution they have autonomy to choose the carrier and are encouraged to make deals with local air or ocean line representatives in case the terms are more favourable than those negotiated centrally.

The majority of the volume that DSV handles in a year is procured through the spot market or based on soft commitments towards core carriers meaning that DSV maintain the necessary flexibility in its cost base to quickly adjust to market conditions, including sudden drops in transport volumes.

Contracts with customers are normally valid for up to 12 months where DSV commits to service levels and rates, based on estimated volume and trade lanes provided by the customer. Importantly, these contracts contain certain criteria that can lead to rate changes e.g. peak season surcharges and fuel surcharges. In a few cases customers want a fixed and guaranteed rate for a longer period and this can only be agreed by DSV if there is a back-to-back agreement with a carrier for this specific account. The general principle for the Division is that the fluctuations in rates are a pass through to the customer and DSV is not to speculate in rate developments. The stable development of DSV’s gross profit per unit serves as a testament to this.

DSV manages its air & sea freight business with a set of simple KPIs, of which the most important are volumes, shipments, gross profit per unit, operating profit before special items, conversion ratio and total FTEs.

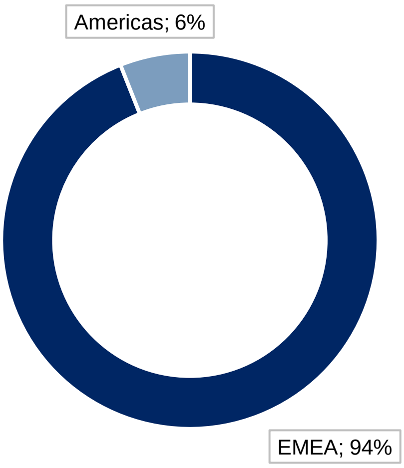
In 2018, the Air & Sea Division generated revenue of DKK 36,972 million and an EBIT of DKK 3,693 million.

DSV Road

DSV Road offers transportation of full truck loads (FTL) and less than truck load (LTL) all over Europe. Furthermore, DSV Road offers road freight services in North America and Africa. In 2018, the Road Division had approximately 12,850 employees and subsidiaries in more than 30 countries. The vast majority of the division's services are provided by means of trucks and to a limited extent by rail and short sea crossings by ship. DSV has more than 20,000 trucks on the roads every day.

The Road Division conducts business in Europe, North America and South Africa but the Division is highly dependent on Europe with close to 90 per cent of gross profit in that region. The Road Division's regional exposure, measured on gross profit in 2018, is illustrated below.

Figure 1.8: DSV Road gross profit by region



Source: 2018 Annual Report of DSV A/S

DSV Road ranks a top 5 provider of road transport in Europe in terms of 2017 revenue (source: Transport Intelligence – European Road Freight Transport 2018, page 78).

The Road Division offers both national and international (cross border) transport including specialised services such as temperature-controlled transport, bulk transport, hazardous cargo transport and tank container services, as well as customs clearance and terminal and storage operations. The vast majority of the physical transport operations of the Road Division are outsourced to external haulage companies and Management estimates that less than 5 per cent of the transport services are produced with own trucks. The Road Division has a network of road freight terminals across Europe and South Africa.

The supplier base in Road is fragmented and consists of more than 1,000 local and regional haulage and trucking companies. Hauliers are vetted and recruited through a haulier procurement programme and each one has to comply with the DSV Supplier Code of Conduct.

Road contracts with customers are usually annual rate agreements for which DSV Road commits to service levels and rates with some adjustable factors, most importantly for fuel surcharges. In line with the principle in DSV Air & Sea the general rule is that rate fluctuations are passed on to the customer and DSV is not to speculate in rate developments.

DSV manages its Road business with a set of simple KPIs, of which the most important are shipments, gross profit margin, operating profit before special items (EBIT) and conversion ratio.

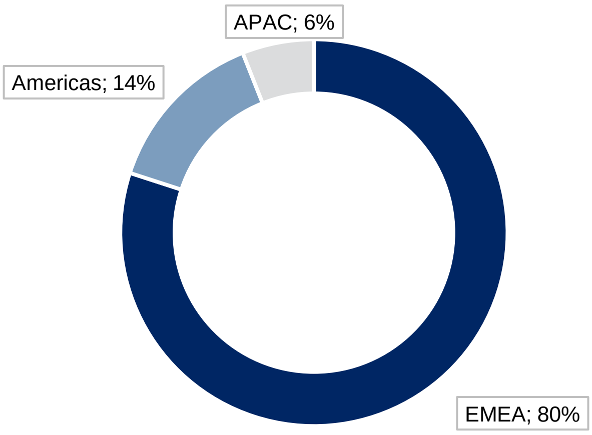
In 2018, the Road Division generated revenue of DKK 31,243 million and an EBIT of DKK 1,147 million.

DSV Solutions

DSV Solutions specialises in contract logistics services on a global basis. In 2018, the Solutions Division had approximately 20,000 employees and subsidiaries in more than 30 countries. Contract logistics services include a variety of services of which the most important are warehousing services (storage hotel and inventory management), picking and packing of goods and distribution services. Furthermore, a number of services are offered to the customers, e.g. labelling, assembly and configuration of goods.

The core of DSV Solution's operations is centered in the European countries. The Solutions Division's regional exposure, measured on gross profit in 2018, is illustrated below.

Figure 1.9: DSV Solutions gross profit by region



Source: 2018 Annual Report of DSV A/S

Management estimates that DSV Solutions ranks within top 20 in the global contract logistics industry, measured on 2017 revenue (source: Management based on Transport Intelligence - Global Contract Logistics 2018, page 78-81).

Part of the services offered by the Solutions Division are specialised to cater for specific industries, e.g. the automotive industry or the pharmaceutical industry. The Division has approximately 400 logistics facilities and approximately 5.5 million square metres of warehousing facilities, and these facilities are either owned or leased.

The standard contract length is between 3-5 years and is normally extended for an additional period due to the fact that for the customer switching costs can be significant and the IT systems and employees are highly integrated into the customers' business. The majority of contracts are based on a mix of fixed and variable pricing, but Solutions also operate open-book cost plus contracts. DSV Solutions aims to build in certain protections in their favour in order to protect against scope and volume changes and indexation for inflation and other pass-through costs.

DSV manages its Solutions business with a set of simple KPIs, of which the most important are order lines and order lines per man hour, on-time performance, warehouse utilization and safety.

In 2018, the Solutions Division generated revenue of DKK 13,229 million and an operating profit before special items of DKK 709 million.

Information technology

Freight forwarding is a service industry characterised by high volumes and relatively low profit per shipment/unit. This means that high productivity – operational excellence – is essential to profitability above market level. Information technology is the single most important enabler for productivity and plays a key role for DSV's industry leading conversion ratio (operating profit before special items in per cent of gross profit).

Based on the principle of one main system per business area, DSV operates a consolidated, standardised and scalable IT landscape. DSV works systematically to ensure high data quality and security. When available, DSV prefers standard, off-the-shelf IT systems.

Digitalisation impacts the interactions with customers and subcontractors in several ways and covers all the steps in the supply chain; from quote, purchase order, booking, shipment tracking and status alerts to the final billing and KPI reporting. The basis for DSV´s digital interactions with customers are direct interfaces (edi, API). Furthermore, customers can book and track shipments via the online platform, myDSV. The digital tools also comprise mobile apps for scanning of shipment status (DSV Driver App, Last Mile Delivery App), a quote tool for road freight and eDC which is a system designed for purchase order management.

DSV believes that continuous development of the technology systems is essential to improve internal operations and financial performance and to provide our customers with the most cost-effective, timely and reliable solutions.

Investments

DSV operates a scalable and asset-light business model, delivering services through people supported by technology. DSV Air & Sea and DSV Road do not own aircraft or vessels and only a limited number of trucks and instead almost exclusively outsources transportation to third party carriers. DSV Solutions operates approximately 5.5 million square meters of warehousing and manufacturing space for which the clear majority is leased. The Company does not own any real estate which is of material importance for the business activities.

The majority of capital expenditure is related to IT (new technology and scalability) as well as equipment for our logistics facilities (forklifts, racking, automation etc.).

DSV aims to utilise third-party software to the furthest extent. DSV will only develop proprietary IT solutions in situations where no off-the-shelf product can service the need of the business and customers. DSV does not own any material intellectual property and is not reliant on significant intellectual property except for software licenses. DSV has no significant investments in progress and no significant firm commitments have been undertaking in respect of investments.

Due to the asset light nature of DSV's business model the yearly capital expenditure is considered limited although the Company invests in future growth notably through new technology and additional geographic exposure.

Historically, DSV has made significant investments in the form of acquisitions of other businesses. The Exchange Offer for the Panalpina Shares is the only significant business acquisition in progress. While Panalpina is headquartered in Switzerland, the operations of the Panalpina Group are global. The acquisition of Panalpina will be equity financed by issuance of the New Shares and an insignificant cash amount to settle fractions of New Shares. For details on the acquisition of the Panalpina Group, see "*The Combination"*. The Management has not made firm commitments in respect of any other principal future investment except for the acquisition of the Panalpina Group.

Property, Plant and Equipment

DSV operates from more than 1,000 branch offices, terminals and warehouse facilities, of which the majority is leased. Lease term is up to 10 years. No single location is material to the business.

Insurance coverage

Management believes that the Group's insurance coverage is adequate and is in accordance with DSV's insurance policy. DSV's insurance programs are placed on the commercial insurance market but the Company's captive, DSV Insurance A/S, insures a part of the DSV's insurance programs. DSV is able to obtain insurance coverage for its operations at levels that Management considers to be prudent.

Legal proceedings

<u>Litigation and Incurries</u>

DSV is not a party to and is not aware of governmental, legal or arbitration proceedings, which may have or have had the previous 12 months period prior to this Listing Prospectus significant effect on the Company and/or the Group's financial position or profitability. As an international transport service provider DSV is in the normal conduct of business regularly involved in legal proceedings or inquiries from authorities. While the outcome of these legal proceedings is uncertain, DSV believes that it has provided for all probable and estimable liabilities arising from the normal course of business, and DSV therefore does not expect any non-provisioned liability arising from any of these legal proceedings to have material impact on DSV's results of operations, liquidity, capital resources or financial position.

Tax and VAT Proceedings

DSV is involved in tax audits, tax litigations and VAT disputes in various jurisdictions relating to the normal conduct of its business. While the outcome of these are uncertain and can involve cash outflow, DSV believes that it has provided for all probable and estimable tax liabilities arising from the normal course of business, and DSV therefore does not expect any liability arising from these audits, litigations and disputes to have a material impact on its results of operations, liquidity, capital resources, or financial position.

Other Proceedings

From time to time, DSV is involved in a variety of legal proceedings and disputes arising in the ordinary course of business. Such proceedings sometimes include individual claims and lawsuits, disputes with unions, class action claims, and governmental or quasi-governmental investigations. While the outcome of these legal proceedings is sometimes uncertain and may not be capable of estimation, DSV believes that resolution of these matters and the incurrence of their related costs and expenses should not have a material adverse effect on DSV's results of operations, liquidity, capital resources or financial position.

TREND INFORMATION

The most significant trends affecting DSV were announced in the unaudited Q1 Interim Financial Statement on 30 April 2019:

The implementation of IFRS 16 Leases as from 1 January 2019 had a material impact on DSV's financial statements and key ratios as most contracts previously classified as operating leases have now been capitalised. On divisional level the impact from IFRS 16 Leases is most significant for Solutions, less significant for Road and insignificant for Air & Sea. The 2018 financial statements have not been restated, and therefore year-on-year growth rates have been calculated excluding IFRS 16 Leases to illustrate the underlying development.

The Group achieved a gross profit of DKK 5,114 million for Q1 2019, compared to DKK 4,120 million for Q1 2018. In constant currencies and excluding the impact from IFRS 16 Leases, the underlying growth in gross profit was 8.5 per cent – a solid performance driven by market share gains in a relatively low growth market.

Operating profit before special items was DKK 1,454 million for Q1 2019, compared to DKK 1,156 million for the same period of 2018. In constant currencies and excluding the impact from IFRS 16 Leases, the underlying growth in operating profit before special items was 14.9 per cent.

MANAGEMENT'S REVIEW OF OPERATIONS AND FINANCIAL STATEMENTS

Unless otherwise indicated, the historical and other financial data presented in the following discussion and analysis has been derived from the audited consolidated financial statements of DSV as of and for each of the years ended 31 December 2016, 31 December 2017 and 31 December 2018 (hereafter referred to as 2016, 2017 and 2018, respectively) and the unaudited condensed Interim Financial Report as at and for the three months ended 31 March 2018 and 2019, each of which are incorporated by reference in this Listing Prospectus.

The following discussion is to be read in conjunction with "*Selected Consolidated Financial Information*", "*Business*", "*Part F. Financial Information*" and the audited consolidated financial statements and the notes of the Group thereto included or incorporated by reference elsewhere in this Listing Prospectus.

The consolidated financial statements of DSV are prepared as of and for each of 2016, 2017 and 2018 and interim financial statements for the period ended 31 March 2019 and 31 March 2018 in accordance with IAS 34. The financial information and related discussion and analysis contained in this section are presented in DKK except as otherwise specified.

Significant Accounting Policies

Revenue

Revenue comprises freight forwarding services, contract logistics and other related services delivered in the financial year. Revenue from services delivered is recognised in accordance with the over-time recognition principle following the satisfaction of various milestones as the performance obligation is fulfilled towards the customer. The main services comprise air, sea, road and solutions services. Revenue is measured excluding VAT and other tax collected on behalf of third parties, and any discounts are offset against the revenue. Revenue also comprises income from sale of property projects in the form of sale of land and buildings acquired, constructed and held for sale in the ordinary course of business.

Direct costs

Direct costs comprise costs paid to generate the revenue for the year. Direct costs include settlement of accounts with haulage contractors, shipping companies, airlines, etc. Direct costs also include staff costs relating to hourly workers used for fulfilling orders and other direct costs of operation such as rental of logistics facilities and costs of property projects.

Other external expenses

Other external expenses include expenses relating to marketing, IT, other rent, training and education, office premises, travelling, communications as well as other selling costs and administrative expenses, fewer costs transferred to direct costs.

Staff cost

Staff costs include wages and salaries, pensions, social security costs and other staff costs for salaried employees, but exclude staff costs for hourly workers which are recognised as direct costs. Staff costs are recognised in the financial year in which the employee renders the related service. Costs related to long-term employee benefits, e.g. share-based payments, are recognised in the periods in which they are earned.

Amortisation and depreciation

Amortisation and depreciation for the year are recognised based on the amortisation and depreciation profiles of the underlying assets. Customer relationships are amortised over a period of 8 years using the diminishing balance method. Software is amortised on a straight line basis over its expected useful life. The amortisation period is 1-10 years.

Property plant and equipment

Depreciation is carried out on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

- Terminals and administration buildings 40-60 years
- Other buildings and building elements 10-25 years
- Technical plant and machinery 6-10 years
- Other plant and operating equipment 3-8 years
- Land is not depreciated

Financial income and expenses

Financial income and expenses include interest, share of associates' profit/loss, foreign currency gains and losses and impairment of securities, payables and foreign currency transactions as well as amortisation of financial assets and liabilities, including finance lease obligations. Furthermore, realised and unrealised gains and losses on derivative financial instruments that cannot be classified as hedging contracts are included.

Special items

Special items are used in connection with the presentation of profit or loss for the year to distinguish consolidated operating profit from exceptional items, which by their nature are not related to the Group's ordinary operations or investment in future activities. Special items comprise:

- Restructuring costs, impairment costs, etc. relating to fundamental structural, procedural and managerial reorganisations as well as any related gains or losses on disposals; and
- Transaction and restructuring costs relating to acquisition and divestment of enterprises.

Tax

Profit or loss for the year, interest expenses related to pending tax disputes and adjustments to previous years, including adjustments due to tax rulings. Tax for the year is recognised in the income statement, unless the tax expense relates directly to items included in other comprehensive income or equity.

Changes in accounting standards

Changes in accounting regulation – with effect from 2019

The IASB has issued a number of new standards and amendments not yet in effect or endorsed by the EU and therefore not relevant for the preparation of the 2018 consolidated financial statements. DSV expects to implement these standards when they take effect. Of these new standards, only IFRS 16 Leases has a significant impact on the consolidated financial statements when implemented in 2019.

IFRS 16 Leases

IFRS 16 Leases has taken effect on 1 January 2019 and has been implemented on this date following the modified retrospective approach with the cumulative effect of applying the standard recognised in the opening balance of retained earnings. Right-of-use assets will be measured as if IFRS 16 Leases had been applied since the commencement date, discounted using an applicable incremental borrowing rate at the date of initial application. Comparatives are not restated. IFRS 16 Leases broadens the criteria for recognition of right of use assets and lease liabilities and will have a material impact on DSV's financial statements, as off-balance operating leases will be capitalised and accounted for similar to finance leases. Reported operating profits will increase, as operating lease expenses will be replaced by depreciation and interest expenses. The impact on profit for the year will be neutral over time, but a timing effect will occur due to frontloading of interest expenses. Reported cash flow from operating activities will increase, but will be offset by an increased cash outflow from financing activities, and, accordingly, there will be no change in total cash flow for the year. The implementation of IFRS 16 Leases will have no impact on DSV's agreements and terms with banks regarding long term funding.

Assuming that the 2018 year-end lease portfolio remains unchanged for 2019, implementation of the standard is estimated to impact the 2019 opening balance and full year income statement as outlined below. Based on the estimates, Group invested capital – which was DKK 20.4 billion at year-end 2018 - will increase by 9.8 billion. The net interest-bearing debt of DKK 5.8 billion will increase by DKK 10.5 billion.

Major accounting policy choices made in implementing the standard includes:

- only to apply IFRS 16 Leases to contracts previously identified as containing a lease;
- not to recognise right-of-use assets and lease liabilities for leases with a lease term of 12 months or less;
- not to recognise right-of-use assets and lease liabilities for low-value lease assets;
- not to include non-lease components – e.g. service elements – as part of the right-of-use assets and lease liabilities recognised. These are accounted for separately;
- not to apply hindsight when assessing the lease term – e.g. when considering extension or termination options; and
- to recognise right-of-use assets and lease liabilities for long-term lease contracts where the lease term ends within 12 months from 1 January 2019 (e.g. the short term lease exemption is not applied).

IFRS 16 - OPENING BALANCE AND ESTIMATED FULL-YEAR EFFECT (DKKm)

	31 December 2018 (IAS 17)	Increase (+) decrease (-)	Change
Balance sheet - 2019 opening balance effect:			
Right-of-use assets	193	+	9,200 - 9,600
Deferred tax asset	851	+	100 - 200
Reserves and retained earnings	14,373	-	450 - 650
Lease liabilities	192	+	9,900 - 10,300
Income statement - 2019 estimated full year effects:			
Direct cost		-	2,150 - 2,340
Gross profit		+	**2,150 - 2,340**
Other external expenses		**-**	580 - 650
		+	**2,730 - 2,990**
Amortisation and depreciation		+	2,430 - 2,640
Operation profit before special items		**+**	**300 - 350**
Financial expenses		+	350 - 370
Profit before tax		-	**20 - 50**

Changes in accounting regulation in 2018

DSV has implemented the IFRS and amendments effective as of 1 January 2018 as adopted by the European Union. Implementation of these standards and amendments has had immaterial impact on the Group's financial statements and are not expected to have any significant future impact.

Of the new standards and amendments implemented in 2018 the most significant are as follows:

IFRS 9 Financial instruments

IFRS 9 introduces several changes to IAS 39 – including a new impairment framework, new rules for hedge accounting and new requirements and guidance on classifications, measurement and disclosure of financial assets and liabilities. IFRS 9 has been adopted applying the standard retrospective approach, with the practical expedients permitted under the standard and with no restatement of comparatives. Implementation of the standard has resulted in only minor changes to existing accounting practices. The most significant change has been applied to impairment assessments of trade receivables as these are now considered based on the IFRS 9 expected credit loss model, where previously an incurred loss model was applied. The revised approach has had immaterial impact on the impairment assessment of trade receivables compared to prior practices, and no retrospective adjustment to equity has been made. Additionally, the new standard has not resulted in any material changes to classifications of financial assets or financial liabilities.

IFRS 15 Revenue from contracts with customers

IFRS 15 introduces a new framework for revenue recognition and measurement. IFRS 15 has been applied following the modified retrospective approach with any cumulative effects recognised in equity as of 1 January 2018 and with no restatement of comparatives. Implementation of the standard has resulted in only minor changes to existing accounting practices, mainly relating to extended external disclosure requirements. The implementation has not resulted in any changes to existing revenue recognition practices applied by the Group and accordingly no retrospective adjustment to equity has been made.

Changes in accounting regulation 2017

In 2017, DSV has implemented the standards and amendments that are effective for the financial year 2017. The new standards and amendments have not affected DSV's recognition or measurement of financial items for 2017, nor are they expected to have any significant future impact. Effective from 1 January 2017, DSV has changed its accounting policies in terms of accounting for sale of land and buildings held for the purpose of sale in the ordinary course of business (property projects). These are as of 1 January 2017 accounted for as inventory in accordance with IAS 2 rather than property, plant and equipment in accordance with IAS 16. This policy change has been adopted in order to provide a better understanding of the inherent effects of these transactions.

The basis for the revised accounting policy primarily concerns revenue, direct cost and work in progress/inventory as described below.

Revenue also comprises income from sale of property projects in the form of sale of land and buildings acquired, constructed and held for sale in the ordinary course of business and gains from sale and leaseback transactions for office, terminal and warehouse facilities recognised as fixed assets. Revenue from property projects is recognised at the date of sale, when the significant risk, reward of ownership and managerial control are transferred to the buyer.

Direct costs comprise costs paid to generate the revenue for the year. Direct costs include settlement of accounts with haulage contractors, shipping companies, airlines, etc. Direct costs also include staff costs relating to hourly workers used for fulfilling orders and other direct costs of operation such as rental of logistics facilities and costs of property projects.

Work in progress also includes inventories of land and buildings under construction held for the purpose of sale in the ordinary course of business. Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, processing and other costs incurred in bringing the inventories to their present condition. Write-downs of inventories to net realisable value are recognised as direct costs in the income statement. In connection to the revised accounting policy for property projects, minor reclassifications have been made to the balance sheet and cash flow statement for 2016.

Key factors affecting the Issuer's results of operations

Macroeconomic conditions and regional exposure

DSV's operations and performance are driven upon demand for freight forwarding and logistics services, which is dependent on macroeconomic conditions. The geographical exposure and the exposure to various sectors give a certain hedge against sector- or region specific developments.

DSV has a focus on staying true to the core asset-light business model and with a high attention to process and cost optimisation. Combined with close monitoring of market developments and the financial results, this enables the Company to respond quickly to changes in activity levels. The asset-light approach implies that DSV can adapt to a potential slowdown in individual markets. DSV has a history of stable earnings margins, even in periods of declining freight volumes.

Similarly, protectionist measures enacted by the major world economic powers may also have a negative impact on overall economic growth.

Freight rates, cost and pricing

Variations in freight rates may have a significant impact on DSV's revenue. For example, lower freight rates due to overcapacity would tend to reduce the reported revenues; however, depending on procurement arrangements, lower freight rates may not correspondingly reduce revenues as revenue margins typically improve in times of declining freight rates.

Similarly, rising freight rates will potentially reduce DSV's revenues as cost increases cannot always be fully passed on to customers with fixed price contracts.

DSV seeks to retain flexibility in the contractual arrangements with the customers to adjust pricing terms. Also, certain of the small- and medium-sized customers typically work with DSV on a transactional basis, meaning that DSV is able to adjust the rates the Group charges based on changes in carrier rates. However, this is not always possible or there is sometimes a timing difference between the variance in carrier rates and the pass through mechanism being agreed, and as a result DSV carries a portion of the risk or reward connected to increases or decreases in freight rates, which would reduce or increase DSV's revenue.

Volumes

DSV's revenue and cost are directly affected by the volume of trade. Trade volumes may be influenced by many factors including economic and political factors.

Labour costs and general cost inflation

A large part of the cost base in DSV is staff costs and cost of temporary and agency workers employed to handle the increase in volumes during peak periods. Low levels of unemployment or other factors that limit the supply of labour may result in increased labour costs which DSV may be unable to offset by increasing rates. Labour and certain other costs, such as rent, are in some cases contractually linked to published inflation rates and as a result increases in these costs may occur automatically each year.

Foreign currency fluctuations could result in currency translation exchange gains or losses.

DSV's reporting currency is DKK and due to the global nature of its operations a substantial portion of its revenue is derived in currencies other than DKK. In particular, container rates are primarily denominated in USD. In those areas where DSV's revenue and costs are denominated in a local currency other than DKK, a depreciation of the local currency against DKK could adversely affect DSV's reported earnings.

Additionally, the revenue of DSV's international operations are settled in each country's local currency and the results and equity of those operations are translated into DKK based on average exchange rates for operating activities and year-end exchange rates for the balance sheet. As such, foreign currency exchange rates may adversely affect DSV's business, reported revenue, financial condition, cash flow, results of operations and shareholder's equity. DSV cannot predict the effects of exchange rate fluctuations on its future operating results.

DSV is exposed to interest rate risk.

DSV is exposed to interest rate movements on its external funding. Furthermore, DSV is to some extent exposed to interest rate risks in connection with leasing contracts.

Interest rates are sensitive to numerous factors not in DSV's control including, but not limited to, government and central bank monetary policy in the jurisdictions in which DSV operates.

Seasonality

DSV's results are not materially impacted by seasonality; however intra-year results are subject to some seasonal trends, due to holiday seasons, consumer demand, and intra- year variations, which normally mean that results are a bit stronger in the two mid quarters of the calendar year.

Governmental

The Company's operations have not been materially affected, directly or indirectly, by any governmental, economic, fiscal, monetary or political policies or factors.

Results of operations

This review provides an overview of DSV's consolidated results and the performance of the Divisions, Air & Sea, Road and Solutions for the years ended 31 December 2016, 31 December 2017 and 31 December 2018.

In 2016, DSV acquired UTi. The transaction was closed on 22 January 2016, as from which date the UTi results are included in the consolidated financial statements of DSV. UTi was a US-based global logistics company. On acquisition, the Company employed approximately 23,000 full-time employees in 58 countries across more than 300 offices and 200 logistics centres. Approximately 65 per cent of UTi's activities by revenue were related to Air & Sea, 20 per cent to Solutions and the remaining 15 per cent to Road. The acquisition significantly impacted the profit and loss as well as balance sheet items in 2016.

Further to the above, the reported results for 2017 include one extra month of UTi activities compared to 2016. At the end of 2017, the integration of UTi was completed except for a few tasks still open in relation to the consolidation of back-office and IT infrastructure. The total annual synergies amount to DKK 1.5 billion. UTi was running at a significant loss at the time of the acquisition, and the merger has initially diluted DSV's conversion ratio and operating margin. The integration progressed faster than originally expected in 2017, leading to faster realisation of synergies. DSV estimates that DKK 1.3 billion worth of annual cost synergies were achieved in 2017. The remaining full-year impact of DKK 200 million materialised in 2018. The cost synergies were mainly related to staff costs and other external costs.

INCOME STATEMENT			
(DKKm)	**2018**	**2017**	**2016**
Revenue	79,053	74,901	67,747
Direct costs	61,564	58,296	51,909
Gross profit	**17,489**	**16,605**	**15,838**
Other external expenses	3,036	3,110	3,307
Staff costs	8,241	7,831	8,281
Operating profit before amortisation, depreciation and special items	**6,212**	**5,664**	**4,250**
Depreciation of Right-of-use assets			
Amortisation and depreciation	762	786	775
Operating profit before special items	**5,450**	**4,878**	**3,475**

Full-year growth

(DKKm)	**2016 full-year**	**Currency translation adjustment**	**Growth incl. acquisitions**	**2017 full-year**	**Currency translation adjustment**	**Growth incl. acquisitions**	**2018 full-year**
Revenue							
Growth		-1.2%	11.8%	10.6%	-2.6%	8.1%	5.5%
DKKm	67,747	(851)	8,005	74,901	(1,786)	5,938	79,053
Gross profit							
Growth		-1.0%	5.8%	4.8%	-2.6%	7.9%	5.3%
DKKm	15,838	(160)	927	16,605	(404)	1,288	17,489
Operating profit before special items							
Growth		-2.1%	42.5%	40.4%	-2.8%	14.5%	11.7%
DKKm	3,475	(74)	1,477	4,878	(116)	688	5,450

Revenue

In 2018, revenue totalled DKK 79,053 million for 2018 (2017: DKK 74,901 million). Adjusted for exchange rate fluctuations (constant currencies), growth from 2017 was 8.1 per cent. The global transport and logistics markets saw a volume growth of approximately 3 per cent in 2018 compared to 2017, which is estimated to be in line with growth in global economy. DSV's growth in revenue was driven by higher activity levels in all three divisions as well as market share gains, particularly within air freight and in Solutions. Furthermore, average freight rates were higher in 2018 than in 2017. Revenue – primarily in Air & Sea – was negatively impacted by a DKK 1,786 million currency translation effect in 2018. This was mainly due to the effect of the USD/DKK exchange rate.

Operating segments (DKKm)	**2018**	**2017**	**2016**
Air services	18,892	17,579	15,800
Sea services	18,080	17,625	16,300
Road services	31,243	30,627	28,323
Solutions services	13,229	11,362	9,683
Total	**81,444**	**77,193**	**70,106**
Non-allocated items and eliminations	(2,391)	(2,292)	(2,359)
Total revenue	**79,053**	**74,901**	**67,747**

In 2017, revenue totalled DKK 74,901 million (2016: DKK 67,747 million), corresponding to a growth of 10.6 per cent. The global transport and logistics market was characterised by increasing demand in 2017 compared to 2016, driven by the general economic upturn. The upturn was most significant in the air freight market, but most markets and industries experienced positive trends. From 2016 to 2017, Air & Sea achieved revenue growth of 11.6 per cent, Road achieved 8.9 per cent and Solutions 17.5 per cent (all in constant currencies). The growth in revenue was driven by increasing freight volumes and activity in all DSV's business areas. In addition, average freight rates and fuel prices were higher in 2017 than in 2016. Revenue – primarily in Air & Sea – was negatively impacted by a DKK 851 million currency translation effect in 2017.

Gross profit

In 2018, gross profit totalled DKK 17,489 million (2017: DKK 16,605 million), corresponding to an increase of 7.9 per cent (constant currencies). The growth was driven by higher activity level and higher average gross profit per shipment. From 2017 to 2018, Air & Sea achieved growth in gross profit of 10.1 per cent, Road achieved 2.0 per cent and Solutions 13.2 per cent (constant currencies). The gross margin was 22.1 per cent for 2018, which was on level with 2017. Regionally, the highest growth rates were achieved in the APAC region with 13.1 per cent and in the Americas with 12.5 per cent. In EMEA, growth in gross profit was 5.8 per cent (constant currencies). Gross profit – primarily in Air & Sea – was negatively impacted by a DKK 404 million currency translation effect in 2018.

In 2017, gross profit totalled DKK 16,605 million (2016: DKK 15,838 million), corresponding to an increase of 4.8 per cent. Air & Sea reported 5.1 per cent growth in gross profit (constant currencies). From 2016 to 2017, Road reported growth of 4.5 per cent. Solutions reported gross profit growth of 3.8 per cent. Gross profit – primarily in Air & Sea – was negatively impacted by a DKK 160 million currency translation effect in 2017. The gross margin was 22.2 per cent for 2017, down from 23.4 per cent for 2016. The decline in gross margin was mainly due to higher average freight rates, which boosted both revenue and direct costs, but had limited impact on gross profit in absolute numbers. The growth in transport markets led to tight capacity and freight rate increases during peak periods in 2017, especially for air and road freight. This caused temporary pressure on DSV's profit per shipment, as rate increases could not be immediately passed on to customers.

Amortisation and depreciation

Amortisation of intangibles relates primarily to software, and amortisation of tangibles relates primarily to other plant and operating equipment. In 2018, Amortisation and depreciation totalled DKK 762 million (2017: DKK 786 million, and 2016: DKK 775 million).

Operating profit before special items

Operating profit before special items (EBIT) totalled DKK 5,450 million for 2018 (2017: DKK 4,878 million), up 14.5 per cent (constant currencies). Air & Sea reported EBIT DKK 3,693 million (2017: DKK 3,225 million). Road reported EBIT of DKK 1,147 million (2017: DKK 1,201 million). Solutions reported EBIT of DKK 709 million (2017: DKK 494 million). Regionally in 2018 compared to 2017, the Americas recorded EBIT growth of 18.9 per cent, APAC grew 22.9 per cent and EMEA 9.9 per cent (constant currencies). The negative currency translation impact of DKK 116 million was primarily related to Air & Sea.

Total staff costs (excluding hourly workers) came to DKK 8,241 million for 2018 (2017: DKK 7,831 million). The development was impacted by inflationary adjustments of salaries, and despite a general improvement in productivity the higher activity level led to a slight increase in headcount in certain areas. The increase was partly offset by currency translation adjustments.

Other external expenses totalled DKK 3,036 million for 2018 (2017: DKK 3,110 million). The conversion ratio was 31.2 per cent for 2018 against 29.4 per cent for 2017. The improvement is attributable to improved productivity, especially in Air & Sea and Solutions, driven by a consolidated infrastructure and improved efficiency. Furthermore, the remaining synergies from the UTi integration were realised in 2018. The operating margin was 6.9 per cent for 2018 against 6.5 per cent for 2017 and was impacted by the same factors as the conversion ratio.

In 2017, EBIT totalled DKK 4,878 million for 2017 (2016: DKK 3,475 million), corresponding to an increase of 40.4 per cent. Air & Sea reported EBIT of DKK 3,225 million (2016: DKK 2,143 million). Road reported EBIT before special items of DKK 1,201 million (2016: DKK 1,049 million). Solutions reported EBIT of DKK 494 million (2016: DKK 384 million). Regionally, the Americas recorded EBIT growth of 67.2 per cent, APAC grew 43.4 per cent and EMEA 32.9 per cent (all in constant currencies). The negative currency translation impact of DKK 74 million in 2017 was primarily related to Air & Sea.

Total staff costs (excluding hourly workers) came to DKK 7,831 million for 2017 (2016: DKK 8,281 million).

Other external expenses totalled DKK 3,110 million for 2017 (2016: DKK 3,307 million). Both staff costs and other external expenses were impacted by the cost synergies achieved from the UTi integration.

The conversion ratio was 29.4 per cent for 2017 against 21.9 per cent for 2016. The improvement is attributable to the UTi integration synergies, and at the same time DSV has achieved higher productivity, driven by a consolidated infrastructure and efficient workflows.

Divisional Review of operations

Air & Sea

Volumes	2018	2017	2016
Air freight - tonnes	689,045	635,655	574,644
Air freight - tonnes (growth)	8.0%	10.6%	85.0%
Gross profit per tonne (Air)	6,715	6,635	6,945
Sea freight - TEUs	1,442,348	1,389,611	1,305,594
Sea freight - TEUs (growth)	4.0%	6.4%	53.0%
Gross profit per TEU (Sea)	3,166	3,171	3,329

Volume

In 2018, DSV Air & Sea performed well in this market, secured an increase in air freight tonnes of 8 per cent and grew ahead of the market level. As was the case for the market, DSV's growth rates were highest in the first half of 2018. Throughout the year DSV achieved the highest growth in exports from Europe and North America.

In 2018, DSV achieved sea freight volume growth of 4 per cent compared to 2017, which was slightly above market level. DSV's performance was impacted by the fact that our largest trade lane, Asia-Europe with approximately one third of total volume, saw a modest market growth during 2018. On the positive side, Europe-North America developed strongly. The implementation of trade tariffs between the US and China has had limited impact on DSV's performance in 2018. The trade lane between the US and China represents approximately 10 per cent of our DSV's total volume.

In 2017, DSV achieved 10.6 per cent growth in airfreight volumes compared to 2016. DSV's growth improved throughout the year, leading to market share gains in the second half of the year. In 2017, DSV achieved 6.4 per cent growth in sea freight volumes. DSV's underlying organic growth was more or less in line with the market throughout the year.

(DKKm)	**2018**	**2017**	**2016**
Air & Sea			
Revenue	36,972	35,204	32,100
Gross profit	9,193	8,624	8,338
Operating profit before special items	3,693	3,225	2,143
Conversion ratio	40.2%	37.4%	25.7%
Operating margin	10.0%	9.2%	6.7%

Revenue

In 2018, revenue totalled DKK 36,972 million (2017: DKK 35,204 million). In constant currencies, growth for 2018 was 8.5 per cent. The increase in revenue was mainly driven by growth in both air and sea freight volumes Furthermore, the average freight rates – mainly for sea freight – were higher in 2018 than in 2017. Revenue was negatively impacted by a DKK 1,126 million currency translation effect in 2018.

In 2017, revenue totalled DKK 35,204 million (2016: DKK 32,100 million). Adjusted for currency translation, growth came to 11.6 per cent. The growth in revenue was mainly attributable to higher freight volumes and higher average freight rates for both air freight and sea freight. Revenue was negatively impacted by a DKK 626 million currency translation effect in 2017.

Gross profit

In 2018, gross profit totalled DKK 9,193 million (2017: DKK 8,624 million). In constant currencies, growth for the year was 10.1 per cent. The increase in gross profit was driven by higher freight volumes. The development in gross profit per shipment was satisfactory in 2018 and improved for both air and sea compared to 2017. The division Air & Sea's gross margin was 24.9 per cent for 2018 against 24.5 per cent for 2017.

In 2017, gross profit totalled DKK 8,624 million (2016: DKK 8,338 million). Adjusted for currency translation, growth came to 5.1 per cent. The increase in gross profit was mainly driven by higher freight volumes. Compared to 2016, gross profit per unit (TEU or tonne) for 2017 declined approximately 5 per cent. The decline was partly due to a DKK 140 million negative currency translation effects in 2017. The high growth in the air freight market led to tight capacity and rate increases. Towards the end of 2017, this put temporary pressure on DSV's profit per air freight shipment as the rate increases could not immediately and consistently be passed on to customers. The division Air & Sea's gross margin was 24.5 per cent for 2017 versus 26.0 per cent for 2016. The main reason for the decline was higher average freight rates.

Operating profit before special items

In 2018, operating profit before special items (EBIT) totalled DKK 3,693 million for (2017: DKK 3,225 million). In constant currencies, growth for the year was 18.2 per cent. The growth in EBIT compared to 2017 in constant currencies was driven by all regions across EMEA (11.8 per cent), the Americas (19.0 per cent) and APAC (23.7 per cent). The conversion ratio was 40.2 per cent for 2018 against 37.4 per cent for 2017. The operating margin was 10.0 per cent for 2018 compared to 9.2 per cent in 2017. The operating margin improvement was driven by continued production efficiency improvements across the organisation. The division has successfully leveraged on the global network, efficient IT infrastructure and back-office functions.

In 2017, EBIT totalled DKK 3,225 million (2016: DKK 2,143 million). Adjusted for currency translation, growth amounted to 53.2 per cent. The growth in in EBIT compared to 2016 was strongest in the Americas (72.2 per cent), while EMEA grew 46.5 per cent and APAC 42.1 per cent. The growth in EBIT before special items was partly driven by the increase in gross profit. At the same time, the cost synergies from the UTi integration led to a lower cost base, and the IT infrastructure and the organisation proved to be scalable, which led to improvements in productivity. The conversion ratio was 37.4 per cent for 2017 versus 25.7 per cent for 2016. The operating margin was 9.2 per cent for 2017 versus 6.7 per cent in 2016.

Exchange rate fluctuations had a negative impact on EBIT of DKK 59 million in 2017.

Road

(DKKm)	**2018**	**2017**	**2016**
Road			
Revenue	31,243	30,627	28,323
Gross profit	5,308	5,287	5,094
Operating profit before special items	1,147	1,201	1,049
Conversion ratio	21.6%	22.7%	20.6%
Operating margin	3.7%	3.9%	3.7%

Revenue

In 2018, revenue totalled DKK 31,243 million (2017: DKK 30,627 million). In constant currencies, growth for 2018 was 3.8 per cent. The increase was mainly attributable to the growth in number of shipments. The strongest growth areas for DSV Road were in Benelux, Scandinavia and Eastern Europe. North America also saw positive development.

In 2017, revenue totalled DKK 30,627 million for 2017 (2016: DKK 28,323 million). Adjusted for currency translation, growth for 2017 came to 8.9 per cent. Growth was mainly driven by the higher activity level, but also by higher average rates, as haulier rates and fuel prices went up during 2017.

Gross profit

In 2018, gross profit totalled DKK 5,308 million (2017: DKK 5,287 million). In constant currencies, growth for the year was 2.0 per cent. When adjusted for a DKK 125 million property gain in Q1 2017, growth in constant currencies was 4.5 per cent for the year. The increase in gross profit was mainly driven by growth in volumes. The division's gross margin for 2018 was 17.0 per cent (2017: 17.3 per cent). The market remains highly competitive, leading to pressure on the gross margin. The gross margin was also impacted by a slight change in product mix as the division has grown in the domestic distribution market, which normally carries a lower gross margin than cross-border traffics.

In 2017, gross profit totalled DKK 5,287 million (2016: DKK 5,094 million). Adjusted for currency translation, growth for 2017 came to 4.5 per cent. The increase in gross profit was attributable to the growth in number of shipments. However, the growth in shipments was partly offset by a decrease in average gross profit per shipment, especially towards the end of 2017. The increase in haulier rates and the challenging implementation of new customer contracts caused temporary pressure on margins. The division's gross margin for 2017 was 17.3 per cent (2016: 18.0 per cent). Gross profit for 2017 was positively impacted by an extraordinary net gain of approximately DKK 125 million related to property transactions.

Operating profit before special items

In 2018, operating profit before special items (EBIT) totalled DKK 1,147 million (2017: DKK 1,201 million). The decline in EBIT was due to the property transaction in Q1 2017. Adjusted for this the underlying growth was 8.2 per cent in constant currencies. Both North America and several European countries performed well and achieved growth in earnings in 2018. 2018 was also impacted by the successful turn-around of certain underperforming countries and activities. The conversion ratio was 21.6 per cent for 2018 (2017: 22.7 per cent). The division's operating margin for 2018 was 3.7 per cent (2017: 3.9 per cent).

In 2017, EBIT totalled DKK 1,201 million (2016: DKK 1,049 million). Adjusted for currency translation, growth came to 15.9 per cent. The growth in EBIT was mainly driven by the increase in activity and gross profit. Several European countries performed well and achieved growth in EBIT in 2017. However, 2017 was also impacted by underperforming countries and activities. Several initiatives were launched to restructure and improve the performance in these specific countries. The conversion ratio was 22.7 per cent for 2017 (2016: 20.6 per cent). The division's operating margin for 2017 was 3.9 per cent (2016: 3.7 per cent).

Solutions

(DKKm)	2018	2017	2016
Solutions			
Revenue	13,229	11,362	9,683
Gross profit	3,035	2,730	2,616
Operating profit before special items	709	494	384
Conversion ratio	23.4%	18.1%	14.7%
Operating margin	5.4%	4.3%	4.0%

Revenue

In 2018, revenue totalled DKK 13,229 million (2017: DKK 11,362 million). In constant currencies, growth for the year was 18.3 per cent. The division Solutions achieved growth with both new and existing customers, mainly in the industrial, automotive and retail segments. This increase was handled both via new warehouses and through better utilization of existing capacity.

In 2017, revenue totalled DKK 11,362 million (2016: DKK 9,683 million). Adjusted for currency translation, growth amounted to 17.5 per cent. The division Solutions grew with both new and existing customers, mainly in the industrial, automotive and retail segments. Regionally, growth was strongest in APAC and EMEA.

Gross profit

In 2018, gross profit totalled DKK 3,035 million (2017: DKK 2,730 million). In constant currencies, growth for 2018 was 13.2 per cent. The increase in gross profit for the period was mainly attributable to higher activity levels. In 2018, Solutions added approximately 9 per cent new staff in 2018 – mainly warehouse workers – to handle the increase in activity. The division's gross margin was 22.9 per cent in 2018 against 24.0 per cent in 2017.

In 2017, gross profit totalled DKK 2,730 million (2016: DKK 2,616 million). Adjusted for currency translation, growth amounted to 3.8 per cent. The increase in gross profit for 2018 was attributable to higher activity levels compared to 2017. The division Solutions' gross margin was 24.0 per cent in 2017 versus 27.0 per cent in 2016. This development partly reflected differences in calculation of gross profit between DSV and UTi. The reporting principles were fully aligned in 2017.

Operating profit before special items

In 2018, operating profit before special items (EBIT) totalled DKK 709 million (2017: DKK 494 million). In constant currencies, growth came to 44.1 per cent. The conversion ratio was 23.4 per cent in 2018 against 18.1 per cent in 2017. The division Solutions' operating margin was 5.4 per cent in 2018 against 4.3 per cent in 2017. Growth in EBIT was mainly driven by strong performance in the EMEA region. The margin improvement was driven by a higher gross profit and improved performance in several locations.

In 2017, EBIT totalled DKK 494 million (2016: DKK 384 million). Adjusted for currency translation, growth came to 28.2 per cent. Growth in EBIT was strongest in EMEA at 29.2 per cent, while the Americas grew 22.8 per cent, and APAC grew 16.1 per cent. Growth in EBIT before special items was primarily driven by the increase in gross profit. While the UTi integration progressed according to plan in 2017, the cost synergies only had limited impact in Solutions. Realisation of synergies within contract logistics takes longer time than within freight forwarding, as physical infrastructure (warehouses) and long-term customer contracts are involved. The conversion ratio was 18.1 per cent in 2017 versus 14.7 per cent last year. The division Solutions' operating margin was 4.3 per cent in 2017 versus 4.0 per cent in 2016.

Special items overview

(DKKm)	**2018**	**2017**	**2016**
Restructuring costs relating to the acquisition of UTi	-	447	658
Impairment and other costs relating to reorganisations	-	78	268
Transaction costs relating to the acquisition of UTi	-	-	76
Special items, costs	**-**	**525**	**1,002**

In 2018, there were no special items due to the integration of UTi was finalized end of 2017. In 2017, special items totalled DKK 525 million (2016: DKK 1,002 million). The costs mainly relate to the integration and restructuring of UTi. In 2016, special items totalled DKK 1,002 million. The costs mainly relate to the integration of UTi and include transaction and restructuring costs.

Net financial expenses

In 2018, net financial expenses totalled DKK 249 million (2017: 556 million). In constant currencies, net financial expenses were at the same level as 2017 amounting to DKK 309 million in 2018 (2017: DKK 296 million). Net exchange rate adjustments came to a net gain of DKK 60 million in 2018 (2017: a net loss of DKK 260 million). The exchange rate adjustments mainly related to intragroup loans and had no cash flow impact.

In 2017, net financial expenses totalled DKK 556 million (2016: 184 million). In constant currencies, net financial expenses were at the same level as 2016, amounting to DKK 296 million in 2017 (2016: DKK 299 million). Net exchange rate adjustments came to a loss of DKK 260 million in 2017 (2016: a net gain of DKK 115 million). The exchange rate adjustments mainly related to intra-group loans and had no cash flow impact.

DSV's treasury policy was updated in 2017 and, going forward, DSV will only hedge external net currency positions and expected short-term operational cash flows. As hedge accounting is only applied to a limited extent, this means that significant changes in currency rates, especially USD/DKK, will result in fluctuations in reported financial items.

Tax on profit for the year

In 2018, tax on profit for the year totalled DKK 1,213 million (2017: DKK 785 million). The effective tax rate was 23.3 per cent versus 20.7 per cent in 2017. The effective tax rate for 2018 was at the expected level.

In 2017, tax on profit for the year totalled DKK 785 million (2016: DKK 611 million). The effective tax rate was 20.7 per cent versus 26.7 per cent in 2016. The effective tax rates for 2017 was lower than 2016 as a result of the restructuring of UTi activities and a change in tax legislation in some countries in which the group operates. The tax rate for 2016 was impacted by certain non-deductible UTi integration costs.

Balance sheet items

(DKKm)	2018	2017	2016	Q1 2019 (unaudited)	Q1 2018 (unaudited)
Balance sheet total	38,812	38,388	40,367	49,649	38,522
Net working capital	1,767	1,410	1,809	2,199	1,884
Net interest-bearing debt	5,831	5,575	8,299	16,107	6,116
Invested Capital	20,381	20,391	21,336	30,744	20,645
DSV A/S shareholders' share of equity	14,561	14,835	13,416	14,916	14,487
Non-controlling interest	(29)	(26)	(38)	(55)	(29)

Total assets remain stable during the period from 2016 to 2018. In Q1 2019, the balance sheet is impacted by the implementation of IFRS 16 Leases.

NWC

On 31 March 2019, DSV's reported funds tied up in net working capital amounted to DKK 2,199 million, compared to DKK 1,884 million on 31 March 2018. Relative to full-year revenue, the net working capital amounted to 2.7 per cent on 31 March 2019 (31 March 2018: 2.5 per cent). The target for NWC is 2 per cent of revenue by year-end, but due to seasonality NWC normally increases during the year.

In 2018, NWC came to DKK 1,767 million on 31 December 2018 (2017: DKK 1,410 million). Relative to full-year revenue, funds tied up in NWC increased to 2.2 per cent on 31 December 2018 versus 1.9 per cent at year-end 2017. Increased Air & Sea activities have led to higher NWC for the Group.

In 2017, NWC came to DKK 1,410 million on 31 December 2017 (2016: DKK 1,809 million). Relative to full-year revenue, funds tied up in NWC were reduced to 1.9 per cent on 31 December 2017 versus 2.7 per cent at year-end 2016.

DSV's funds tied up in NWC came to DKK 1,518 million at 31 December 2016. The increase was partly due to the integration of UTi, which increased DSV's exposure to Air & Sea, where the level of funds tied up in working capital is traditionally higher. Furthermore, the conversion of IT systems and restructuring of business processes had a temporary adverse impact on NWC. In general, the market saw pressure on working capital, not least from large customers. Relative to estimated full-year revenue, the NWC amounted to 2.2 per cent at 31 December 2016.

NIBD

On 31 March 2019, net interest-bearing debt amounted to DKK 16,107 million (including IFRS 16 Leases liability of DKK 10,542 million), compared to a total net interest-bearing debt of DKK 6,116 million on 31 March 2018.

The financial gearing ratio (net interest bearing debt to EBITDA) was 1.7x on 31 March 2019, compared to 1.1x on 31 March 2018. The financial gearing ratio was 0.9x at year-end 2018 (2017: 1.0x).

In 2018, net interest-bearing debt amounted to DKK 5,831 million on 31 December 2018 against DKK 5,575 million on 31 December 2017. On 31 December 2018, the total duration of DSV's bond, loan and credit facilities was 3.2 years (2017: 3.2 years).

In 2017, net interest-bearing debt amounted to DKK 5,575 million on 31 December 2017 against DKK 8,299 million on 31 December 2016. Debt was reduced during 2017 until the financial gearing ratio was within the target range of 1.0-1.5x EBITDA. The financial gearing ratio was 1.0x at year-end 2017 (2016: 2.0x).

In 2017, DSV issued EUR 200 million worth of 7-year corporate bonds with a fixed coupon of 1.8 per cent. The proceeds were used to repay the remaining acquisition financing facility for the acquisition of UTi.

Invested capital

On 31 March 2019, the Group's invested capital including goodwill and customer relationships amounted to DKK 30,744 million (including right-of-use assets of DKK 9,729 million) compared to DKK 20,645 million on 31 March 2018.

On 31 December 2018, invested capital amounted to DKK 20,381 million (31 December 2017: DKK 20,391, and 31 December 2016: DKK 21,336).

Equity

Movements in equity mainly relate to net profit for the year, purchase and sale of treasury shares, distribution of dividends, and currency translation adjustments for foreign enterprises.

On 31 March 2019, the equity interest of DSV shareholders was DKK 14,916 million (and DKK 14,487 million on 31 March 2018). Equity was mainly affected by the profit for the period, distribution of dividends and impact from change in accounting policy.

On 31 December 2018, DSV shareholders' equity share came to DKK 14,561 million on (31 December 2017: DKK 14,835 million). On 31 December 2018, the solvency ratio was 37.5 per cent (31 December 2017: 38.6 per cent).

On 31 December 2017, DSV shareholders' equity share came to DKK 14,835 million (31 December 2016: DKK 13,416 million). On 31 December 2017, the solvency ratio was 38.6 per cent (31 December 2016: 33.2 per cent).

Liabilities

The cash readiness of the Group is ensured through short and long-term credit facilities from the main banks of the Group and through the issuance of bonds. Facilities as of 31 March 2019 are shown below:

The Group's financial liabilities fall due as follows:

	31 March 2019 (unaudited)				
(DKKm)	Carrying amount	Total cash flow, including interest	0-1 year	1-5 years	> 5 years
Loans and credit facilities	2,740	2,750	367	2,383	-
Issued bonds	3,969	4,368	155	2,703	1,510
Lease liabilities	10,753	11,766	2,721	7,543	1,502
Trade payables	7,384	7,384	7,384	-	-
Interest rate derivatives	50	54	6	48	-
Total	**24,896**	**26,322**	**10,633**	**12,677**	**3,012**

List of commitments and amounts drawn on long-term credit facilities at 31 March 2019 (unaudited):

Loan facilities	Amount (EURm)	Amount (DKKm)	Expiry of commitments	Duration (years)	Undrawn
Long-term loan I	250	1,867	31-01-2022	2.8	1,145
Long-term loan II	180	1,344	31-03-2021	2.0	750
Long-term loan III	125	938	28-02-2022	2.9	175
Bond loan I	134	1,000	24-06-2020	1.2	-
Bond loan II	100	750	18-03-2022	3.0	-
Bond loan III	100	750	18-03-2022	3.0	-

Bond loan IV	200	1,494	20-09-2024	5.5	-
Long-term credit facility I	100	750	28-02-2022	2.9	730
Long-term credit facility II	50	373	31-01-2022	2.8	285
Total and weighted duration	**1,239**	**9,266**		**3.0**	**3,085**

Loans and credit facilities (unaudited)

	31 March 2019		
(DKKm)	Carrying amount	Fixed/floating interest rate	Expiry
Bank loans EUR	1,310	Floating	2019-2020
Bank loans USD	761	Floating	2022
Bond loans DKK	2,500	Fixed/floating	2020-2022
Bond loans EUR	1,492	Fixed/floating	2024
Overdraft facility	646	Floating	2019
Loans and credit facilities at 31 March 2019	**6,709**		

Liquidity and capital resources

Capital structure and allocation. DSV's capital structure is designed to ensure:

- Sufficient financial flexibility to meet the strategic objectives; and
- A robust financial structure to maximise the return for our shareholders.

After the implementation of IFRS 16 Leases the targeted financial gearing ratio is below 2.0x EBITDA (previously 1.0-1.5x). The ratio may exceed this range following significant acquisitions.

The primary sources of cash flow have historically been cash flows from operating activities and the cash flow has in accordance with the cash flow allocation strategy been used to repayment of debt, value adding investments/acquisitions, and distribution to DSV shareholders.

The table below summarises DSV's sources and uses of funds for each of the year 2016-2018, and three month periods ended 31 March 2019 and 2018:

CASH FLOW STATEMENT (DKKm)	**2018**	**2017**	**2016**	**Q1 2019 (unaudited)**	**Q1 2018 (unaudited)**
Cash flow from operating activities	4,301	4,664	1,273	1,452	500
Cash flow from investing activities	(444)	(325)	(4,953)	(177)	(52)
Free cash flow	**3,857**	**4,339**	**(3,680)**	**1,275**	**448**
Cash flow from financing activities	(4,000)	(4,715)	396	(1,294)	(243)
Cash flow for the period	**(143)**	**(376)**	**(3,284)**	**(19)**	**205**
Adjusted free cash flow	**3,916**	**4,835**	**1,838**	**540**	**448**

Cash flow from operation activities

Cash flow from operating activities was DKK 4,301 million for 2018 versus DKK 4,664 million for 2017. Cash flow in 2018 was positively impacted by higher EBITDA and absence of integration costs, but negatively impacted by higher net working capital, and extraordinary contributions to pension plans of approximately DKK 250 million in Q4 2018.

Cash flow from operating activities was DKK 4,664 million for 2017 versus DKK 1,273 million for 2016. The increase was mainly due to the higher EBITDA and the improved working capital.

Cash flow from investing activities

In 2018, cash flow from investing activities was a cash outflow of DKK 444 million (2017: cash outflow of DKK 325 million and 2016: cash outflow of DKK 4,953 million).

Acquisition of subsidiaries and activities (due to UTI acquisition) represented cash outflow of DKK 4,624 million in 2016. Net investments in property, plant and equipment amounted to cash outflow of DKK 35 million.

(DKKm)	**2018**	**2017**	**2016**	**Q1 2019 (unaudited)**	**Q1 2018 (unaudited)**
Purchase of intangible assets	(501)	(393)	(338)	(68)	(113)
Purchase of property, plant and equipment	(709)	(620)	(457)	(198)	(148)
Disposal of property, plant and equipment	859	636	492	98	212
Acquisition and disposal of subsidiaries and activities	(59)	(8)	(4,624)	-	-
Disposal of subsidiaries and activities					
Change in other financial assets	(34)	60	(26)	(9)	(3)
Cash flow from investing activities	**(444)**	**(325)**	**(4,953)**	**(177)**	**(52)**

Free cash flow

In accordance with DSV's capital allocation policy, the free cash flow for 2018 was distributed to shareholders, as the financial gearing ratio has been within the target range throughout the year.

In 2017, the free cash flow for 2017 was used for debt reduction and distributions to shareholders in accordance with DSV's capital allocation policy.

On 31 March 2019, DSV had DKK 4,267 million of total liquidity comprised of DKK 1,182 in cash and cash equivalents and access to DKK 3,085 million undrawn credit facilities (31 December 2018: DSV had DKK 2,231 million of total liquidity comprised of DKK 1,158 in cash and cash equivalents and access to DKK 1,073 million undrawn credit facilities)DSV believes that cash flow from operations, available cash and cash equivalents, along with our access to borrowing facilities, will be sufficient to fund our liquidity requirements for at least the coming 12 months (see "*Risk Factors*").

Contingent liabilities and other financial obligations

Contingent liabilities

Contingent liabilities are liabilities, that have not yet been confirmed, are uncertain or cannot be measured reliably, but which may if realised result in a drain on the Group's resources. Obligations are recognised in the financial statements only to the extent that the criteria for recognising a provision are met.

As an international transport service provider, DSV is regularly involved in tax and VAT disputes, legal proceedings or inquiries from competition authorities. Management believes that current identified cases will have no material impact on the financial position of the Group.

Lease liabilities

In 2018, leases are classified as either operating or finance leases**,** according to current accounting practise. Leases where the significant risk and rewards of ownership are retained by DSV are classified as finance leases. Otherwise leases are classified as operating leases. Finance leases are recognised at inception as lease assets and lease liabilities in the balance sheet at the lower of fair value or present value of the future minimum lease payments calculated using the interest rate implicit in the lease. Subsequently, the capitalised residual lease liability is measured at amortised cost and the lease asset less accumulated depreciations. Lease payments on operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

The table below summarises the total lease liabilities (both operational and financial leases) for DSV as per 31 December 2018:

DKKm	**0-1 year**	**1-5 years**	**>5 years**	**Total**
Land and buildings (finance leases)	13	1	-	14
Other plant and operating equipment (finance leases)	48	130	-	178
Land and building and other plant and operating equipment (operating leases)	2,777	6,752	2,491	12,020
Total	2,838	6,883	2,491	12,212

Implementation of IFRS 16 Leases has resulted in recognition of lease liabilities as of 1 January 2019 according to the reconciliation table (unaudited) below:

(DKKm)

Operating lease commitments at 31 December 2018	12,020
Discounted using incremental borrowing rate at 1 January 2019	(1,135)
Finance lease liabilities recognised at 31 December 2018	223
Short-term and low-value leases recognised on a straight line basis as expenses	(404)
Lease liabilities recognised at 1 January 2019	**10,704**
Current/non-current classification:	
Non-current liabilities	8,135
Current liabilities	2,569

As per 31 March 2019, leases are recognized in the balance sheet according to IFRS 16 Leases as per table below:

(DKKm)

Non-current lease liabilities	8,145
Current lease liabilities	2,608
Total lease liabilities	10,753

Results of operation for the Three Months Ended March 31, 2019 and 2018

Results of operations

INCOME STATEMENT

(DKKm)	Q1 2019 (unaudited)	Q1 2018 (unaudited)
Revenue	19,979	18,380
Direct costs	14,865	14,260
Gross profit	**5,114**	**4,120**
Other external expenses	656	758
Staff costs	2,195	2,024
Operating profit before amortisation, depreciation and special items	**2,263**	**1,338**
Depreciation of Right-of-use assets	632	7
Amortisation and depreciation	177	175
Operating profit before special items	**1,454**	**1,156**

(DKKm) (unaudited)	Q1 2018 excl. IFRS 16	Currency translation adjustment	Growth incl. acquisitions	Underlying growth*	Q1 2019 excl. IFRS 16	IFRS 16 impact	Q1 2019
Revenue	18,380	139	1,460	7.9%	19,979	-	19,979
Gross profit	4,120	45	353	8.5%	4,518	596	5,114
Operating profit before special items	1,156	26	176	14.9%	1,358	96	1,454

Revenue

In Q1 2019, revenue amounted to DKK 19,979 million compared to DKK 18,380 million for Q1 2018. In constant currencies, growth in quarterly revenue between Q1 2018 and Q1 2019 was 7.9 per cent.

Air & Sea achieved a growth in quarterly revenue between Q1 2018 and Q1 2019 of 10.2 per cent, Road 5.7 per cent and Solutions 6.2 per cent (constant currencies). The growth was driven by growth in freight volumes as well as higher average rates per shipment.

The freight and logistics markets have been characterised by a relatively weak start to 2019 (Q1 2019 compared to Q1 2018), especially for air freight where estimated market volumes were down 1 per cent. Global sea freight volumes, the European road freight market and contract logistics market are estimated to have grown by low single digits, close to the growth in the underlying economy.

In these markets, DSV has performed well and gained market share across all business segments from Q1 2018 to Q1 2019.

Relative to Q1 2018, revenue for Q1 2019 was positively impacted by a higher number of working days, due to the timing of Easter.

The continued uncertainty about tariffs and possible trade wars has most likely had a negative impact on global growth rates in Q1 2019. DSV's direct exposure to the China-US trade lane is limited to approximately 10 per cent of Air & Sea volumes, but sustainable and long-term solutions would be positive for the markets and for DSV.

(DKKm)	Q1 2019 (unaudited)	Q1 2018 (unaudited)
Air services	4,827	4,104
Sea services	4,584	4,310
Road services	8,102	7,676
Solutions services	3,049	2,848
Total	**20,562**	**18,938**
Non-allocated items and eliminations	(583)	(558)
Total revenue	**19,979**	**18,380**

Gross profit

In Q1 2019, Gross profit was DKK 5,114 million, compared to DKK 4,120 million for Q1 2018. IFRS 16 Leases impacted gross profit for Q1 2019 positively by DKK 596 million. In constant currencies and excluding IFRS 16 Leases, the underlying growth in gross profit from Q1 2018 to Q1 2019 was 8.5 per cent. Air & Sea achieved an underlying growth from Q1 2018 to Q1 2019 of 9.0 per cent, Road 4.4 per cent and Solutions 9.1 per cent. Air & Sea achieved growth in transport volumes from Q1 2018 to Q1 2019 (approximately 5 per cent for air and 4 per cent for sea) and at the same time gross profit per shipment (yield) improved.

Solutions also saw a combination of higher activity and improved underlying gross margin in Q1 2019. For Road, the growth in gross profit was driven by higher activity.

Amortisation and depreciation

Depreciation of own assets relates primarily to software, and amortisation of tangibles relates primarily to property, plant and operating equipment. In Q1 2019, amortisation and depreciation of own assets totalled DKK 177 million (Q1 2018: DKK 175 million). With the implementation of IFRS 16 Leases (for further details please refer to *Management's Review of Operations and Financial Statements – Changes in accounting standards*), an additional type of depreciation has been introduced "depreciation of right-of-use assets". Depreciation of right-of-use assets totalled DKK 632 million in Q1 2019 (Q1 2018: DKK 7 million).

Operating profit before special items

Operating profit before special items (EBIT) was DKK 1,454 million for Q1 2019, compared to DKK 1,156 million for Q1 2018. IFRS 16 Leases impacted EBIT for the period positively by DKK 96 million. In constant currencies and excluding IFRS 16 Leases, underlying growth for Q1 2019 compared to Q1 2018 was 14.9 per cent.

The growth in EBIT in Q1 2019 compared to Q1 2018 was attributable to growth in all divisions, not least in the Air & Sea. Air & Sea achieved an underlying growth of 20.5 per cent, Road 13.6 per cent and Solutions 3.9 per cent.

Because of higher productivity, the conversion ratio was 28.4 per cent for Q1 2019 (30.1 per cent excluding IFRS 16 Leases), compared to 28.1 per cent for Q1 2018.

The operating margin was 7.3 per cent for Q1 2019 (6.8 per cent excluding IFRS 16 Leases), compared to 6.3 per cent for Q1 2018.

Net financial expenses

Financial items totalled a net expense of DKK 173 million in Q1 2019 (Q1 2018: DKK 155 million): Interest on lease liabilities of DKK 89 million (Q1 2018: DKK 3 million), other interest expenses of DKK 80 million (Q1 2018: DKK 69 million) and net exchange rate losses of DKK 7 million (Q1 2018: DKK 86 million).

The table below summarises DSV's sources and uses of funds for each of the period ended 31 March 2019 and 2018:

CASH FLOW STATEMENT (DKKm)	**Q1 2019** **(unaudited)**	**Q1 2018** **(unaudited)**
Cash flow from operating activities	1,452	500
Cash flow from investing activities	(177)	(52)
Free cash flow	**1,275**	**448**
Cash flow from financing activities	(1,294)	(243)
Cash flow for the period	**(19)**	**205**
Adjusted free cash flow	**540**	**448**

Cash flow from operating activities

Cash flow from operating activities was DKK 1,452 million for Q1 2019, compared to DKK 500 million for Q1 2018. The increase of DKK 952 million was mainly due to IFRS 16 Leases, which had a positive impact of DKK 735 million for the quarter, as repayment of lease liabilities and interest is now reported as financing activities. The underlying improvement was DKK 233 million.

Cash flow from investing activities

Cash flow from investing was a negative DKK 177 million for Q1 2019, compared to a negative DKK 52 million in Q1 2018. The development was mainly due to reduced proceeds from disposal of property compared to Q1 2018.

Adjusted free cash flow

Adjusted free cash flow Q1 2019 was DKK 540 million against DKK 448 million for Q1 2018. The implementation of IFRS 16 Leases had no impact on adjusted free cash flow.

NWC

DSV's reported funds tied up in NWC amounted to DKK 2,199 million on 31 March 2019, compared to DKK 1,884 million on 31 March 2018.

Relative to full-year revenue, the NWC amounted to 2.7 per cent on 31 March 2019 (31 March 2018: 2.5 per cent). The target for NWC is 2 per cent of revenue by year-end, but due to seasonality, NWC normally increases during the year.

MATERIAL CONTRACTS

Save as disclosed below, there are no other agreements (other than those entered into in the ordinary course of business) to which the Company or a company in the Group is a party, which (i) is or may be material to DSV in terms of value or strategic importance or (ii) contain any obligations or entitlements, which are or may be material to DSV as of the date of this Listing Prospectus.

Loan Agreements

DSV's bank and bond loans are subject to standard clauses, according to which DSV's debt must be repaid in case of a change of control. The long-term credit facilities with banks are furthermore subject to one covenant. The covenant relates to the gearing ratio of DSV and is reported on every quarter. The covenant has not been breached in 2018 or 2019.

List of commitments and amounts drawn on long-term credit facilities at 31 March 2019 (unaudited):

Loan facilities	Amount (EURm)	Amount (DKKm)	Expiry of commitments	Duration (years)	Undrawn
Long-term loan I	250	1,867	31-01-2022	2.8	1,145
Long-term loan II	180	1,344	31-03-2021	2.0	750
Long-term loan III	125	938	28-02-2022	2.9	175
Bond loan I	134	1,000	24-06-2020	1.2	-
Bond loan II	100	750	18-03-2022	3.0	-
Bond loan III	100	750	18-03-2022	3.0	-
Bond loan IV	200	1,494	20-09-2024	5.5	-
Long-term credit facility I	100	750	28-02-2022	2.9	730
Long-term credit facility II	50	373	31-01-2022	2.8	285
Total and weighted duration	**1,239**	**9,266**		**3.0**	**3,085**

- All long-term credit facilities are senior unsecured and contain standard clauses on cross-acceleration clauses and no pledge.
- All bonds are corporate bonds and are listed on Nasdaq Copenhagen.

Agreements relating to the Combination

For agreements relating to the Combination, see "*The Combination – Agreements in relation to the Exchange Offer*"

GENERAL INFORMATION ON THE COMPANY

Formation, incorporation, commercial name and registered office

The legal and commercial name is DSV A/S. The Company is registered under Danish law with the Danish Business Authority as a public limited liability company (in Danish "*Aktieselskab*") and was founded on 13 July 1976 under company registration (CVR) number 58 23 35 28. It is located in the municipality of Høje-Taastrup and the name and registered office is:

DSV A/S
Hovedgaden 630
DK-2640 Hedehusene
Denmark
Telephone no. + 45 43 20 30 40

The Company has the following secondary name: "*De Sammensluttede Vognmænd af 13-7 1976 A/S (DSV A/S)*".

Fiscal year and duration

The Company's financial year runs from 1 January through 31 December. The latest annual report is from the financial year ended 31 December 2018 and approved by the Company's annual general meeting held at 15 March 2019.

No duration of the Company has been specified.

Corporate purpose

The principal purpose of the Company as set out in Article 2 of the Articles of Association is to carry on transport and logistics activities and corresponding activities in Denmark and abroad and to finance corresponding activities of subsidiaries through guarantees or direct cash loans. This may be carried on either directly or through investments in other enterprises.

Group Structure
The Company is the parent company of the DSV Group. For a simplified legal structure see "*Business - History and organizational structure – Organizational structure*".

Significant subsidiaries
The Company is the parent company of three significant companies: DSV Air & Sea Holding A/S, DSV Road Holding A/S and DSV Solutions Holding A/S.

DSV Air & Sea offers alternative routings and flexible schedules to suit even the most demanding logistical requirements to and from all parts of the world. DSV Air & Sea handles more than 1,500,000 TEUs of sea freight and 700,000 tons of air freight every year.

DSV Road is one of the leading road freight operators in Europe with distribution networks in North America and Africa. Everyday more than 20,000 trucks carry goods in a fast, efficient, flexible and environmentally-friendly manner.

DSV Solutions partner with customers to design and deliver logistics solutions, adding value by increasing operation and cost efficiency. DSV Solutions operates more than 400 logistics facilities comprising a total of approximately 5,700,000 m^2.

Auditors
As of the date of this Listing Prospectus, the Company's external auditors are:

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
(Company registration (CVR) no. 33 77 12 31)
Strandvejen 44
DK-2900 Hellerup
Denmark

PricewaterhouseCoopers was elected as auditor at the annual general meeting by the shareholders on 9 March 2017 and is a member of FSR – Danish Auditors (in Danish "FSR – Danske Revisorer"), which is Denmark's trade organisation of auditing, accounting, tax and corporate finance. The election of PricewaterhouseCoopers occurred following completion of audit tender process at the proposal of the Board of Directors and based on a recommendation of the Company's Audit Committee.

The Audit Committee had prior to nomination of PricewaterhouseCoopers emphasised the following criteria for election of auditor for the Company: proactive approach to advisory and audit services, strong global network, extensive experience with Danish publicly listed companies, competitive fees, efficient audit process, and competent and skilled auditors with experience in auditing consolidated financial statements.

Kim Füchsel and Lars Baungaard, both from PricewaterhouseCoopers, have audited and signed the consolidated financial statements of DSV and the financial statements of the Company for the financial years ended 31 December 2017 and 31 December 2018.

Kim Füchsel and Lars Baungaard, are members of FSR – Danish Auditors (in Danish: "FSR – Danske Revisorer"), which is Denmark's trade organisation of auditing, accounting, tax and corporate finance.

The previous external auditors of the Company were:

Ernst & Young Godkendt Revisionspartnerselskab
(Company registration (CVR) no. 30 70 02 28)
Osvald Helmuths vej 4
Postboks 250
DK-2000 Frederiksberg
Denmark

Jesper Koefoed and Michael Groth Hansen, both from Ernst & Young Godkendt Revisionspartnerselskab, have audited and signed the consolidated financial statements of DSV and the financial statements of the Company for the financial year ended 31 December 2016.

Jesper Koefoed and Michael Groth Hansen are members of FSR – Danish Auditors (in Danish: "FSR – Danske Revisorer"), which is Denmark's trade organisation of auditing, accounting, tax and corporate finance.

CAPITAL STRUCTURE AND GENERAL PROVISIONS OF APPLICABLE STOCK CORPORATION AND CAPITAL MARKETS LAW

Registered share capital

As of the date of this Listing Prospectus, the Company has issued 186,000,000 shares with a denomination of DKK 1 per share. Accordingly, the Company's share capital has a nominal value of DKK 186,000,000 as of the date of this Listing Prospectus. All Shares are fully paid up and have the same rights.

Changes in the share capital

The table set forth below present the development of the Company's share capital from 2016 to 2019.

Date of approval on general meeting	Transaction type	Share capital before change (DKK)	Share capital change (DKK)	Share capital after change (DKK)	Price	Number of shares after change
14 March 2016	Capital reduction after share buy back	192,499,999	2,499,999	190,000,000	372,000,000	190,000,000
8 March 2018	Capital reduction after share buy back	190,000,000	2,000,000	188,000,000	380,000,000	188,000,000
15 March 2019	Capital reduction after share buy back	188,000,000	2,000,000	186,000,000	423,000,000	186,000,000

For the purpose of the Exchange Offer, the Company will increase its share capital by up to DKK 56,406,250 through the issuance of up to 56,406,250 New Shares. The Board of Directors will determine the final number of New Shares and the final amount of the capital increase based on the number of Panalpina Shares validly tendered in the Offer Period for the Exchange Offer. It is expected that the Board of Directors will resolve to increase the Company's share capital on a Board meeting to be held on or around 30 September 2019.

Authorisation to increase the share capital

Pursuant to the Articles of Association, the Board of Directors is authorised to increase the share capital of the Company for the amounts and prior to the dates set out below.

In accordance with article 4a1 of the Articles of Association, the Board of Directors is until 8 March 2023 authorised to increase the share capital at market price in one or more issuances of new shares without pre-emption rights for existing shareholders of the Company up to a nominal value of DKK 37,600,000 (shares of DKK 1 each). The increase may be carried out through the issue of shares against cash payment or other consideration.

Further, in accordance with article 4a2 of the Articles of Association, the Board of Directors is until 8 March 2023 authorised to increase the share capital at a subscription price decided by the Board of Director in one or more issuances of new shares with pre-emption rights for the existing shareholders of the Company up to a nominal value of DKK 37,600,000 (shares of DKK 1 each). This increase may be effected by payment in cash.

In accordance with Article 4a3 of Articles of Association, the Board of Directors is until 1 March 2020, authorised to increase the share capital at market price in one or more issuances of new shares without pre-emption rights for existing shareholders up to a nominal value of DKK 56,406,250 (shares of DKK 1 each) in kind of Panalpina Shares. The Board of Directors may decide that the capital increase can only be subscribed for by one or more named investors as full or partial payment for acquisition of an existing enterprise or specific assets.

The nominal capital increase, which the Board of Directors may decide upon pursuant to (i) Article 4a1 and Article 4a2 cannot exceed DKK 37,600,000 (shares of DKK 1 each) in the total aggregate and (ii) Article 4a1, Article 4a2 and Article 4a3 cannot exceed DKK 56,406,250 (shares of DKK 1 each) in the total aggregate, provided that if the Board of Directors has decided to issue more than DKK 37,600,000 (shares of DKK 1 each) in the total aggregate pursuant to Article 4a3, the authorizations pursuant to Article 4a1 and 4a2 cannot be used.

All new shares are issued pursuant to the authorisations set out above are negotiable instruments and shall have the same rights as the Company's existing shares. The new shares must be registered in the names of the holders. No restrictions shall apply to the transferability of the New Shares. The New Shares shall be fully paid.

Convertible bonds, exchangeable securities or securities with options

As per the date of this Listing Prospectus there are no convertible bonds, but DSV has the authorisation to issue such.

In the Articles of Association, the Board of Directors has been granted the authority to issue convertible debt instruments and options up to a nominal value of DKK 25,000,000 with no pre-emptive rights for the existing shareholders and increase the share capital as a result thereof. The authority is valid until 12 March 2020.

Authorisation to acquire treasury shares

DSV may acquire treasury shares until 15 March 2024 corresponding to 10 per cent of the share capital provided that the Company’s portfolio of treasury shares does not exceed 10 per cent of the Company’s share capital at any time and is in compliance with the Safe Harbour principles. Any purchase of treasury shares under the authorisation may not deviate by more than 5 per cent from the most recently quoted market price of the Shares on the date of the acquisition.

On 30 April 2019 the Company announced that the Board of Directors has decided to exercise the authority given on the annual general meeting held on 15 March 2019 to conduct a share-buyback programme. The purpose of the Company’s share-buyback programme is to adjust the capital structure and meet obligations relating to DSV’s share-based incentive programmes. On the next annual general meeting a resolution will be proposed that any shares not used for hedging or the incentive programmes be cancelled.

On the 7 June 2019, the Company held 7,362,669 treasury shares corresponding to 3.96 per cent of the share capital of the Company. Book value amounted to DKK 3.6 billion and the market price of such shares amounted to DKK 4.5 billion.

Authorisation to distribute interim dividends

According to article 4 of the Articles of Association any dividend will be paid according to the rules prescribed, meaning Section 180 and 181 of the Danish Companies Act.

The Board of Directors will propose the payment of ordinary dividend which the general meeting shall approve at the annual general meeting. The general meeting cannot resolve to distribute dividends of a higher amount than what have been proposed or accepted by the Board of Directors. On the annual general meeting held at 15 March 2019 the general meeting approved the Board of Directors proposal to pay out dividend of DKK 2.25 per share.

For further details on dividends and the Company’s dividend policy, see “*Dividends; Results and Dividends per Share; Dividend Policy*”.

General meeting and voting rights

The Company’s general meetings shall be held in the Company’s registered municipality (as recorded in the IT system of the Danish Business Authority) or in Greater Copenhagen.

The Company’s annual general meeting shall be held in due time for the annual report to be received by the Business Authority and no later than four months after expiry of the financial year. No later than eight weeks before the contemplated date of the annual general meeting the Board of Directors shall announce to the shareholders the contemplated date of the general meeting and the latest date for submission of requests to be included as a specific item in the agenda.

An extraordinary general meeting must be held whenever requested by the Board of Directors or by the Company's auditor(s). Furthermore, an extraordinary general meeting must be convened within two weeks when requested in writing by shareholders holding not less than five per cent of the share capital for the transaction of specific business.

General meetings must be convened by the Board of Directors giving not less than three weeks' and not more than five weeks' notice by notification on the Company's website and in writing to the shareholders registered in the Company's register of shareholders who have so requested.

Each of the Company's shareholders are entitled to have a specific item included on the agenda if the proposal is submitted to the Board of Directors no later than six weeks before the date of the annual general meeting. If the proposal is received by the Board of Directors later than six weeks before the date of the annual general meeting, the Board of Directors will decide whether the proposal has been made in time for the item to be included on the agenda.

Shareholders holding Shares in the Company on the registration date are entitled to attend the general meeting, provided that they no later than three days before the date of the general meeting has notified the Company of their participation in the general meeting. The registration date is according to the Articles of Association one week prior to the general meeting.

The calculation of the Shares held by each of the Company's shareholders is made on the basis of registration of Shares made in the register of shareholders and duly evidenced notices to the Company about any acquisition of Shares which is yet not registered in the register of shareholders but received by the Company prior to the end of the registration date.

On general meetings of the Company each Share with an amount of DKK 1 entitles the shareholder to one vote.

Subject to having registered in accordance with the Company's Articles of Association, a shareholder, is entitled to attend general meetings in person or by proxy. Both the shareholder and the proxy may attend together with an advisor. The proxy must present a written and dated proxy document. No time restrictions or other restrictions apply to the proxy document.

A shareholder can vote by letter before the date of the general meeting. Shareholders that choose to vote by letter must send their written vote to the Company so that it is received by the Company no later than one day before the date of the general meeting. A written vote received by the Company cannot be revoked.

Resolutions by the general meeting and amendments to Articles of Association
All matters at the general meeting shall in general be decided by the general meeting by a simple majority of votes, unless otherwise prescribed under the Danish Companies Act in relation to representation and majority.

Amendments to the Articles of Association, including changes of the rights of shareholders or changes of the share capital, are subject to requirements that are not more stringent than required by the Danish Companies Act.

Pre-emption rights
As described under "*Authorisation to increase the share capital*", the Board of Directors currently has three different authorisations to increase the Company's share capital without pre-emption right;

- For an amount of up to nominal value DKK 37,600,000 New Shares to be issued according to article 4a1 of the Articles of Associations without pre-emptive right for the existing shareholders;
- For an amount of nominal value DKK 56,406,250 New Shares to be issued as consideration in connection with the Exchange Offer according to article 4a3 of the Articles of Associations without pre-emptive right for the existing shareholders; and
- For an amount of up to DKK 25,000,000 convertible debt instruments without pre-emptions according to article 4c of the Articles of Associations without pre-emptive right for the existing shareholders.

The nominal capital increase, which the Board of Directors may decide upon pursuant to (i) Article 4a1 and Article 4a2 cannot exceed DKK 37,600,000 (shares of DKK 1 each) in the total aggregate and (ii) Article 4a1, Article 4a2 and Article 4a3 cannot exceed DKK 56,406,250 (shares of DKK 1 each) in the total aggregate, provided that in case that the Board has decided to issue more than DKK 37,600,000 (shares of DKK 1 each) in the total aggregate pursuant to Article 4a3, the authorizations pursuant to Article 4a1 and Article 4a2 cannot be used.

The nominal capital increase which the Board of Directors may decide upon pursuant to article 4a1 and article 4a3 cannot exceed DKK 56,406,250 in the total aggregate provided that in case that the Board of Directors has decided to issue more than DKK 37,600,000 shares in total aggregate pursuant to article 4a3, the authorisation pursuant to article 4a1 cannot be used.

For additional authorisation to issue New Shares with pre-emptive rights for existing shareholders, see article 4a2 of the Articles of Association set out in Annex A to this Listing Prospectus. The existing shareholders will not have pre-emption right to the New Shares.

Redemption and conversion provisions
Except as provided for in the Danish Companies Act, no shareholder is under an obligation to have his or her Shares redeemed in full or in part by the Company or by any third-party. None of the Shares carry any redemption or conversion rights or any other special rights.

Dissolution and liquidation
In the event of dissolution and liquidation of the Company, the shareholders will be entitled to participate in the distribution of assets in proportion to their nominal shareholdings after payment of the Company's creditors. All Shares have equal rights in respect of eligibility to receive distributions or proceeds in the event of dissolution and liquidation.

Indication of takeover bids
The Articles of Association of the Company does not contain provisions that are likely to have the effect of delaying, deferring or preventing a change of control.

Consistent with the Corporate Governance Recommendations, the Board of Directors has adopted a set of guidelines for the handling of takeover bids.

No takeover bids have been made by any third party in respect of the Shares during the past or the current financial years.

Redemption of minority shareholders
Where a shareholder holds more than 90 per cent of the shares in a company and a corresponding proportion of the voting rights, such shareholder may, pursuant to article 70 of the Danish Companies Act, decide that the other shareholders shall have their shares redeemed by that shareholder. In this case, the other shareholders must be requested, under the rules governing notices for general meeting, to transfer their shares to the shareholder within four weeks after such request. In addition, the other shareholders shall through the Business Authority's IT system be requested to transfer their shares within the same four-week period. Specific requirements apply to the contents of the notices to the other shareholders regarding the redemption. If the redemption price cannot be agreed upon, the redemption price must be determined by an independent expert appointed by the court in the jurisdiction of such company's registered office in accordance with the provisions of the Danish Companies Act. However, the redemption price will be deemed fair under any circumstances, provided that (i) the redemption takes place in continuation of a voluntary tender offer by which the bidder obtained 90 per cent of the voting rights, or (ii) the redemption takes place after a mandatory tender offer. To the extent any minority shareholders have not transferred their shares to the acquiring shareholder before the expiry of the four-week period, the redeeming shareholder shall, as soon as possible thereafter, deposit the amount required for redemption for the benefit of such minority shareholders. Upon the deposit, such minority shareholders will have been redeemed and the minority shareholders shall in such case through the Business Authority's IT system be notified that the right to require determination of the redemption price by the independent expert expires at the end of a period, which cannot be less than three months pursuant to article 72 of the Danish Companies Act.

Furthermore, where a shareholder holds more than 90 per cent of the shares in a company and a corresponding proportion of the voting rights, the other shareholders may require such shareholder to acquire their shares pursuant to article 73 of the Danish Companies Act. If the redemption price cannot be agreed upon, the redemption price must be determined by an independent expert appointed by the court in the jurisdiction of the company's registered office in accordance with the provisions of the Danish Companies Act. Expenses relating to the determination of the redemption price must be paid by the shareholder requesting such determination. If the valuation is higher than that offered by the redeeming shareholder, the court may order the redeeming shareholder to pay the expenses relating to determination of the redemption of the redemption price in full or in part.

Shareholder disclosure requirements; Mandatory takeover bids

Shareholder disclosure requirements

Under the Market Abuse Regulation, Europa Parliament Regulation (EU) no. 596/2014 ("**Market Abuse Regulation**") and the Issuer Rules of Nasdaq Copenhagen, the Company is, as a listed company, required to inform the public, the Danish FSA and Nasdaq Copenhagen promptly of inside information, as defined in Article 7 of the Market Abuse Regulation, if such information directly relates to the Company. Inside information must be disclosed as soon as possible unless the Company is in a position to delay such disclosure to the public with reference to Article 17(4) of the Market Abuse Regulation.

The Company is further obliged to disclose any significant changes to already publicly disclosed inside information and certain other information pursuant to the Danish Capital Markets Act, the Danish Executive Order on Major Shareholders and the Issuer Rules of Nasdaq Copenhagen, regardless of this information qualifies as inside information. Such information which would have to be disclosed under these rules includes: (i) changes to the Board of Directors, Executive Board and auditors, (ii) decisions to introduce share-based incentive programmes, (iii) substantial changes to the operations of the company, (iv) material acquisitions and divestments, (v) unexpected and significant deviations in the Company's financial result or position, (vi) proposed changes in the capital structure, (vii) forecasts and forward-looking statements, (viii) general meetings of shareholders, (ix) issues of financial shareholders, (x) closely-related party transaction, (xi) decisions regarding listing, (xii) information required by another trading venue, (xiii) disclosure considered necessary to provide fair and orderly trading, (xiv) company calendar and (xv) annual and interim reports, accounts including audit report and the timing of financial statement release.

The Company is required to make sure that no unauthorised person gains access to inside information before it is made public to the market.

Mandatory takeover bids

The Danish Capital Markets Act and the Danish Executive Order on Major Shareholders includes rules concerning public offers for the acquisition of shares admitted to trading on a regulated market including Nasdaq Copenhagen.

If a shareholding is transferred, directly or indirectly, in a company with one or several share classes admitted to trading and on a regulated market, to an acquirer or to a person acting in concert with such acquirer, the acquirer or the person acting in concert with such acquirer, if applicable, shall give all shareholders of the company the option to dispose of their shares on identical terms, if the acquirer or the person acting in concert with such acquirer gains control over the company as a result of the transfer.

Control exits if the acquirer or the person acting in concert with such acquirer, directly or indirectly, holds at least one-third of the voting rights in the company, unless it can be clearly proven in special cases that such ownership does not constitute control. An acquirer or a person acting in concert with such acquirer who does not hold at least one-third of the voting rights in a company, nevertheless has control when the acquirer or person acting in concert with the acquirer have:

- the right to control at least one-third of the voting rights in the company according to an agreement with other investors, i.e. by agreement with other shareholders; or
- been entitled to appoint or dismiss a majority of the members of the company's board of directors.

Voting rights attached to treasury shares shall be included in the calculation of voting rights.

Exemptions from the obligation to submit a mandatory bid may be granted under certain circumstances by the Danish FSA.

Manager's transaction

Persons discharging managerial responsibilities at the Company within the meaning of the Market Abuse Regulation, such as the members of the Board of Directors and the Executive Board have to notify the Company and the Danish FSA promptly and no later than three business days following transactions exceeding EUR 20,000 calculated per calendar year in Shares, debt instruments, or in related financial instruments undertaken for their own account (so-called managers' transactions). This also applies to persons or entities that are closely associated with such executives within the meaning of Management Abuse Regulation article 19. The Company shall ensure that such manager's transactions notifications are made public promptly and no later than three business days after the transaction.

Short selling

The Short Selling Regulation (European Parliament Regulation (EU) no. 236/2012) includes certain notification requirements in connection with short selling and imposes restrictions on uncovered short selling of shares admitted to a trading venue (including Nasdaq Copenhagen).

When a natural or legal person reaches or falls below a net short position of 0.2 per cent of the issued share capital of a company that has shares admitted to trading on a trading venue, such person shall notify the relevant competent authority, which in Denmark is the Danish FSA and in each case where the net short position reaches or falls below each 0.1 per cent threshold above the 0.2 per cent threshold. In addition, when a natural or legal person reaches or falls below a net short position of 0.5 per cent of the issued share capital of a company that has shares admitted to trading on a trading venue and each 0.1 per cent threshold above that, such person shall make a public announcement of its net short position.

A natural or legal person may enter into a short sale of share admitted to trading on a trading venue only in cases where one of the following conditions is satisfied: (i) the natural or legal person has borrowed the share or has made alternative provisions resulting in a similar legal effect, (ii) the natural or legal person has entering into an agreement to borrow the share or has another absolutely enforceable claim under contract or property law to be transferred ownership of a corresponding number of securities of the same class so that settlement can be effected when it is due, or (iii) the natural or legal person has an arrangement with third-party under which that third-party has confirmed that the share has been located and has taken measures vis-á-vis third parties necessary for the natural or legal person to have a reasonable expectation that settlement can be effected when it is due. Certain exemptions apply to the prohibition, such as in the case of market-makers or in connection with stabilisation in accordance with the Commission Delegated Regulation (EU) no. 1052/2016.

MANAGEMENT

Overview

Together, the Board of Directors and the Executive Board constitute the governing body of DSV. The ultimate authority rests with the shareholders on the general meetings.

The Board of Directors supervises and outlines visions, strategies and objectives for the development of DSV's business activities. The Board of Directors consist of not less than five and not more than nine members all elected by the general meeting.

The Executive Board is responsible for the day-to-day management and the execution of the strategy, and furthermore contributes essential input to the work of the Board of Directors. The Executive Board consist of up to five members and are appointed by the Board of Directors.

Board of Directors and Executive Board

Set out below are the names of the current members of the Management, their positions and the principal activities performed by them outside of DSV where these are significant with respect to the Company or DSV.

The current term of all members of the Board of Directors expire in 2020. The 2019 annual general meeting took place on 15 March 2019.

The Board of Directors:

Kurt K. Larsen, Chairman (born in 1945)

Joined the Board of Directors on 2008. Most recently re-elected in 2019. Current term expires in 2020.

Kurt K. Larsen was the Group CEO of DSV A/S from 1991 to 2005 and the CEO of DSV A/S from 2005 to 2008. Furthermore, Kurt K. Larsen has general management experience.

Other current memberships of board of directors, executive management positions and partnerships:

- Polaris III Invest Fonden (chairman)
- Wrist Ship Supply A/S (board member)
- Wrist Ship Supply Holding A/S (board member)
- Løkkefonden (board member)
- Dantransport A/S's Understøttelses -og Pensionstilskudsfond (board member)
- No current partnerships

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

- O.W. Bunker & Trading A/S under konkurs (board member)
- OW Bunker A/S under konkurs (board member)
- Stald Mystique ApS (founder)
- No former partnerships

Kurt Larsen resigned from the Board of Directors in O.W. Bunker & Trading A/S under konkurs on 31 January 2014 before the bankruptcy order on 7 November 2014. Kurt Larsen resigned from the Board of Directors in OW Bunker A/S under konkurs on the date of the bankruptcy order on 7 November 2014.

Thomas Plenborg, Deputy Chairman (born in 1967)

Joined the Board of Directors in 2011. Most recently re-elected in 2019. Current term expires in 2020.

Thomas Plenborg is professor of accounting and auditing at Copenhagen Business School. Furthermore, Thomas Plenborg has strategy and financial management experience and management experience from directorships and honorary offices held.

Other current memberships of board of directors, executive management positions and partnerships:

- Everyday Luxury Feeling A/S (co-owner and chairman)
- Cowi Holding A/S (board member)
- Plenborg Holding ApS (founder and CEO)
- No current partnerships

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

- JFE Holding ApS (founder)
- Saxo Bank A/S (board member)
- No former partnerships

Marie-Louise Aamund (born in 1969)

Joined the Board of Directors in 2019. Current term expires in 2020.

Marie-Louise Aamund has 20 years of international tech management experience. Furthermore, Marie-Louise Aamund has management experience from Google, Microsoft and IBM and experience in digital transformation and sustainability.

Other current memberships of board of directors, executive management positions and partnerships:

- Board of the Environmental Technology Development and Demonstration Program (MUDP) (chairman)
- Navico Group (board member)
- No current partnerships or founder roles

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

- A.J. Aamund A/S (board member)
- No former partnerships or founder roles

Robert S. Kledal (born in 1969)

Joined the Board of Directors in 2014. Most recently re-elected in 2019. Current term expires in 2020.

Robert S. Kledal has management experience from Wrist Ship Supply A/S (CEO), Wrist Supply Holding A/S (CEO) and Wrist ADM ApS (CEO). Furthermore, Robert S. Kledal has experience in strategy and financial management, general international management experience and experience in strategy and financial management.

Other current memberships of board of directors, executive management positions and partnerships:

- Wrist Ship Supply Holding A/S (CEO)
- Wrist Ship Supply A/S (CEO)
- W.S.S. Holding A/S (board member)
- Wrist Adm ApS (executive officer)
- Wrist Ship Supply Spain S.L. (chairman)
- Wrist Europe Norway AS (chairman)
- Wrist Europe Marseille SAS (chairman)
- Wrist Europe Gibraltar Ltd (board member)
- Wrist Holding UK Ltd. (board member)
- Wrist Far East Singapore Pte. Ltd. (chairman)
- Wrist Hong Kong Trading Company Ltd. (chairman)
- Wrist Shenzhen Trading Company Ltd. (chairman)
- Wrist North America Inc. (chairman)
- Wirst USA Houston Inc. (chairman)
- Wrist Africa Tanger SARL AU (under shutdown) (chairman)
- Wrist Ship Supply Germany GmbH (executive officer)
- Wrist Holding NL B.V. (chairman)
- Wrist-Kooyman Ship Supply B.V. (chairman)
- Marwest dba West Coast LLC (vice president)
- East Coast Ship Supply LLC (vice president)
- World Delivery Enterprises LLC (vice president)
- Klevenberg Shipping Center B.V. (executive officer)
- C. Maat Transport B.V. (executive officer)
- Garrets Bidco 2 Limited (board member)
- Garrets Bidco Limited (board member)
- Garrets International Limited (board member)
- Garrets Holding Limited (board member)
- Strachans Ltd. (board member)
- Cosmopolitan Champa Brothers Pte. Ltd. (not registered, but acting as strategical management)
- Karlo Corporation Supply & Services (chairman)
- SkawPilot ApS (board member)
- SAGA Shipping A/S (chairman)
- H.S. Hansen A/S (chairman)
- Danish Supply Corporation A/S (chairman)
- Gasværksvej Aalborg A/S (chairman)
- No current partnerships or founder roles

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

- Rederiet Skawlink IV A/S (chairman)
- Wrist Offshore Supply A/S (chairman)
- SkawPilot ApS (chairman)
- APM Terminals North America (board member)
- Maersk Logistics North America (board member)
- Brigantine LTd, Hong Kong (board member)
- No former partnerships or founder roles

Annette Sadolin (born in 1947)

Joined the Board of Directors in 2009. Most recently re-elected in 2019. Current term expires in 2020.

Annette Sadolin has management experience from GE Frankona Munich (executive board member) and Employers Reinsurance International (CEO). Furthermore, Annette Sadolin has international management experience, corporate experience from serving on the boards of directors of major corporations and experience in acquisition and sale of enterprises.

Other current memberships of board of directors, executive management positions and partnerships:

- KNI A/S (board member)
- DSB A/S (deputy chairman)
- Ratos AB (board member)
- Blue Square Reinsurance (board member)
- Østerbro Teater S/I (chairman)
- Ny Carlsberg Glyptotek (board member)
- No current partnerships or founder roles

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

- Topdanmark Forsikring A/S (board member)
- Topdanmark A/S (board member)
- Danske Forsikring A/S (board member)
- Skodsborg Sundhedscenter A/S (board member)
- Kurhotel Skodsborg A/S (board member)
- Topdanmark A/S (deputy chairman)
- Topdanmark Forsikring A/S (deputy chairman)
- Top-Danmark-Fonden (board member)
- Jubilæumsfonden af 7 juni 1974 Top-fonden (board member)
- No former partnerships or founder roles

Birgit W. Nørgaard (born in 1958)

Joined the Board of Directors in 2010. Most recently re-elected in 2019. Current term expires in 2020.

Birgit W. Nørgaard has general management experience from Grontmij NV (COO), Grontmij | Carl Bro A/S (CEO), Danisco and McKinsey. Furthermore, Birgit W. Nørgaard has general international management experience and experience in strategy and financial management as well as in acquisition and sale of enterprises.

Other current memberships of board of directors, executive management positions and partnerships:

- NNE A/S (deputy chairman)
- RGS Nordic A/S (board member)
- Dansk Vækstkapital Komplementar ApS (board member) and Dansk Vækstkapital K/S (board member)
- Dansk Vækstkapital II Komplementar ApS (board member) and Dansk Vækstkapital II K/S (board member)
- NO Invest A/S (chairman)

- NRSL Holding A/S (chairman)
- Norisol A/S (chairman)
- NCC International AB (board member)
- WSP Global Inc. (board member)
- IMI Plc. (chairman of remuneration committee and non-executive director)
- No current partnerships or founder roles

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

- Norisol Sverige AB (chairman)
- Vandrens – Stigsnæs Industripark A/S (board member)
- NNE A/S (chairman)
- Cobham Plc. (non-executive director)
- Kvaerner AS (non-executive director)
- Lindab International AB (non-executive director)
- Sonion (non-executive director) and in same group Xilco Holding AG (board member)
- No former partnerships or founder roles

Jørgen Møller (born in 1950)

Joined the Board of Directors in 2015. Most recently re-elected in 2019. Current term expires in 2020.

Jørgen Møller was country manager of Dan Transport Corp., USA, from 1980 to 2002 and CEO of DSV Air & Sea Holding A/S from 2002 to 2015. Furthermore, Jørgen Møller has general management experience and international commercial experience.

No other current memberships of board of directors, executive management positions and partnerships: No former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

Executive Board:

Jens Bjørn Andersen, CEO (born in 1966)

Appointed CEO for DSV with effect from August 2008.

Other current memberships of board of directors, executive management positions and partnerships:

- Nordea-Fonden (board member)
- Nordea Bank-fonden (board member)
- Børnecancerfonden (board member)
- Nationalbankens Repræsentantskab (member)
- A/S Danexims Fond (board member)
- Dantransport A/S's Understøttelses -og Pensionstilskudsfond (chairman)
- No current partnerships or founder roles

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

Jens H. Lund, CFO (born in 1969)

Appointed CFO for DSV with effect from March 2002.

Other current memberships of board of directors, executive management positions and partnerships:

- Vestas Wind Systems A/S (board member)

- Dansk Erhverv (board member)
- Dantransport A/S's Understøttelses -og Pensionstilskudsfond (board member)
- No current partnerships or founder roles

Former memberships of board of directors, executive management positions, partnerships and founder roles in the past five years:

- Ejendomsselskabet Hedensted ApS (executive officer)
- No former partnerships or founder roles

Statement of kinship

To the best of the Company's knowledge, there is no kinship between the individual members of the Board of Directors or the Executive Board, or any kinship between any members of the Board of Directors or the Executive Board.

Statement of conflicts of interest

No actual or potential conflicts of interest exist between any of the duties of the members of the Board of Directors and the Executive Board and their private interests or other duties. No agreement or understanding with any major Shareholders, customers, suppliers or others exists, pursuant to which a member of the Board of Directors or the Executive Board has been appointed to such position or any other supervisory or management position in the Company.

Statement on past records

During the past five years, none of the members of the Board of Directors or the Executive Board have been (i) convicted of fraudulent offenses; (ii) directors or officers of companies that have entered into bankruptcy, receivership or liquidation, other than as set out in "—Board of Directors" and "—Executive Board" above; or (iii) subject to any public incrimination and/or sanctions by statutory regulatory authorities (including designated professional bodies), and have not been disqualified by a court from acting as a member of an issuer's board of directors or executive board or being in charge of an issuer's management or other affairs.

Incentive programmes

The principles of the DSV Remuneration Policy contribute to achieving the strategic objectives at any time for DSV by reflecting the goal of being able to attract and retain competent members to the Board of Directors and the Executive Board, and continuously creating long-term value for the Company's shareholders. The latest Remuneration Policy was adopted by the Board of Directors on 6 February 2019 and by the annual general meeting of the Company on 15 March 2019.

The remuneration is based on the strategic developments as well as the financial and share price performance.

The Company's Remuneration Policy is prepared in line with the recommendations published by the Committee on Corporate Governance and implemented by Nasdaq Copenhagen.

According to article 139 of the Danish Companies Act, the Board of Directors of a listed company must lay down general guidelines for incentive pay offered to the Board of Directors and the Executive Board. The general guidelines are subject to consideration and approval by the Company's general meeting and publication on the corporate website at least one day before the Company concludes a specific agreement on incentive pay with the persons in question.

Remuneration of members of the Board of Directors

The basic remuneration for members of the Board of Directors is determined on the basis of the required skills and efforts of the members of the Board of Directors in light of the complexity of the Company, scope of their work and the number of Board meetings.

Members of the Board of Directors receive a fixed fee and are not comprised by any type of incentive or performance-related remuneration schemes. Board members may be remunerated for work performed on ad hoc basis. All members of the Board of Directors receive the standard/basic board member fee and the following additional fees:

Title	Fee
Chairman of the Board of Directors	2 x basic fee
Deputy Chairman of the Board of Directors .	½ x basic fee
Chairman of the Audit Committee	1 x basic fee
Member of the Audit Committee	½ x basic fee
Chairman of the Nomination Committee . . .	½ x basic fee
Member of the Nomination Committee	¼ x basic fee
Chairman of Remuneration Committee	½ x basic fee
Member of the Remuneration Committee . .	¼ x basic fee

The standard fee amounted to DKK 450,000 in the financial year 2018. For the financial year 2019 it was approved at the annual general meeting held on 15 March 2019 that the basic fee continuing will amount to DKK 450,000.

Members of the Board of Directors are entitled to a free telephone and compensation for other work-related costs, such as travel expenses. The members do not receive pensions and are not entitled to severance payments.

No amounts have been set aside by the Company or its subsidiaries to provide pension, retirement or similar benefits to the Board of Directors.

Total remuneration of the Board of Directors for the financial year ended 31 December 2018

Members	**Position**				**Total Remuneration** (DKK '000)
	Board	**Audit Committee**	**Nomination Committee**	**Remuneration Committee**	
Kurt K. Larsen	CM	ME	CM	CM	2,028
Thomas Plenborg	DC	CM		ME	1,238
Annette Sadolin	ME	ME	ME		787
Birgit W. Nørgaard	ME		ME		563
Robert S. Kledal	ME				450
Jørgen Møller	ME		ME		563
Total					**5,629**

CM = Chairman, DC = Deputy Chairman, ME = Member

Marie-Louise Aamund has joined the Board of Directors with effect from 15 March 2019. The Board of Directors has changed the composition of the committees effective as from 29 April 2019.

Remuneration of members of the Executive Board

Once a year, the chairman of the Board of Directors assesses and adjusts the remuneration of Executive Board members on the basis of recommendations from the Remuneration Committee. The annual assessment of the remuneration of the Executive Board is made by evaluating the individual member's performance in the past year and the outlook for the coming year.

The incentive-based compensation received by members of the Executive Board consists of long-term incentive compensation aligning management and long-term shareholder interests. As an element of the Company's share option scheme, Executive Board members annually receive a number of share options, corresponding to a maximum of 10 per cent of the share options issued. The share option scheme constitutes the long-term part of the incentive-based compensation.

Share options granted are valued according to the Black & Scholes model. Share options are always granted at an exercise price equal to or higher than the market price at the grant date and with a vesting period of at least three years.

The total value of share options according to the Black & Scholes model granted by members of the Executive Board must never exceed 200 per cent of their fixed salary.

In exceptional circumstances, as determined at the discretion of the Board of Directors, members of the Executive Board may be offered a separate bonus of up to 50 per cent of their basic annual remuneration.

Moreover, Executive Board members are entitled to a company car and a free telephone corresponding to their position in the organization.

In the event that the Company, in the past two years, has paid incentive-based compensation on the basis of information that proves to be incorrect, the Company may reclaim, in full or in part, the last two years' incentive-based compensation paid as either cash bonuses and/or granted share options.

It is a prerequisite for reclaiming such amounts that the amounts were granted on the basis of information, resulting in either a stock-exchange announcement or a significant, negative correction in the price of the Company's shares, and that the Executive Board did know or should have known about the circumstances.

At termination by the Company, the CEO is entitled to remuneration and severance pay equal to 24 months remuneration, and the CFO is entitled to remuneration during a notice period of 18 months. For current remuneration levels, see the table below.

Pensions paid to the Executive Board are based on individual contracts and are an integral part of the base salary package. No amounts have been set aside by the Company or its subsidiaries to provide pension, retirement or similar benefits.

Total remuneration of the Executive Board for the financial year ended 31 December 2018

	Remuneration (DKKm)	
	Jens Bjørn Andersen, CEO	**Jens H. Lund, CFO**
Fixed Salary	8.4	6.0
Pension	3.3	2.5
Bonus	3.5	2.7
Share-based payment	3.8	2.7
Total	**19.0**	**13.9**

In total the Executive Board received DKKm 32.9 in the financial year of 2018.

Incentive pay

The purpose of the incentive scheme is to attract and retain the best possible members of the Executive Board and employees.

The Board of Directors is authorised to grant share options to the Executive Board as an incentive. Subject to the authorisation of the Board of Directors, the Executive Board may grant share options to employees of DSV.

When granted share options, members of the Executive Board and other employees are awarded the right (1) to acquire or subscribe for a specific portion of shares in the Company, (2) at a specific time and (3) at a price fixed at the date of grant. Grants to other employees of the Group are based on an allocation of share options laid down by the Executive Board.

Such share option schemes may be based both on shares already issued (share purchase rights) and on shares subscribed for in connection with the exercise of the options (share subscription rights).

Shares granted under a share option scheme are procured from the treasury portfolio or are purchased in the market.

The power to grant options is subject to the following requirements and restrictions:

- the total number of granted share options in DSV may not exceed 3,000,000 shares in any one year;
- the Executive Board may not, in any one year, receive more than a total of 10 per cent of all share options granted to employees in any one year;
- options must be granted at the average quoted market price for the last five business days preceding 31 March or (if not a business day), the first preceding business day;
- share options granted vest on the third anniversary of the grant date. Share options may be exercised during an exercise period of up to two years; and
- no option may be granted to members of the Board of Directors.

Current shareholdings of the members of the Management

Shareholding of the Board of Directors

As per the date of this Listing Prospectus the Board of Directors holds the following shares in the Company:

Person	**No. of Shares**
Kurt K. Larsen	139,590
Thomas Plenborg	5,099
Annette Sadolin	9,503
Birgit W. Nørgaard	1,150
Robert S. Kledal	2,000
Jørgen Møller	1,445
Marie-Louise Aamund	0

No members of the Board of Directors have share options.

Shareholding of the Executive Board

As per the date of this Listing Prospectus the Executive Board holds the following Shares and share options in the Company:

Person	**Shares**	**Share options**	
	No.	**Time of grant/exercise**	**No.**
Jens Bjørn Andersen	50,000	2016-2019/2019-2021	440,000

Jens H. Lund	39,335	2016-2019/2019-2021	320,000

According to the Company's terms of conditions for options, If the share option holder terminates his or hers employment contract with the Company before exercising of the share options granted, all rights to purchase Shares under this option ceases without notice or compensation at the date of the cessation of the employment, provided that such cessation is not contrary to statutory legislation. However, this does not apply if:

- the holder resigns due to having reached age limit that applies to retirement from the Company;
- the holder has reached the statutory retirement age;
- the holder resigns due to gross breach of contract by the Company; or
- the holder resigns due to documented illness or disability causing him or her to be permanently incapable for work.

If the employment contract is terminated by the Company before the holder has exercised any share options granted, the holder maintains the same right of exercise according to the terms stated in the option agreement as would apply if the employment had not been terminated. This also applies if:

- the holder is terminated by the Company due to a sale to a third party of business activities or Group entities which directly affects the holder of the share option; or
- the holder is terminated by the Company due to restructuring initiatives, including internal business process optimisations, which directly affects the holder of the share options.

Neither members of the Board of Directors or the Executive Board have undertaken restrictions on disposal of Shares or share options.

Corporate Governance

As a listed Danish company, the Company is committed to exercising good governance and the Board of Directors is expected to regularly assess rules, policies and practices in light of the Danish Recommendations on Corporate Governance in accordance with the Danish Financial Statement Act. Nasdaq Copenhagen has incorporated the Recommendations on Corporate Governance in their Rules for issuers of shares of 3 January 2018.

The Company and the Board of Director is actively using the Recommendations on Corporate Governance in their work, and the Board of Directors regularly assesses its procedures according to the Recommendations as also required pursuant to section 107b of the Danish Consolidated Financial Statements Act no. 1580 of 10 December 2015. A report on corporate governance is made for every financial year and it forms part of the Executive Board's commentary in the annual report. The report is also available on the Company's website and it does not form part of and is not incorporated by reference into this Listing Prospectus, unless otherwise specifically stated herein.

The Danish Recommendation on Corporate Governance comprises 47 recommendations of which the Company complies with all but one. As such the Company derogates partially on recommendation 3.4.2 regarding independence of board committees. The majority of the members of the Audit Committee are independent. However, this is not the case with the Remuneration Committee and the Nomination Committee. The Remuneration Committee has two members of whom Kurt K. Larsen is not independent, and the Nomination Committee has four members of whom Kurt K. Larsen and Jørgen Møller are not independent.

The Board of Directors wants to make use of the many years of experience and branch insight of these committee members and has furthermore decided that the Remuneration Committee is to be composed of no more than two members. Hence, the Board of Directors has decided to derogate from the Recommendation on the independence of board members for these two committees.

Board Committees

Audit Committee

In 2011, the Board of Directors established the Audit Committee with the purpose of preparing the basis for decisions to be made by the Board of Directors. The Audit Committee has a purely monitoring role and as such does not assume any duties or responsibilities that rest with the Board of Directors. Accordingly, the Audit Committee in its role as monitoring body there focuses on the safe-guarding of well-functioning financial processes and procedures in relation to the financial reporting, risk management, internal controls etc.

The principal duties of the Audit Committee are:

- to inform the Board of Directors of the outcome of the statutory audit and financial reporting process;
- to monitor the financial reporting process, including the compliance with applicable legislation, standards and other regulations for listed companies on financial reporting and publication of financial reports;
- to monitor the effectiveness of the internal controls, internal audits (if relevant), and audit and risk management systems without breaching its independence;
- to monitor the statutory audit of the annual financial statements with due consideration of the latest quality inspection of the audit company;
- to monitor and verify the independence of the auditor(s), including the provision of non-audit services; and
- to be responsible for the procedure for the selection of auditor(s) and the recommendations for the Board of Directors on the election of auditor(s).

The Audit Committee of the Company consist of four members with expertise and experience in financial accounting. Currently the members of the committee are: Thomas Plenborg (chairman), Kurt K. Larsen (member), Marie-Louise Aamund (member) and Annette Sadolin (member).

Nomination Committee

In 2010, the Board of Directors established the Nomination Committee with the purpose of ensuring an optimal composition of the Management in view of current strategic goals in the Company and developments in society. The Nomination Committee also presents proposals on the long-term Management structure of the Company.

The principal duties of the Nomination Committee are:

- to describe the competencies required of the Management and of a particular position and to state the time deemed necessary to perform such duties as well as evaluate the balance skills, knowledge and experience of the Management;
- to ensure that a diversity policy is prepared and published on the corporate website;
- to make an annual evaluation of the structure, size, resources, composition, development, risks, succession plans and performance results of the Management and to make recommendations to the Board of Directors with regard to any changes;
- to make an annual evaluation of and report to the Board of Directors on the skills, knowledge and experience of the individual members of management;
- to consider candidates for the Board of Directors and the Executive Board nominated by relevant individuals, including shareholders and members of the Board of Directors and the Executive Board;
- to present a recommended action plan to the Board of Directors regarding the future composition of the Board of Directors as well as any recommendation on specific changes;
- to recommend to the Board of Directors new candidates for the Board of Directors;
- to recommend to the Board of Directors new candidates for the Executive Board in consultation with the Chief Executive Officer of the Company; and
- to ensure that the selection and nomination of candidates for the Board of Directors are carried out through a thorough and transparent process and that such assessment includes a consideration of the need for integration of new talent and diversity in relation to, inter alia, international experience, gender and age, and to provide general advice and recommendations on the above to the Board of Directors.

The Nomination Committee consists of four members. The members of the committee are currently: Kurt K. Larsen (chairman), Robert S. Kledal (member), Birgit W. Nørgaard (member) and Jørgen Møller (member).

Remuneration Committee

In 2014, the Board of Directors established the Remuneration Committee with the purpose of addressing the general remuneration policy of the Company, including remuneration for members of the Management. The Remuneration

Committee must also ensure that the remuneration for members of the Company's supreme governing bodies is in compliance with the Remuneration Policy.

The principal duties of the Remuneration Committee are:

- to submit the Remuneration Policy (including the Company's General Guidelines for Incentive Pay) to the Management for approval by the Board of Directors prior to approval by the general meeting in connection with material changes and at least every four years;
- to make proposals to the Board of Directors on remuneration for members of the Management;
- to ensure that an annual remuneration report is prepared and published on the corporate website;
- to ensure that the remuneration for members of the Management is in compliance with the Company's Remuneration Policy and the assessment of the performance of the relevant persons;
- to recommend a remuneration policy applicable for the Company in general; and
- to approve, by request from the Chief Executive Officer, the acceptance by members of the Company's Executive Board of salaried positions with another company, including external directorships.

The Remuneration Committee consists of two members, who currently are: Kurt K. Larsen (chairman) and Thomas Plenborg (member).

SHAREHOLDER STRUCTURE

Current shareholders and future shareholder structure

The following table sets forth the information known to the Company as of the date of this Listing Prospectus with respect to the ownership of the Shares prior to and after the Settlement. The following table includes information about the shareholdings of those Company shareholders that hold, directly or indirectly, 5 per cent or more of the Company's voting rights. Each Share carries one vote at a shareholders' meeting of the Company and, as such, the number of Shares held by shareholders set forth in the table below is equal to the number of voting rights held by the respective shareholder. See section *"Management"* for more information on the Shares held by the members of our Board of Directors and the Management:

The s*hareholdings of existing major DSV shareholders and new major shareholders in the Company after Settlement, assuming exclusively acceptance of the Exchange Offer by the Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership:*

	Prior to Settlement*		**Immediately after Settlement**	
	Shares held**	%	Shares held	%
Ernst Göhner Stiftung	0	0	25,833,586	11.48
BlackRock, Inc., New York	10,372,436	5.58	10,372,436	4.60
Morgan Stanley, Wilmington, USA.	9,420,953	5.07	9,420,953	4.18
Capital Group Companies Inc., Los Angeles, USA	9,475,136	5.09	9,475,136	4.20
UBS Group AG, Zurich, Switzerland	11,346,465	6.10	11,346,465	5.03
The Company (treasury shares)***.	7,362,669	3.96	7,362,669	3.27
Total	**47,977,659**	**25.8**	**73,811,245**	**32,76**

*Ownership as of Listing Prospectus Date is calculated based on number of shares (historical number) flagged in a company announcement in per cent of current share capital.

**UBS Group AG holds 834,412 shares (0.45 per cent of the total share capital and total voting rights) and 10,512,053 shares and voting rights through financial instruments (5.65 per cent of the total share capital and of the total voting rights).
***Treasury shares have been calculated as of 7 June 2019.

Shareholdings of existing major DSV shareholders and new major shareholders in the Company after settlement, assuming 100 per cent acceptance of the Exchange Offer:

	Prior to Settlement*		**Immediately after Settlement**	
	Shares held**	%	Shares held	%
Ernst Göhner Stiftung	0	0	25,833,586	10.68
BlackRock, Inc., New York	10,372,436	5.58	10,372,436	4.28
Morgan Stanley, Wilmington, USA.	9,420,953	5.07	9,420,953	3.89
Capital Group Companies Inc., Los Angeles, USA	9,475,136	5.09	9,475,136	3.91
UBS Group AG, Zurich, Switzerland	11,346,465	6.10	11,346,465	4.68
The Company (treasury shares)***.	7,362,669	3.96	7,362,669	3.04
Total	**47,977,659**	**25.8**	**73,811,245**	**30.39**

*Ownership as of Listing Prospectus Date is calculated based on number of shares (historical number) flagged in a company announcement in per cent of current share capital.
**UBS Group AG holds 834,412 shares (0.45 per cent of the total share capital and total voting rights) and 10,512,053 shares and voting rights through financial instruments (5.65 per cent of the total share capital and of the total voting rights).
***Treasury shares have been calculated as of 7 June 2019.

Controlling interest
No shareholder has a controlling interest in the Company.

Transactions and Legal Relationships with related Parties
Pursuant to IFRS, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party´s financial or operational decisions, as defined be IAS 24 “Related party Disclosures”. In determining each possible related party relationship, the substance of the relationship, and not merely the legal form, must be considered.

Except for employment contracts, no agreements or transactions have been entered between the Company and the Executive Board neither in the financial year 2018 and previously nor in the period 31 March 2019. Further, the Company did not enter into any significant transactions with member of the Board of Directors or the Executive Board, except for compensation and benefits received because of their membership of the Board of Directors, employment with the Company. For further information please see DSV´s annual report 2018 page 79.

The Company has undertaken certain obligations towards some of its subsidiaries in the form of support letters or similar.

TAXATION

Danish tax considerations

The following is a summary of certain Danish income tax considerations relating to the Exchange Offer and the New Shares.

The summary is for general information only and does not purport to constitute exhaustive tax or legal advice. It is specifically noted that the summary does not address all possible tax consequences relating to the Exchange Offer and the New Shares. The summary is based solely upon the tax laws of Denmark in effect on the date of this Listing Prospectus. Danish tax laws may be subject to change, possibly with retroactive effect.

The summary does not cover investors to whom special tax rules apply, and, therefore, may not be relevant, for example, to investors subject to the Danish Tax on Pension Yields Act (i.e. pension savings), professional investors, certain institutional investors, insurance companies, pension companies, banks and stockbrokers. The summary does not cover taxation of individuals and companies who carry on a business of purchasing and selling shares. The summary only sets out the tax position of the direct owners of the New Shares and further assumes that the direct investors are the beneficial owners of the New Shares and any dividends thereon. Sales are assumed to be sales to a third party. For shareholders residing outside Denmark, this summary further assumes that the shareholder does not have a permanent establishment in Denmark.

Shareholders are advised to consult their tax advisors regarding the applicable tax consequences of the Exchange Offer, acquiring, holding and disposing of the New Shares based on their particular circumstances. Shareholders who may be affected by the tax laws of other jurisdictions should consult their tax advisors with respect to the tax consequences applicable to their particular circumstances as such consequences may differ significantly from those described herein.

Tax considerations relating to the New Shares

The following includes a summary of certain Danish tax considerations relating to the New Shares. The summary is subject to the general reservations outlined above.

Taxation of Danish tax resident shareholders

Sale of Shares (individuals)

Gains from the sale of shares are taxed as share income at a rate of 27 per cent on the first DKK 54,000 (for cohabiting spouses, a total of DKK 108,000) and at a rate of 42 per cent on share income exceeding DKK 54,000 (for cohabiting spouses over DKK 108,000). The mentioned rates are applicable for 2019. The amounts are subject to annual adjustments and include all share income (i.e., all capital gains and dividends derived by the individual or cohabiting spouses, respectively).

Gains and losses on the sale of shares admitted to trading on a regulated market are calculated as the difference between the purchase price and the sales price. The purchase price is generally determined using the average method, which means that each share is considered acquired for a price equivalent to the average acquisition price of all the shareholder's shares in the issuing company.

Losses on the sale of shares admitted to trading on a regulated market can only be offset against other share income deriving from shares admitted to trading on a regulated market, (i.e., received dividends and capital gains on the sale of shares admitted to trading on a regulated market). Unused losses will automatically be offset against a cohabiting spouse's share income deriving from shares admitted to trading on a regulated market and additional losses can be carried forward indefinitely and offset against future share income deriving from shares admitted to trading on a regulated market.

Losses on shares admitted to trading on a regulated market may only be set off against gains and dividends on other shares admitted to trading on a regulated market as outlined above if the Danish tax authorities have received certain information relating to the shares before expiry of the tax return filing deadline for the income year in which the shares were acquired. This information is normally provided to the Danish tax authorities by the securities dealer.

Holding and sale of New Shares (companies)

For the purpose of taxation of sale of shares, a distinction is made between Subsidiary Shares, Group Shares and Taxable Portfolio Shares defined for the purpose of "*Taxation"* as follows:

"**Subsidiary Shares**" are generally defined as shares owned by a corporate shareholder holding at least 10 per cent of the nominal share capital of the issuing company.

"**Group Shares**" are generally defined as shares in a company in which the shareholder of the company and the issuing company are subject to Danish joint taxation or fulfil the requirements for international joint taxation under Danish law.

"**Taxable Portfolio Shares**" are defined as shares that do not qualify as Subsidiary Shares, Group Shares or Tax-Exempt Portfolio Shares. The New Shares will be listed in connection with the Settlement and will thus qualify as taxable portfolio shares if the shareholder holds less than 10 per cent of the share capital.

Gains or losses on disposals of Subsidiary Shares and Group Shares are not included in the taxable income of the shareholder.

Special rules apply with respect to Subsidiary Shares and Group Shares in order to prevent exemption through certain holding company structures just as other anti-avoidance rules may apply. These rules will not be described in further detail.

Capital gains from the sale of Taxable Portfolio Shares admitted to trading on a regulated market are taxable at a rate of 22 per cent irrespective of ownership period. Losses on such shares are deductible.

Gains and losses on Taxable Portfolio Shares admitted to trading on a regulated market are taxable according to the mark-to-market principle. According to the mark-to-market principle, each year's taxable gain or loss is calculated as the difference between the market value of the shares at the beginning and end of the tax year. Thus, taxation will take place on an accrual basis even if no shares have been disposed of and no gains or losses have been realised. If the Taxable Portfolio Shares are sold or otherwise disposed of before the end of the income year, the taxable income of that income year equals the difference between the value of the Taxable Portfolio Shares at the beginning of the income year and the realisation sum. If the Taxable Portfolio Shares are acquired and realised in the same income year, the taxable income equals the difference between the acquisition sum and the realisation sum. If the Taxable Portfolio Shares are acquired in the income year and not realised in the same income year, the taxable income equals the difference between the acquisition sum and the value of the shares at the end of the income years.

A change of status from Subsidiary Shares/Group Shares to Taxable Portfolio Shares (or vice versa) is for tax purposes deemed to be a disposal of the shares and a reacquisition of the shares at market value at the time of change of status.

Dividends (individuals)

Dividends paid to individuals who are tax residents of Denmark are taxed as share income, as described above. All share income must be included when calculating whether the amounts mentioned above are exceeded.

Dividends paid to individuals are generally subject to 27 per cent withholding tax.

Dividends (companies)

Dividends paid on Taxable Portfolio Shares are subject to the standard corporation tax rate of 22 per cent irrespective of ownership period.

The withholding tax rate is 22 per cent. If the distributing company withholds a higher amount, the shareholder can claim a refund of the excess tax. A claim for repayment must be filed within two months. Otherwise, the excess tax will be credited in the corporate income tax for the year.

Dividends received on Subsidiary Shares and Group Shares are tax-exempt (and exempt from withholding tax) irrespective of ownership period subject to certain anti-avoidance rules that will not be described in further detail.

Taxation of shareholders residing outside of Denmark

Sale of shares (individuals and companies)

Shareholders not resident in Denmark are normally not subject to Danish taxation on any gains realised on the sale of shares, irrespective of the ownership period, subject to certain anti avoidance rules that will not be described in further detail.

Dividends (Individuals)

Under Danish law, dividends paid in respect of shares are generally subject to Danish withholding tax at a rate of 27 per cent. If the withholding tax rate applied is higher than the applicable final tax rate for the shareholder, a request for a refund of Danish tax in excess hereof can be made by the shareholder in the following situation:

<u>Double taxation</u>

In the event that the shareholder is a resident of a state with which Denmark has entered into a double taxation treaty and the shareholder is entitled to the benefits under such treaty, the shareholder may generally, through certain certification procedures, seek a refund from the Danish tax authorities of the tax withheld in excess of the applicable treaty rate, which is typically 15 per cent. Denmark has a large network of tax treaties.

As for shareholders resident on Switzerland, Denmark and Switzerland has entered into a double tax treaty and the applicable treaty rate is 15 per cent provided that certain requirements are fulfilled.

A shareholder's entitlement to a reduced tax rate under an applicable tax treaty is subject to a Danish anti-avoidance rule that will not be described in further detail.

Note that a reduced applicable tax rate does not affect the Danish withholding rate, why the shareholder must claim a refund in order to benefit from the reduced rate.

A request for a refund of excess withholding tax generally must be accompanied by certain documentation. Generally, a refund of tax withheld in excess of the applicable treaty rate shall be paid within six months following the Danish tax authorities' receipt of the refund claim. If the refund is paid later than six months after the receipt of the claim, interest will be calculated on the amount of refund. The six-month deadline can be suspended, if the Danish tax authorities based on information received from the tax payer are unable to determine whether the taxpayer is entitled to a refund based on the taxpayer's affairs. If the deadline is suspended accordingly, computation of interest is also suspended.

Dividends (companies)

Dividends received on Subsidiary Shares are exempt from Danish tax (including withholding tax) provided the taxation of the dividends is to be waived or reduced in accordance with the Parent-Subsidiary Directive (2011/96/EU) or in accordance with a tax treaty with the jurisdiction in which the company investor is resident.

Further, dividends received on Group Shares – not being Subsidiary Shares – are exempt from Danish tax (including withholding tax) provided the company investor is a resident of the EU or the EEA and provided the taxation of dividends should have been waived or reduced in accordance with the Parent-Subsidiary Directive (2011/96/EU) or in accordance with a tax treaty with the country in which the company investor is resident had the shares been Subsidiary Shares. The aforesaid tax exemption for dividends on Subsidiary Shares and Group Shares is subject to a Danish anti-avoidance rule that will not be described in further detail.

Dividend payments on Taxable Portfolio Shares (and Subsidiary Shares and Group Shares, if not tax-exempt) will be subject to tax at the rate of 22 per cent. However, the applicable withholding rate on such dividends is 27 per cent, meaning that any foreign corporate shareholder can request a refund of at least 5 per cent. Furthermore, the foreign corporate shareholder may make a request for a refund of more than 5 per cent in the following situations:

- <u>Double taxation treaty</u> - In the event that the shareholder is a resident of a state with which Denmark has entered into a double taxation treaty and the shareholder is entitled to the benefits under such treaty, the shareholder may generally, through certain certification procedures, seek a refund from the Danish tax authorities of the tax withheld in excess of the applicable treaty rate, which is typically 15 per cent. Denmark has a large network of tax treaties. A shareholder's entitlement to a reduced tax rate under an applicable tax treaty is subject to a Danish anti-avoidance rule that will not be described in further detail.

- Relief under Danish tax law - If the shareholder holds less than 10 per cent of the nominal share capital in the company and the shareholder is resident in a jurisdiction which has a double taxation treaty or an international agreement, convention or other administrative agreement on assistance in tax according to which the competent authority in the state of the shareholder is obligated to exchange information with Denmark, dividends are generally subject to a tax rate of 15 per cent. If the shareholder is tax resident outside the EU, it is an additional requirement for eligibility for the 15 per cent tax rate that the shareholder together with related shareholders holds less than 10 per cent of the nominal share capital of the company. Note that the reduced tax rate does not affect the withholding rate, why the shareholder must also in this situation claim a refund in order to benefit from the reduced rate.

With respect to payment of refunds and documentation, reference is made to the above description "*Taxation - Dividends (Individuals)*", which applies equally to corporate shareholders residing outside Denmark. However, special documentation requirements for the eligibility of the 22 per cent rate for corporate shareholders will also apply.

Share transfer tax and stamp duties
No Danish share transfer tax or stamp duties are payable on transfer of the New Shares.

Withholding tax obligations
The Danish company paying the dividends is subject to Danish withholding tax obligations and payment of the withholding tax to the Danish tax authorities in accordance with applicable Danish laws.

Taxation of shareholders residing in Switzerland
The description of the Swiss tax treatment of the Exchange Offer and of the New Shares received in exchange for Panalpina Shares summarized below is based on the laws as currently in force, as such laws may be modified by subsequent amendments brought to the applicable Swiss tax rules (potentially with retrospective effect) and their interpretation by the Swiss tax authorities.

The statements below are a summary provided for general information purposes only and should by no means be considered as a comprehensive analysis of all tax consequences that may apply to holders of Panalpina Shares. Holders of such shares should contact their usual tax advisor in order to determine the tax regime applicable to their own situation. The statements below are not applicable to neither a potential cancellation of Panalpina Shares at a Company holding of more than 98 per cent of the voting rights in Panalpina nor to a potential squeeze-out merger at a holding between 90 and 98 per cent of the voting rights.

The statements below assume that the transaction in the context of the Exchange Offer qualifies as a tax neutral transaction for Swiss tax purposes (merger-like combination; *Quasifusion*).

All Receiving Shareholders are expressly recommended to consult their own tax advisor regarding the Swiss tax effects of the Exchange Offer which apply to them.

Swiss tax treatment of the Exchange Offer
Shareholders who are not tax residents in Switzerland are not subject to Swiss individual and corporate income taxes, except if their shares are attributed to a permanent establishment (*Betriebsstätte*) or a fixed place of business in Switzerland.

Individual Income Tax

The exchange of Panalpina Shares for New Shares within the context of the Exchange Offer should not be subject to federal, cantonal and communal income taxes for Swiss resident shareholders holding their Panalpina Shares as private assets (*Privatvermögen*) as either a tax-free private capital gain is realized or a non-tax-deductible capital loss is suffered.

The exchange of Panalpina Shares for New Shares within the context of the Exchange Offer should not be subject to federal, cantonal and communal income taxes for Swiss resident shareholders holding their Panalpina Shares as business assets (*Geschäftsvermögen*) or classifying as a professional securities holder (*gewerbsmässiger Wertschriftenhändler*) provided the New Shares will carry over the (tax) book value of the Panalpina Shares.

Corporate Income Tax

The exchange of Panalpina Shares for New Shares within the context of the Exchange Offer should not be subject to Swiss federal, cantonal and communal corporate income taxes for Swiss resident corporate shareholders provided the New Shares will carry over the (tax) book value of the Panalpina Shares.

Securities transfer duty

Assuming the transaction in the context of the Exchange Offer qualifies as a tax neutral transaction for Swiss tax purposes (merger-like combination; *Quasifusion*), the exchange of Panalpina Shares for New Shares should be exempt from Swiss securities transfer duty (Umsatzabgabe).

Taxation of Swiss shareholders holding Shares - Individual income and corporate tax on dividend income

Non-resident shareholders

Shareholders who are not resident in Switzerland for tax purposes, and who, during the relevant taxation year, have not engaged in a trade or business carried on through a permanent establishment or fixed place of business situated in Switzerland for tax purposes, will not be subject to any Swiss federal, cantonal and communal income tax on dividends and similar distributions on Shares (including dividends on liquidation proceeds and stock dividends).

Resident private shareholders

An individual who is resident in Switzerland for tax purposes and holds Shares as part of his or her private assets (*Privatvermögen*) and who receives dividends and similar distributions (including stock dividends and liquidation proceeds in excess of nominal share capital and “Qualifying Reserves” as defined under Swiss tax laws and regulations) from the Company must include these distributions in his or her personal tax return and will be subject to federal, cantonal and communal income tax on any net taxable income for the relevant tax period. However, dividends and similar distributions out of Qualifying Reserves and repayments of the nominal share capital should not be subject to federal, cantonal and communal income tax.

Swiss resident individuals holding Shares as business assets or qualifying as professional securities dealer (*Wertschriftenhändler*), as well as non-resident individuals holding the shares as part of a permanent establishment or a fixed place of business in Switzerland are required to include all taxable distributions received on DSV Shares in their income statements and will be subject to federal, cantonal and communal income tax on any net taxable income for the relevant tax period.

Resident Corporations

Non-resident corporations holding Shares as part of a Swiss permanent establishment or legal entities resident in Switzerland are required to include all taxable distributions received on DSV Shares in their profit and loss statement relevant for profit tax purposes and will be subject to federal, cantonal and communal corporate income tax on any net taxable earnings for such period.

A Swiss corporation or cooperative, or a non-Swiss corporation or co-operative holding Shares as part of a Swiss permanent establishment, may, under certain circumstances, benefit from taxation relief with respect to distributions (*Beteiligungsabzug*), provided such Shares represent at the time of the distribution at least 10 per cent of the share capital or 10 per cent of the profit and reserves, respectively, or a fair market value of at least 1 million Swiss francs.

Swiss cantonal and communal private wealth tax and capital tax

Non-Resident Shareholders

Non-resident shareholders are not subject to Swiss cantonal and communal private wealth tax or capital tax.

Resident Private Shareholders

An individual who is a non-Swiss resident holding Shares as part of a Swiss permanent establishment or fixed place of business situated in Switzerland, or who is a Swiss resident for tax purposes is required to include his or her Shares in his or her assets which are subject to cantonal and communal private wealth tax. No private wealth tax is levied at the federal level.

Resident Corporations

Corporations resident in Switzerland or non-resident corporations with a Swiss permanent establishment are subject to cantonal and communal capital tax. The cantonal and communal capital tax is levied on the basis of the taxable equity of the legal entity. Usually, the acquisition of Shares should not influence the equity of a legal entity and should therefore have no or only limited influence on its capital tax charge. No capital tax is levied at the federal level.

Taxes on capital gains upon disposal of Shares

Non-resident shareholders
Shareholders who are not resident in Switzerland for tax purposes, and who, during the relevant taxation year, have not engaged in a trade or business carried on through a permanent establishment or fixed place of business situated in Switzerland for tax purposes, will not be subject to any Swiss federal, cantonal and communal income tax or capital gains realized on the sale or other disposition of shares.

Resident private shareholders

Individuals who are resident in Switzerland for tax purposes and hold Shares as part of their private assets (*Privatvermögen*) generally are exempt from Swiss federal, cantonal and communal taxes with respect to capital gains realized upon the sale or other disposal of Shares, unless such individuals are qualified as professional securities dealer (*Wertschriftenhändler*) for income tax purposes. Under certain circumstances, share sale proceeds of a private individual may be recharacterised into taxable investment income.

Upon a repurchase of Shares, the portion of the repurchase price in excess of the nominal amount and Qualifying Reserves may be classified as taxable investment income if the Shares repurchased are not sold within a six-year period or if the Shares are repurchased for a capital reduction.

Capital gains realized by an individual on Shares that are held as part of his or her business assets are subject to income taxation and social security contributions. Capital gains realized by individuals who, for income tax purposes, are classified as professional securities dealers are subject to income taxation and social security contributions.

Resident corporations

Capital gains upon the sale or other disposal of Shares realized by corporations resident in Switzerland for tax purposes or foreign corporations holding Shares as part of a Swiss permanent establishment are generally subject to ordinary profit taxation. A Swiss corporation or co-operative, or non-Swiss corporation or co-operative holding Shares as part of a Swiss permanent establishment, may, under certain circumstances, benefit from taxation relief on capital gains realized upon the disposal of Shares (*Beteiligungsabzug*), provided such Shares were held for at least one year and the shareholder disposes of at least 10 per cent of the share capital or 10 per cent of the profit and reserves, respectively. Subsequent sales can be less than 10 per cent of the nominal share capital in order to qualify for the participation relief, provided the fair market value of the Shares held as per the previous financial year end prior to this sale amounts to at least 1 million Swiss francs

Gift and inheritance taxes

The transfer of Shares may be subject to cantonal and/or communal gift, estate or inheritance taxes if the donor is, or the deceased was, resident for tax purposes in a canton levying such taxes.

Stamp tax upon the transfer of Shares

The transfer of any Shares may be subject to Swiss securities transfer duty (*Umsatzabgabe*) at a current rate of up to 0.3 per cent if such transfer occurs through or with a Swiss or Liechtenstein bank or securities dealer as defined in the Swiss federal stamp tax act.

Danish withholding taxes

As mentioned above shareholders not resident in Denmark are normally not subject to Danish taxation on any gains realised on the sale of shares, irrespective of the ownership period, subject to certain anti-avoidance rules that will not be described in further detail.

However, under Danish law, dividends paid in respect of shares are generally subject to Danish withholding tax at a rate of 27 per cent unless the application of a double tax treaty provides for a reduced tax rate.

Withholding taxes on dividends (individuals)

According to the Double Tax treaty between Denmark and Switzerland the applicable treaty rate is 15 per cent. If the withholding tax rate applied is higher than the applicable treaty rate for the shareholder, the shareholder may generally, through certain certification procedures, seek a refund from the Danish tax authorities of the tax withheld in excess of the applicable treaty rate. Depending on the income tax situation, individuals who are resident in Switzerland for tax purposes may be able to claim a tax credit against their Swiss income taxes for the non-refundable Danish withholding tax (15 per cent).

A shareholder's entitlement to a reduced tax rate under an applicable tax treaty is subject to a Danish anti-avoidance rule that will not be described in further detail.

Generally, a refund of tax withheld in excess of the applicable treaty rate shall be paid within six months following the Danish tax authorities' receipt of the refund claim. If the refund is paid later than six months after the receipt of the claim, interest will be calculated on the amount of refund. The six-month deadline can be suspended, if the Danish tax authorities based on information received from the tax payer are unable to determine whether the taxpayer is entitled to a refund based on the taxpayer's affairs. If the deadline is suspended accordingly, computation of interest is also suspended.

Withholding taxes on dividends (companies)

For Swiss resident shareholders, dividends received on Subsidiary Shares (classification according to local Danish law, reference is made to the above section on Danish Taxation) are exempt from Danish tax (including withholding tax) as the taxation of the dividends is to be waived or reduced in accordance with the Swiss-Danish tax treaty.

Further, dividends received on Group Shares (classification according to local Danish law, reference is made to the above section on Danish Taxation) – not being Subsidiary Shares – are exempt from Danish tax (including withholding tax) as the company investor is a resident of the EU and as the taxation of dividends should have been waived or reduced in accordance with the Swiss-Danish tax treaty. The aforesaid tax exemption for dividends on Subsidiary Shares and Group Shares is subject to a Danish anti-avoidance rule that will not be described in further detail.

Dividend payments on Taxable Portfolio Shares (and Subsidiary Shares and Group Shares, if not tax-exempt) will be subject to the general Danish withholding tax rate of 27 per cent, However based on the Swiss-Danish Tax Treaty a Swiss corporate shareholder can request a refund of 12 per cent based on Treaty. Depending on the corporate income tax situation of the company, which is resident in Switzerland for corporate tax purposes may be able to claim a tax credit against its Swiss corporate income taxes for the non-refundable Danish withholding tax (15 per cent). A shareholder's entitlement to a reduced tax rate under the treaty is subject to a Danish anti-avoidance rule that will not be described in further detail.

RECENT DEVELOPMENTS AND SIGNIFICANT CHANGES

Neither DSV A/S nor any of the Company's subsidiaries have launched any material new services or commenced other types of business activities since the release of the Interim Financial Report for Q1 2019 on 30 April 2019.

Except as disclosed in this Listing Prospectus there has been no significant changes in the financial or trading position subsequent to 31 March 2019, which is the period covered by the Interim Financial Report for Q1 2019.

Recent developments in the industry as well as DSV are disclosed in the relevant sections in this Listing Prospectus.

LEGAL MATTERS

DSV will be advised on certain legal matters in connection with the listing of the New Shares by Moalem Weitemeyer Bendtsen Private Limited Partnership, Danish legal counsel to DSV, and by Skadden Arps, Slate, Meagher & Flom LLP, United States legal counsel to DSV.

GLOSSARY

Non-financial terms
The following explanations are not intended as technical definitions and are provided purely for assistance in understanding certain terms as used in this Listing Prospectus.

"Additional Acceptance Period"	the additional acceptance period for the Exchange Offer determined in accordance with the Offer Prospectus; such additional acceptance period expected to commence on 3 July 2019 and end on 16 July at 16:00 Central European Summer Time
"Americas"	North, Central and South America
"APAC"	Asia, Australia and the Pacific
"Articles of Association"	the articles of association of the Company as amended latest prior to the publication of this Listing Prospectus on 27 May 2019 and set out in Annex A to this Listing Prospectus
"ASIC"	Australian Securities and Investments Commission
"Australian Corporations Act"	Australian Corporations Act 2001
"Board of Directors".	The board of directors of the Company
"Business Authority".	The Danish Business Authority, Langelinie Allé 17, DK-2100 Copenhagen Ø
"CFIUS"	The Committee on Foreign Investment in the United States
"Combination"	The combination of the Company and Panalpina pursuant to the Exchange Offer to be completed in accordance with the terms and conditions of the Transaction Agreement
"Combined Group".	the combination of DSV and the Panalpina Group

“Commission Regulation”	Commission Regulation (EC) no. 809/2004 as amended
“Company” or “DSV A/S”.	DSV A/S, Danish company registration number (CVR) 58 23 35 28
“Danish Capital Markets Act”	The Danish Consolidated Act no. 12 of 8 January 2018 on capital markets, as amended
“Danish Central Bank”	Danmarks Nationalbank, Danish company registration number (CVR) 33 63 63 63
“Danish Companies Act”	The Danish Consolidated Act no. 1089 of 14 September 2015 on public and private limited companies, as amended
“Danish Executive Order on Major Shareholders”.	Executive Order no. 1172 of 31 October 2017
“Danish Executive Order on Prospectuses”. . . .	Executive Order no. 1170 of 25 September 2018 on prospectuses for securities admitted to trading in a regulated market and for offering to the public securities of at least EUR 5,000,000
“Danish FSA”.	Danish Financial Supervisory Authority
“Divisions”	The tree divisions in which DSV is operated: “DSV Air and Sea” (or “Air and Sea”), “DSV Road” (or “Road”) and “DSV Solutions” (or “Solutions”)
“DKK” or **“Danish Kroner”**	Danish kroner, the lawful currency of Denmark
“DSV” or “Group”.	the Company and its subsidiaries excluding the Panalpina Group
“Euro”, “EUR” or **“€”**	Euro, the lawful currency of the participating member states in the Third Stage of the European and Monetary Union of the Treaty Establishing the European Community

"EMEA"	Europe, the Middle East and Africa
"Exchange Offer"	the Company' s voluntary public exchange offer made on 13 May 2019 for all publicly held registered shares of Panalpina with a nominal value of CHF 0.10 each
"Executive Board"	The executive board of the Company
"Exchange Ratio"	the exchange ratio of 2.375 New Shares for each registered share of Panalpina offered pursuant to the Offer Prospectus giving effect to potential dilutive effects
"Group Shares"	Shares in a company in which the shareholder of the company and the issuing company are subject to Danish joint taxation or fulfil the requirements for international joint taxation under Danish Law
"IAS 34"	IAS 34 "Interim Financial Reporting" as adopted by the European Union in June 1999 (as amended)
"IASB"	The International Accounting Standards Board, which is the standard setter for IFRS
"IFRS"	International Financial Reporting Standards
"IFRS 16 Leases"	The IFRS reporting standard adopted by ISAB on accounting for leases and published on 13 January 2016
"Listing".	the admission for trading and official listing of the New Shares
"Listing Prospectus".	this document prepared under Danish law in compliance with section 10(1) of the Danish Capital Markets Act, the Prospectus Regulation and the Danish Executive Order on Prospectuses
"Main Offer Period"	From 28 May 2019 until 26 June 2019, 16:00 Central European

	Summer Time (subject to any extension of the Main Offer Period)
"Management"	The Board of Directors and the Executive Board
"Market Abuse Regulation"	Market Abuse Regulation, Europa Parliament Regulation (EU) no. 596/2014
"Nasdaq Copenhagen".	Nasdaq Copenhagen A/S, company registration (CVR) no. 19 04 26 77
"New Shares".	Up to 56,406,250 new shares of DKK 1 nominal value each to be issued by the Company as consideration for Panalpina Shares pursuant to the Exchange Offer
"Notes"	The EUR 200,000,000 1.75 per cent notes due 20 September 2024 issued by the Company
"Offer Conditions".	The conditions for the Exchange Offer set out in summary form in "*The Combination – Summary Terms and Conditions for the Exchange Offer* of the Offer Prospectus and attached to this Listing Prospectus as Annex B
"Offer Period".	the Main Offer Period and the Additional Acceptance Period for the Exchange Offer pursuant to the Offer Prospectus
"Offer Prospectus".	The offer prospectus published on 13 May 2019 evidencing the Exchange Offer and made pursuant to takeover laws and regulations of Switzerland
"Panalpina".	Panalpina Welttransport (Holding) AG, UID-no. CHE-107.791.863
"Panalpina Group"	Panalpina and its subsidiaries
"Panalpina Shares"	Shares in Panalpina with a nominal value of CHF 0.10 each listed on SIX in ISIN CH0002168083

"PricewaterhouseCoopers"	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab, Danish company registration number (CVR) 33 77 12 31
"Prospectus Regulation"	European Commission Regulation no. 809/2004, as amended
"Receiving Shareholders"	The shareholders in Panalpina who become shareholders in the Company as a result of the Settlement
"Restricted Jurisdictions"	The release, publication or distribution of this Listing Prospectus, the Form of Acceptance or any other document relating to the Exchange Offer and the making of the Exchange Offer in certain jurisdictions (including, but not limited to, Australia and Japan) may be restricted by law, be considered unlawful or otherwise violate any applicable law
"SA Companies Act"	South African Companies Act, 71 of 2008
"SEC"	U.S. Securities and Exchange Commission
"Settlement"	Settlement of the Exchange Offer
"Shares"	Shares in the Company with a nominal value of DKK 1 each listed on Nasdaq Copenhagen in ISIN DK0060079531, which term shall include the New Shares after the issuance thereof and admittance to trading and listing on Nasdaq Copenhagen
"SIX"	SIX Swiss Stock Exchange Ltd.
"Subsidiary Shares"	Shares owned by a corporate shareholder holding at least 10 per cent of the nominal share capital of the issuing company
"Swiss Franc" or "CHF"	Swiss Franc, the lawful currency of Switzerland
"Swiss Franc Buying Rate"	The foreign exchange reference rate of translations of Swiss Franc amounts into Danish Kroner

"Taxable Portfolio Shares"	Shares that do not qualify as Subsidiary Shares, Group Shares or tax-exempt portfolio shares
"Tender Agreements"	Agreements entered into on 1 April 2019 between the Company, on the one hand, and each of Ernst Göhner Stiftung, Cevian Capital II Master Fund LP and Artisan Partners Limited Partnership, on the other hand, whereby the latter three agreed to tender all their respective Panalpina Shares
"TEU"	Twenty-foot Equivalent Units
"Transaction Agreement"	The transaction agreement between DSV A/S and Panalpina Welttransport (Holding) AG dated 1 April 2019
"U.S. dollar", "USD" or "$".	United States dollar, the lawful currency of the United States of America
"U.S. Exchange Act"	U.S. Exchange Act of 1934
"U.S. Securities Act"	U.S. Securities Act of 1933
"U.S. Shareholders"	Shareholder resident in or otherwise located in the United States
"UTi".	UTi Worldwide, Inc., Registered Office: 9 Columbus Centre, Pelican Drive, Road Town, Tortola, British Virgin Islands
"VP Securities".	VP Securities A/S, company registration (CVR) no. 21 59 93 36
"QIBs"	Qualified institutional buyers

Financial terms

The following explanations are not intended as technical definitions and are provided purely for assistance in understanding certain financial terms as used in this Listing Prospectus.

"Conversion Ratio" . . . .

$$\frac{\text{Operating profit before impairment of goodwill and special items} * 100}{\text{Gross profit}}$$

"Effective tax rate" . . . .

$$\frac{\text{Tax on profit for the year} * 100}{\text{Profit before tax}}$$

"Gearing Ratio" . . . .

$$\frac{\text{Net interest-bearing debt}}{\text{Operating profit before amortization, impairment of goodwill and special items}}$$

"Gross Margin" . . . .

$$\frac{\text{Gross profit} * 100}{\text{Revenue}}$$

"Operating Margin" . . . .

$$\frac{\text{Operating profit before impairment of goodwill and special items} * 100}{\text{Revenue}}$$

"Return on equity" . . . .

$$\frac{\text{Profit attributable to the shareholders of the Company} * 100}{\text{Average equity excluding non-controlling interest}}$$

"ROIC before tax" . . . .

$$\frac{\text{Operating profit before impairment of goodwill and special items} * 100}{\text{Average invested capital}}$$

“Solvency Ratio” . . . .

$$\frac{\text{Equity excluding non-controlling interest} * 100}{\text{Total assets}}$$

PART F. FINANCIAL INFORMATION

TABLE OF CONTENTS

Introduction to Financial Information

Pursuant to section 20.1 in annex I to the Prospectus Regulation, as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, this Listing Prospectus must contain audited historical financial information covering the last three financial years and the audit reports.

On this basis, the following historical financial information is included in this Listing Prospectus:

DSV

The audited consolidated financial statements of DSV for the financial years 2016-2018 are included in the Prospectus by reference. The historical financial information for the financial years 2016-2018 has been prepared under IFRS as adopted by the EU and further requirements under the Danish Financial Statements Act. No other information of the Company in the Prospectus than the consolidated financial statements has been audited.

Further, the interim financial statements for DSV for the three months ended on 31 March 2019 prepared in accordance with IAS 34 and further requirements in the Danish Financial Statements Act are included by reference. The interim financial statements have not been audited or reviewed by the Company's auditors. The accounting policies applied are disclosed on page 48-80 in the consolidated financial statements for 2018.

The new accounting standard IFRS 16 Leases has been implemented as of 1 January 2019. It has been implemented following the modified retrospective approach with the cumulative effect of applying the standard recognised in the opening balance of retained earnings. Right-of-use assets will be measured as if IFRS 16 Leases had been applied since the commencement date, discounted using an applicable incremental borrowing rate at the date of initial application. Comparatives are not restated.

IFRS 16 Leases broadens the criteria for recognition of right-of-use assets and lease liabilities and will have a material impact on DSV’s financial statements, as off-balance operating leases will be capitalised and accounted for similar to finance leases. Reported operating profits before special items will increase, as operating lease expenses will be replaced by depreciation and interest expenses. The impact on profit for the year will be neutral over time, but a timing effect will occur due to frontloading of interest expenses.

Reported cash flow from operating activities will increase, but will be offset by an increased cash outflow from financing activities, and, accordingly, there will be no change in total cash flow for the year. The implementation of IFRS 16 Leases had no impact on DSV’s agreements and terms with banks regarding long term funding.

IFRS 16 Leases impacted DSV Q1 financial statements on gross profit positively by DKK 596 million and operating profit before special items positively by DKK 96 million.

Panalpina

Pursuant to section 20.1 in annex I to the Prospectus Regulation, as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, this Listing Prospectus must contain historical financial information relating to Panalpina for the same period as required for DSV, i.e. 2016-2018. The audited consolidated financial statements of Panalpina for the financial years 2016-2018 are included in this Listing Prospectus by reference as for DSV. The historical financial information for the financial years 2016-2018 has been prepared in accordance with the IFRS as adopted by the EU and additional requirements in Swiss law. Panalpina has chosen to early adopt IFRS 16 Leases as from 1 January 2018, whereas DSV has implemented the standards as of 1 January 2019. For more information refer to note 7 in section "*Part F Financial Information – Unaudited Reclassification to DSV Statement of Accounts*". No other information of Panalpina in the Prospectus than the annual reports has been audited.

Pro Forma Financial Information

As a result of the acquisition of Panalpina, significant gross changes in relation to key figures are expected. Thus, pro forma financial statements are included in this section of this Listing Prospectus, describing the impact of the transaction on the Company's performance for 2018 and financial position as at 31 December 2018 as if the transaction had taken place as at 1 January 2018.

Consolidated Financial Statements of DSV

Pursuant to article 28 of the Prospectus Regulation, the audited consolidated financial statement of DSV for the financial year 2016, 2017 and 2018 are included in this Listing Prospectus by reference to the Company's website investor.dsv.com/financials ("Investor relations – Financials") in the table below. Except for the stated information, the contents of the website do not form part of this Listing Prospectus.

The table of cross references below refers to information in the Company's annual reports for the financial years ended on 31 December 2016, 2017 and 2018 and unaudited interim financial report Q1 2019, which are available on the Company's website investor.dsv.com/financials ("Investor relations – Financials"). The consolidated financial statements comprises income statement, balance sheet, statement of comprehensive income, cash flow statement and statement of changes in the equity for the financial years mentioned including notes, statement by Management and independent auditors' report. Further, the table of cross references below refers to information in the Company's interim financial report for the first quarter of 2019 which comprises Management's review and financial statements for the period 1 January 2019 to 31 March 2019. No other information in this Listing Prospectus than the annual report has been audited.

For 2018, the new accounting standards IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from contracts with customers' have been implemented. The implementation of these accounting standards did not have any material impact on DSVs consolidated financial statements.

For further description of DSVs historical financial figures please refer to "*Selected Consolidated Financial Information*" and "*Management's Review of Operations and Financial Statements*".

Table 1.7: Table of cross references

Information:	**Source:**
Management's commentary	Interim financial report Q1 2019, pp. 4-8
Consolidated income statement	Interim financial report Q1 2019, p. 16
Consolidated statement of comprehensive income	Interim financial report Q1 2019, p. 17

Consolidated balance sheet	Interim financial report Q1 2019, p. 19
Consolidated cash flow statement	Interim financial report Q1 2019, p. 18
Statement of changes in equity	Interim financial report Q1 2019, p. 20
Notes to the interim financial report for Q1 2018	Interim financial report Q1 2019, pp 21-24
Management statement 2018	Annual report 2018, p. 88
Independent auditor’s report for 2018	Annual report 2018, pp. 89-91
Income statement for 2018	Annual report 2018, p. 44
Statement of comprehensive income for 2018	Annual report 2018, p. 44
Balance sheet as at 31 December 2018	Annual report 2018, p. 46
Statement of changes in equity for 2018	Annual report 2018, p. 47
Cash flow statement for 2018	Annual report 2018, p. 45
Notes to the consolidated financial statements for 2018	Annual report 2018, pp 48-80
Definition of financial highlights	Annual report 2018, p. 81
Group company overview	Annual report 2018, pp. 82-87
Management statement 2017	Annual report 2017, p. 87
Independent auditor’s report for 2017	Annual report 2017, pp. 88-90
Income statement for 2017	Annual report 2017, p. 43
Statement of comprehensive income for 2017	Annual report 2017, p. 43
Balance sheet as at 31 December 2017	Annual report 2017, p. 45
Statement of changes in equity for 2017	Annual report 2017, p. 46
Cash flow statement for 2017	Annual report 2017, p. 44
Notes to the consolidated financial statements for 2017	Annual report 2017, pp 48-80
Definition of financial highlights	Annual report 2017, p. 81
Group company overview	Annual report 2017, pp. 82-86
Management statement 2016	Annual report 2016, p. 88
Independent auditor’s report for 2016	Annual report 2016, pp. 89-92

Income statement for 2016	Annual report 2016, p. 46
Statement of comprehensive income for 2016	Annual report 2016, p. 46
Balance sheet as at 31 December 2016	Annual report 2016, p. 48
Statement of changes in equity for 2016	Annual report 2016, p. 49
Cash flow statement for 2016	Annual report 2016, p. 47
Notes to the consolidated financial statements for 2016	Annual report 2016, pp 51-87
Definition of financial highlights	Annual report 2018, p. 81
Group company overview	Annual report 2018, pp. 82-87

Consolidated Financial Statements of Panalpina

Pursuant to article 28 of the Prospectus Regulation, the audited consolidated financial statement of Panalpina for the financial year 2016, 2017 and 2018 are included in the Listing Prospectus by reference to the Company's website www.panalpina.com/www/global/en/home/investors/annual_report.html ("Investor – Annual Report"). Except for the stated information, the contents of the website do not form part of this Listing Prospectus.

The table of cross references below refers to information in the Company's annual reports for the financial years ended on 31 December 2016, 2017 and 2018, which are available on the Company's website www.panalpina.com/www/global/en/home/investors/annual_report.html ("Investor – Annual Report"). The consolidated financial statements comprises consolidated income statement, consolidated balance sheet, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in the equity for the financial years mentioned including notes and independent auditors' report.

For further description of DSVs historical financial figures please refer to "*Selected Consolidated Financial Information*" and "*Management's Review of Operations and Financial Statements*".

Table 1.8: Table of cross references

Information:	**Source:**
Management Report 2018	Management Report 2018, pp. 1-72
Statutory auditor's report for 2018	Financial report 2018, pp. 61-64
Consolidated income statement for 2018	Financial report 2018, p. 3
Consolidated statement of comprehensive income for 2018	Financial report 2018, p. 4
Consolidated balance sheet as at 31 December 2018	Financial report 2018, p. 5
Consolidated statement of changes in equity for 2018	Financial report 2018, p. 6
Consolidated cash flow statement for 2018	Financial report 2018, p. 8
Notes to the consolidated financial statements for 2018	Financial report 2018, pp 9-60

Integrated Management Report 2017	Integrated Management Report 2017, pp. 1-80
Statutory auditor’s report for 2017	Financial report 2017, pp. 57-60
Consolidated income statement for 2017	Financial report 2017, p. 3
Consolidated statement of comprehensive income for 2017	Financial report 2017, p. 4
Consolidated balance sheet as at 31 December 2017	Financial report 2017, p. 5
Consolidated statement of changes in equity for 2017	Financial report 2017, p. 6
Consolidated cash flow statement for 2017	Financial report 2017, p. 8
Notes to the consolidated financial statements for 2017	Financial report 2017, pp 9-56

Integrated Management Report 2016	Integrated Management Report 2016, pp. 1-91
Statutory auditor’s report for 2016	Financial report 2016, pp. 68-73
Consolidated income statement for 2016	Financial report 2016, p. 2
Consolidated statement of comprehensive income for 2016	Financial report 2016, p. 3
Consolidated balance sheet as at 31 December 2016	Financial report 2016, p. 4
Consolidated statement of changes in equity for 2016	Financial report 2016, p. 5
Consolidated cash flow statement for 2016	Financial report 2016, p. 7
Notes to the consolidated financial statements for 2016	Financial report 2016, pp 8-67

Pro Forma Financial Information for Financial Year 2018

The acquisition of Panalpina will result in material gross changes of certain key figures of DSV, including DSV’s assets, liabilities, revenues and costs. The consolidated pro forma financial information, prepared for the purpose of this Prospectus as though the acquisition of Panalpina had taken place as at 1 January 2018, has been prepared under IFRS as adopted by the EU and further requirements under the Danish Financial Statements Act.

Because of its nature, the pro forma financial information addresses a hypothetical situation and therefore does not, represent the DSV's actual financial position or results. Actual financial results may be materially different. Management gives no assurance that the actual financial result and financial position, if the acquisitions of the entities had been effected as at 1 January 2018, would have been as indicated.

Statement by Management on unaudited Pro Forma Financial Information of the Company as of and for the year ended on 31 December 2018

In section ‘Part F. *Financial information – Unaudited Pro Forma Financial Information for DSV and Panalpina*’, Management presents unaudited pro forma financial information, prepared on the basis stated on page F-9 to F-16, which illustrates the impact that the acquisition of Panalpina as described in *“The Combination*” could have had on the results of operations and balance sheet for the financial year ended on 31 December 2018 had the acquisition been effective on 1

January 2018. The pro forma financial information is unaudited and has been prepared solely for use in this Listing Prospectus in accordance with the Commission Regulation and is not to be used for any other purposes.

The pro forma financial information was prepared on the basis stated of the applicable criteria set out in the Commission Regulation described on page F-9 to F-16 and in accordance with the accounting policies as described in the Company's audited consolidated financial statements prepared in accordance with IFRS as adopted by the EU and further requirements in the Danish Financial Statements Act for the financial year ended on 31 December 2018. See "*Part F. Financial information - Consolidated Financial Statements of DSV*".

Management believes that the presented pro forma financial information has been properly compiled and that it has been presented in all material respects on the basis of the applicable criteria and in accordance with accounting policies as described in DSV's consolidated financial statements for the financial year ended on 31 December 2018.

It should be noted that the pro forma financial information solely reflects an illustrative calculation of the matters set out. Actual future financial statements may differ materially from this information.

Hedehusene, 11 June 2019

Executive Board:

Jens Bjørn Andersen *CEO*	Jens H. Lund *CFO*

Board of Directors:

Kurt K. Larsen Chairman	Thomas Plenborg Deputy Chairman	Jørgen Møller
Marie-Louise Aamund	Robert S. Kledal	Birgit W. Nørgaard
Annette Sadolin		

Independent Auditor's Report on the Compilation of Pro Forma Financial Information included in a Prospectus

To the shareholders and the potential investors

We have examined whether the pro forma financial information for the Company has been properly compiled on the basis stated and whether this basis is consistent with the Company's accounting policies. The applicable criteria to be applied in the compilation of the pro forma financial information are set out in Commission regulation, Annex I, "Minimum Disclosure Requirements for the Share Registration Document (schedule)" section 20.2, "Pro forma financial information" and Annex II, "Pro forma financial information building block".

The pro forma financial information is set out in section "*Part F. Financial Information – Pro forma Financial Information for Financial Year 2018*" of this Listing Prospectus. The basis on which the Company has compiled the pro forma financial information is described on page F-9 to F-16.

The pro forma financial information has been compiled by the Management of the Company to illustrate an impact, of the proposed share-for-share deal with a contribution-in-kind whereby shares in Panalpina are contributed into DSV, on the Company's consolidated income statement for the period 1 January – 31 December 2018 and consolidated financial position as at 31 December 2018 as if the transactions had taken place as at 1 January 2018. As part of this process, the Management of the Company has extracted information regarding Panalpina's financial performance and financial position from Panalpina's consolidated financial statements for the financial year 1 January – 31 December 2018. The consolidated financial statements have been provided with an auditor's opinion without modifications or emphasis of matters paragraphs in respect of the consolidated financial statements and have been published on www.panalpina.com/www/global/en/home/investors/annual_report.html ("Investor – Annual Report").

In this engagement to report on the pro forma financial information, the term "properly compiled" means that given the nature of available data such have been collected, classified and summarised as well as presented appropriately on the basis described on page F-9 to F-16.

In this engagement to report on the pro forma financial information, the term "consistent with DSV A/S' accounting policies" means that the pro forma financial information where relevant and to the extent possible in respect of recognition and measurement (including necessary adjustments) have been prepared consistently with the accounting policies disclosed in the consolidated financial statements of the Company for the financial year 1 January – 31 December 2018, as incorporated by reference in this Listing Prospectus.

The purpose of pro forma financial information included in this Listing Prospectus is solely to illustrate an impact of a significant event or transaction on the Company's unadjusted financial information as if the event had occurred or the transaction was completed at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction if completed 1 January 2018 would have been as presented.

The pro forma financial information and the accompanying reports have been prepared solely for the purpose of inclusion in this Listing Prospectus prepared in accordance with the Commission Regulation. Accordingly, the pro forma financial information is not to be used for any other purposes.

Management's responsibility

Management are responsible for the proper compilation of the pro forma financial information on the basis stated and assuring that this basis is consistent with the Company's accounting policies, and that the pro forma financial information complies with the applicable criteria set out in the Commission Regulation.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by IESBA, and additional requirements applicable in Denmark, which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We are subject to International Standard on Quality Control (ISQC) 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is, in accordance with the Commission Regulation, Annex II, Section 7, to express a conclusion about whether the pro forma financial information has been properly compiled on the basis stated, and that this basis is consistent with the Company's accounting policies.

We conducted our examinations in accordance with the International Standard on Assurance Engagements (ISAE) 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", and additional requirements under Danish audit regulation. This standard requires that the auditors plan and perform procedures in order to obtain reasonable assurance as to whether the pro forma financial information, in all material respects, is properly compiled on the basis stated, and that this basis based on available data is consistent with the Company's accounting policies.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate an impact of a significant event or transaction on the Company's unadjusted financial information as if the event had occurred or the transaction was completed at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction if completed 1 January 2018 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis stated, and whether the basis is consistent with the Company's accounting policies, includes performing procedures in order to assess whether the relevant criteria used by the Management in compiling the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, as well as obtaining sufficient and appropriate evidence of whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the event or transactions in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also includes evaluating the overall presentation of the pro forma financial information.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, the pro forma financial information has, in all material respects, been properly compiled based on the applicable criteria and the basis stated on page F-9 to F-16, and this basis is consistent with the Company's accounting policies.

Hellerup, 11 June 2019

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Kim Füchsel	Lars Baungaard
State Authorised Public Accountant	State Authorised Public Accountant

Introduction to Unaudited Reclassification to DSV Statement of Accounts and Unaudited Pro Forma Financial Information for DSV and Panalpina

The unaudited pro forma financial information as at 31 December 2018 for the financial year then ended set out in section "*Part F – Financial Information - Unaudited Reclassification to DSV Statement of Accounts*" and "*Part F – Financial Information - Unaudited Pro Forma Financial Information for DSV and Panalpina*" has been compiled in accordance with the accounting policies as described in the audited consolidated financial statements of DSV for the financial year ended on 31 December 2018 and Commission Regulation, Annex I "Minimum Disclosure Requirements for the Share Registration Document, section 20.2, "Pro forma financial information" and Annex II, Pro forma financial information building block".

The unaudited pro forma financial information presents how the acquisition of Panalpina might have affected earnings and the financial position, had the acquisition been undertaken at 1 January 2018 based on information presently available and certain assumptions that Management considers to be reasonable, and has been prepared for illustrative purposes only.

The unaudited pro forma financial information has been prepared by combining like items of assets, liabilities, income and expenses using uniform accounting policies as regards the recognition and measurement and thus by performing consolidation and elimination of all significant balances and transactions between DSV and Panalpina for the period 1 January to 31 December 2018 and as at 31 December 2018. Only pro forma adjustments that are factually supportable and that can be estimated reliably have been taken into account.

The financial information of DSV and Panalpina for the financial year 2018 and as at 31 December 2018 before pro forma adjustments has been extracted from DSV's and Panalpina's consolidated IFRS financial statements for 2018. Panalpina's financial statements and pro forma adjustments have been converted to DKK by applying the exchange rate for CHF as at 1 January 2018 (1 CHF ~ 6.36) and CHF as at 31 December 2018 for balance sheet items (1 CHF ~ 6.65 DKK) and average exchange rate for CHF for 2018 for income statement items (1 CHF ~ 6.46 DKK).

The Group's acquisition of Panalpina is explained in note 19. The purchase price is allocated on acquired assets and liabilities based on their estimated fair values known at this preliminary point in time. For the purpose of the pro forma financial information, the acquisition is accounted for as if it had taken place 1 January 2018. For a more detailed description of the Panalpina transaction see "*The Combination*".

The unaudited pro forma financial information is provided for information purposes only and does not purport to represent the effect of the actual acquisition on the results of operations or financial positions had the acquisition occurred on 1 January 2018, nor is it necessarily indicative of future results of operations or financial positions of the Group. The unaudited pro forma financial information does not reflect any cost savings or other synergies that Management believes could have been achieved had the transaction been completed on the date indicated.

The pro forma financial information is prepared in two steps. First step is shown in "*Part F – Financial Information - Unaudited Reclassification to DSV Statement of Accounts*". This section includes adjustments to align Panalpina's financial statements to DSV accounting policies. The adjustments in this section compromise reclassifications and accounting policy adjustments. The accounts of Panalpina are reclassified and reversed to match the DSV accounting policy; the adjustments are described in note 1-6. Most significant accounting policy adjustment identified compromises the reversal of IFRS 16 Leases early adopted by Panalpina in 2018. The adjustment is described in detail in note 7. Finally the section "*Part F – Financial Information - Unaudited Reclassification to DSV Statement of Accounts*" is translated into DKK applying the exchange rate for CHF as at 31 December 2018 for balance sheet items and average exchange rate for CHF for 2018 for income statement items. The translation into DKK is the baseline for the second step of the pro forma financial information section "*Part F – Financial Information - Unaudited Financial Information for DSV and Panalpina*".

Second step is shown in "*Part F – Financial Information - Unaudited Financial Information for DSV and Panalpina*". This section includes fair value adjustments identified. For a more detailed explanation of the fair value adjustments reference is made to note 8-20 in section notes on unaudited pro forma financial information for DSV and Panalpina.

The presumptions used in the pro forma financials are limited to information available to external stakeholders of Panalpina. To prepare the pro forma financials, the accounting policy and financials of Panalpina have been used as baseline.

DSV have identified areas where there might be a basis for an adjustment, but for now DSV does not have the knowledge and insight to calculate such impact. Thus DSV relies on Panalpina Management estimate, as the insight, for now, is limited to the management of Panalpina. In connection with the closing, DSV will calculate the impacts of these specific areas in accordance with IFRS 3 and subsequent include the impact in the opening balances. As a consequence of the limited information, only limited reclassifications and reversal of IFRS 16 Leases recognised in the financials of Panalpina has been adjusted at this preliminary point in time.

Unaudited Reclassification to DSV Statement of Accounts

Adjustments in the unaudited reclassification to DSV statements of accounts are related to reclassifications and accounting policy adjustments and are described in note 1-7.

Income Statement Reclassified to DSV Statement of Accounts (unaudited)

INCOME STATEMENT **2018** (CHFm)	Note	**Panalpina before adjustments**	**Reclassifications to DSV presentation**	**Reversal of IFRS 16 postings**	**Panalpina adjusted**	**Panalpina adjusted (DKKm)**
Revenue		6,036			6,036	38,977
Direct costs	7	4,536		32	4,568	29,497
Gross profit		**1,500**	**-**	**(32)**	**1,468**	**9,480**
Other external expenses	7	284		94	378	2,441
Staff costs		926			926	5,980
Operating profit before amortisation and depreciation		**290**	**-**	**(126)**	**164**	**1,059**
					-	-
Amortisation and depreciation	1	-	47		47	303
Depreciation of property, plant and equipment	1	23	(23)		-	-
Depreciation of right-of-use of leased assets	7	124		(124)	-	-
Amortization of intangible assets	1	24	(24)		-	-
Operating profit		**119**	**-**	**(2)**	**117**	**756**
Financial income		3			3	19
Financial expenses	7	14		(7)	7	45
Profit before tax		**108**	**-**	**5**	**113**	**730**
Tax on profit for the year	7	32		1	33	213
Profit for the year		**76**	**-**	**4**	**80**	**517**

Balance sheet reclassified to DSV statement of accounts (unaudited)

ASSETS **2018** (CHFm)	Note	**Panalpina before adjustments**	**Reclassifications to DSV presentation**	**Reversal of IFRS 16 postings**	**Panalpina adjusted**	**Panalpina adjusted (DKKm)**
Property, plant and equipment		100			100	665
Right-of-use leased assets	7	315		(315)	-	-
Intangible assets		119			119	791
Investments and other financial assets		31			31	206

Post-employment benefit assets	2	9	(9)		-	-
Deferred income tax assets	7	68		(1)	67	446
Total non-current assets		**642**	**(9)**	**(316)**	**317**	**2,108**
Trade receivables		1,063			1,063	7,070
Contract assets		138			138	918
Other receiveables and other current assets	3	114	4		118	785
Derivative financial instruments	3	4	(4)		-	-
Cash and cash equivalents		287			287	1,909
Assets held for sale		6			6	40
Total current assets		**1,612**	**-**	**-**	**1,612**	**10,722**
Total assets		**2,254**	**(9)**	**(316)**	**1,929**	**12,830**

EQUITY AND LIABILITIES						
2018 (CHFm)	Note	**Panalpina before adjustments**	**Reclassifications to DSV presentation**	**Reversal of IFRS 16 postings**	**Panalpina adjusted**	**Panalpina adjusted (DKKm)**
Share capital		2			2	13
Treasury shares	4	(1)	1		-	-
Reserves and retained earnings	4.7	564	(1)	4	567	3,771
Total equity attributable to owners of the parent		**565**	**-**	**4**	**569**	**3,784**
Non-controlling interests		6			6	40
Total equity		**571**	**-**	**4**	**575**	**3,824**
Borrowings		154			154	1,024
Non-current lease liabilities	7	217		(217)	-	-
Non-current provisions	5	33	64		97	646
Non-current other liabilities	5	64	(64)		-	-
Post employment benefit liabilities	2	54	(9)		45	299
Deferred income tax liabilities		16			16	106
Total non-current liabilities		**538**	**(9)**	**(217)**	**312**	**2,075**
Trade payables		453			453	3,013
Contract liabilities		42			42	279
Other payables and accruals	6	143	78		221	1,471
Accrued cost of services		290			290	1,929
Borrowings		2			2	13
Current lease liabilities	7	103		(103)	-	-
Derivative financial instruments	3	1	(1)		-	-
Current provisions		19			19	126
Current other liabilities	3.6	77	(77)		-	-
Current income tax liabilities		15			15	100
Total current liabilities		**1,145**	**-**	**(103)**	**1,042**	**6,931**
Total liabilities		**1,683**	**(9)**	**(320)**	**1,354**	**9,006**

Total equity and liabilities	**2,254**	**(9)**	**(316)**	**1,929**	**12,830**

Notes on Unaudited Reclassification to DSV Statement of Accounts

Note 1 - The reclassification relates to Panalpina presenting amortisation of intangible assets and depreciation of property, plant and equipment separately in the income statement, while DSV is presenting amortisation and depreciation net in the income statement. The amounts presented by Panalpina on amortisation and depreciation of CHF 23.9 million is reclassified to the DSV line amortisation and depreciation together with the amount on depreciation of property, plant and equipment of CHF 22.7 million.

Note 2 - The reclassification relates to Panalpina showing gross post-employment benefits, while DSV showing net amount. The gross amount of post-employment benefit of CHF 9.5 million has been reclassified to post-employment benefit liabilities.

Note 3 - The reclassification relates to Panalpina presenting derivative financial instruments separately. The amount of derivative financial instruments is not considered material in the new DSV Panalpina Group, why the asset amount of CHF 4.5 million and liability amount of CHF 1.4 million is reclassified to other receivables and other current assets and other payables and accruals respectively.

Note 4 - The reclassification relates to Panalpina presenting treasury shares separately on the balance sheet. DSV is including treasury shares in the amount of reserves and retained earnings, and specifying the treasury shares in note 4.1 Equity in the annual report. The amount of treasury shares of CHF 0.7 million is therefore reclassified to reserves and retained earnings.

Note 5 – The reclassification relates to Panalpina presenting non-current other liabilities separately on the balance sheet. DSV consider these liabilities provision (e.g. employee benefit obligations), why the amount of CHF 64.4 million is reclassified to non-current provisions.

Note 6 – The reclassification relates to Panalpina presenting current other liabilities separately on the balance sheet. DSV consider these other liabilities (e.g. personnel profit participation), the amount of CHF 77.3 million is reclassified to other payables and accruals.

Note 7 - IFRS 16 Leases reversal. Panalpina has chosen to early adopt IFRS 16 Leases as from 1 January 2018, whereas DSV has implemented the standard as of 1 January 2019. The standard IFRS 16 Leases replaced IAS 17 Leases and had a material impact on the reported figures, as all leases have to be recognised in the balance sheet as a right-of-use asset and lease liability measured at the present value of future lease payment. The right-of-use asset is subsequently depreciated over the lease term in a similar way to other fixed assets, and interest on the lease liability is calculated in a similar way to finance leases under IAS 17 Leases. Consequently, the implementation of the IFRS 16 Leases standard has an impact on the presentation of the income statement and balance sheet. As a result of Panalpina's early adoption of IFRS 16 Leases the bookings have been reversed to create a standard of comparison to DSV's financial statement.

Unaudited Pro Forma Financial Information for DSV and Panalpina

The starting point for Panalpina's figures in below pro forma financial statement matches the figures shown in "*Part F. Financial Information - Unaudited Reclassification to DSV Statement of Accounts"* under headline "Panalpina Adjusted (DKKm)".

Adjustments in the pro forma adjustment column is linked to fair value assessment and purchase price allocation and are described in note 8-20.

Pro Forma Income Statement for the Year ended on 31 December 2018 (unaudited)

PRO FORMA INCOME STATEMENT **2018** (DKKm)	Note	**DSV**	**Panalpina adjusted**	**Pro forma adjustments**	**DSV Panalpina combined**
Revenue		79,053	38,977		118,030
Direct costs		61,564	29,497		91,061
Gross profit		**17,489**	**9,480**	**-**	**26,969**

Other external expenses		3,036	2,441		5,477
Staff costs		8,241	5,980		14,221
Operating profit before amortisation, depreciation and special items		**6,212**	**1,059**	**-**	**7,271**
Amortisation and depreciation	8	762	303	96	1,161
Operating profit before special items		**5,450**	**756**	**(96)**	**6,110**
Special items, costs	9	-	-	100	100
Financial income		130	19		149
Financial expenses		379	45		424
Profit before tax		**5,201**	**730**	**(196)**	**5,735**
Tax on profit for the year	10	1,213	213	(58)	1,368
Profit for the year		**3,988**	**517**	**(138)**	**4,367**

Pro Forma Balance Sheet Data as at 31 December 2018 (unaudited)

PRO FORMA ASSETS **2018** (DKKm)	Note	**DSV**	**Panalpina adjusted**	**Pro forma adjustments**	**DSV Panalpina combined**
Intangible assets	11	16,742	791	30,531	48,064
Property, plant and equipment		2,490	665		3,155
Other receivables		291	206		497
Deferred tax assets		851	446		1,297
Total non-current assets		**20,374**	**2,108**	**30,531**	**53,013**
Trade receivables		13,252	7,070		20,322
Contract assets		1,554	918		2,472
Inventories		718	-		718
Other receivables		1,662	785		2,447
Cash and cash equivalents		1,158	1,909		3,067
Assets held for sale		94	40		134
Total current assets		**18,438**	**10,722**	**-**	**29,160**
Total assets		**38,812**	**12,830**	**30,531**	**82,173**

PRO FORMA EQUITY AND LIABILITIES **2018** (DKKm)	Note	**DSV**	**Panalpina adjusted**	**Pro forma adjustments**	**DSV Panalpina combined**
Share capital	12	188	13	43	244
Reserves and retained earnings	13	14,373	3,771	30,334	48,478
DSV A/S shareholders' share of equity		**14,561**	**3,784**	**30,377**	**48,722**
Non-controlling interests		(29)	40		11
Total equity		**14,532**	**3,824**	**30,377**	**48,733**

Borrowings	14	6,593	1,024	(998)	6,619
Pensions and similar obligations		915	299		1,214
Provisions		627	646		1,273
Deferred tax liabilities	15	188	106	74	368
Total non-current liabilities		**8,323**	**2,075**	**(924)**	**9,474**
Borrowings	14	545	13	998	1,556
Trade payables		7,646	3,013		10,659
Contract liabilities	16	-	279		279
Accrued cost of services		2,813	1,929		4,742
Provisions		412	126		538
Other payables	17	4,087	1,471	110	5,668
Corporation tax	18	454	100	(30)	524
Total current liabilities		**15,957**	**6,931**	**1,078**	**23,966**
Total liabilities		**24,280**	**9,006**	**154**	**33,440**
Total equity and liabilities		**38,812**	**12,830**	**30,531**	**82,173**

Notes on Unaudited Pro Forma Financial Information for DSV and Panalpina

Note 8 – The pro forma adjustment relates to the difference between the amount of depreciations on customer relations of Panalpina in 2018 of DKK 46 million and the depreciations of intangible assets identified as part of the purchase price allocation of DKK 142 million. The pro forma adjustment of depreciations specifies as follows:

Depreciations	**DKK million**
Reversal of Panalpina customer relations depreciations	(46)
PPA Customer relations depreciations	142
Pro forma adjustments to total depreciations	**96**

The total pro forma depreciation and amortisation have been adjusted by DKK 96 million.

Note 9 – Special items costs in the pro forma financials are related to the estimated cost derived in the early stages of the transaction of DKK 100 million, and comprise cost to external advisors expected to occur during due diligence and the following M&A process. The estimated costs of DKK 100 million included in the pro forma financials, only cover a part of the total expected special items costs, and do not cover any restructuring cost or synergies. At a later point in time DSV will estimate and publish the restructuring cost and synergies expected to derive from the combination.

Note 10 – The pro forma adjustment relates to calculated tax income on pro forma adjustments to profit before tax of DKK 58 million by applying Panalpina effective tax rate of 29.6 per cent.

Note 11 - The pro forma adjustment relates to the reversal of the carrying amount of goodwill and customer relations as of 1 January 2018, including additions recognised in 2018 and the depreciations in 2018 of Panalpina. The pro forma adjustment also relates to the fair value adjustments regarding goodwill and customer relations identified in the purchase price allocation and depreciations on customer relations. Total goodwill and customer relations calculated in the purchase price calculation amounts to DKK 31,307 million, cf. note 19 for preliminary purchase price allocation.

The pro forma adjustment of intangible assets specifies as follows:

Intangible assets	**DKK million**
Reversal of Panalpina goodwill and customer relations (incl. depreciations)	(720)
Deferred tax of reversed customer relations	(42)
PPA Goodwill	30,838

PPA Customer relations	468
PPA Customer relations depreciations	(142)
PPA Customer relations deferred tax	145
Exchange rate effect	(16)
Pro forma adjustments to total intangible assets	**30,531**

Note 12 – The financing of the transaction is made through issuance of new shares, impacting the share capital of DSV and Panalpina combined. In the pro forma adjustment, it is presumed that 100 per cent of the Panalpina shareholders will accept the Exchange Offer and that the consideration is paid in shares. Thus the share capital is adjusted with DKK 56 million equal to the number of expected New Shares (offset by the DKK 13 million recognised by Panalpina). A detailed description of the transaction of Panalpina and the new shares to be issued are described in "*The Combination*" and "*The Issuance of New Shares*".

Note 13 – The pro forma adjustments to retained earnings compromise of PPA adjustments and intangible assets identified in the purchase price allocation. The pro forma adjustments to retained earnings net amount to DKK 30,334 million.

Pro forma adjustments to retained earnings	**DKK million**
PPA Customer relations deprecations note 8	(142)
Reversal Panalpina goodwill and customer relations (including depreciations), note 11	(720)
Total customer relations and goodwill identified in purchase price allocation, note 11	31,307
Share capital movements, note 12	(43)
Estimated cost of transaction, note 17	(100)
Estimated cost of issuance of new shares, note 17	(10)
Tax effect of P/L transactions	60
Exchange rate effect	(18)
Pro forma adjustments to retained earnings	**30,334**

Note 14 – In 2018, Panalpina issued a public rate bond of CHF 150 million, with a 4 year maturity and a nominal rate of 1 per cent. DSV are aware of change of control redemption requirements subsequent to the acquisition. As a consequence, a reclassification of CHF 150 million has been made, reclassifying the amount from non-current borrowings to current borrowings, as DSV intends to propose a redemption offer shortly after the Settlement.

Note 15 – The pro forma adjustment of deferred tax assets relates to the reversal of the theoretical calculated deferred tax of customer relations recognised in the Annual Report 2018 of Panalpina of DKK 42 million, the deferred tax of the customer relations identified in the purchase price allocation of DKK 144 million and tax effect depreciations of DKK 29 million. The adjustments are made based on the effective tax rate of Panalpina of 29.6 per cent.

Note 16 – Both DSV and Panalpina have implemented IFRS 15 as per 1 January 2018 without a material impact. However, Panalpina is presenting contract liabilities on a separate line in the balance sheet. DSV considers the amount immaterial, why no split is made in the Annual Report of 2018, and the amount in the pro forma financials is therefore 0 for DSV, even though DSV have equal contracts. During the preparation of the pro forma financials, the information of these contracts of Panalpina has not been available, why the amount of Panalpina contract liabilities of DKK 279 million is left as presented by Panalpina. At a later stage during the opening balance procedures, DSV will evaluate the contracts and determine the future presentation of the contract liabilities.

Note 17 - The pro forma adjustment relates to the estimated transaction cost of the Combination of DKK 100 million booked on special items (note 9), and the estimated cost related to the issuance of 56 million New shares of DKK 10 million booked directly on equity.

Note 18 - The corporation tax relates to the tax of special items cost of DKK 100 million by applying the Panalpina effective tax rate of 29.6 per cent.

Note 19 – Preliminary purchase price allocation. For the purpose of the pro forma financial information it is assumed that the acquisition of Panalpina had affected as of 1 January 2018.

The carrying amount of the assets and liabilities acquired as at 1 January 2018 are calculated as the equity of Panalpina as at 1 January 2018, i.e. DKK 3,909 million.

Carrying amount of assets and liabilities as at 1 January 2018 of Panalpina	**DKK million**
Equity before adjustments as of 1 January 2018	(3,909)
Purchase price of shares in Panalpina	34,495
Reversal of Panalpina intangibles	720
PPA Customer relations	(468)
Pro forma goodwill as of 1 January 2018	**30,838**

The purchase price is adjusted for the IFRS 16 Leases reversal explained in note 7. The reversal of goodwill and customer relations is explained in note 11.

The purchase price is calculated using the closing share price of DSV as of 7 June 2019 of DKK 611.2, as this is considered to be representative for the relevant share price subsequent to the exchange offer announcement, and Swiss Franc currency of DKK 6.67 per CHF. A change in the share price and currency has a residual effect on the calculated goodwill.

Below table shows the sensitivity of the variables:		Adjustments to currency						
		-10%	-5%	-2%	0%	2%	5%	10%
	550.0	31,041	31,043	31,044	31,045	31,045	31,047	31,048
Development in	575.0	32,450	32,452	32,453	32,454	32,455	32,456	32,458
Share price	611.2	34,491	34,493	34,494	**34,495**	34,496	34,497	34,499
	625.0	35,269	35,271	35,272	35,273	35,274	35,275	35,277
	650.0	36,679	36,680	36,682	36,682	36,683	36,684	36,686

Note 20 – DSV have identified areas where there might be a basis for an adjustment, but for now DSV do not have the knowledge or insight to calculate such impact. Thus DSV rely on Management estimate, as the insight, for now, is limited to the management of Panalpina. When reviewing and recognising the opening balances, DSV will calculate the impacts of these specific areas in accordance with IFRS 3.

Forward-looking

As previously announced in Q1 financial statement, DSV has withdrawn its outlook for 2019 to facilitate the preparation of this Listing Prospectus. Until the Combination has been completed, DSV intends not to publish or comment on any financial forecast, guidance or outlook for DSV stand-alone or in combination with Panalpina. Investors are therefore cautioned that as from 30 April 2019 DSV has no forecast, outlook or guidance outstanding, and any previous communication by DSV that implies a forecast, outlook or guidance is no longer valid. Any forecast, outlook or guidance disseminated by others may or may not be accurate.

ANNEX A – ARTICLES OF ASSOCIATION OF THE COMPANY

Name

Article 1

The name of the Company is DSV A/S.
The Company bears the secondary name De Sammensluttede Vognmænd af 13-7 1976 A/S (DSV A/S).

Objects

Article 2

The Company's objects are to carry on transport and logistics activities and corresponding activities in Denmark and abroad and to finance corresponding activities of subsidiaries through guarantees or direct cash loans.

The Company may carry on its activities either directly or through investments in other enterprises.

Capital

Article 3

The Company's share capital amounts to DKK 186,000,000.

Shares

Article 4

No shares have any special rights. The shares are issued through VP Securities A/S in the denomination of DKK 1 per share pursuant to the statutory provisions governing the issue of listed securities.

Dividends will be paid according to the rules prescribed.

Article 4a1

In the period until 8 March, 2023, the share capital may be increased through one or more issues by the issuance of new shares of a nominal value of up to DKK 37,600,000 following a resolution by the Board of Directors. The increase may be effected by payment in cash as well as in any other manner.

The shares are to be issued at market price, and the subscription is to be made without pre-emptive rights for existing shareholders. The Board of Directors may decide that the capital increase can only be subscribed for by one or more named investors, by creditors' conversion of debt, or as full or partial payment for acquisition of an existing enterprise or specific assets.

The new shares are negotiable instruments and shall have the same rights as the Company's present shares. The new shares must be registered in the names of the holders. No restrictions shall apply to the transferability of the new shares, see Article 5. The new shares shall be fully paid. The Board of Directors shall lay down any other conditions for effecting the restrictions shall apply capital increase.

Article 4a2

In the period until 8 March, 2023, the share capital may be increased through one or more issues by the issuance of new shares of a nominal value of up to DKK 37,600,000 following a resolution by the Board of Directors. The increase may be effected by payment in cash. The subscription is to be made with pre-emptive rights for existing shareholders.
The Board shall determine the subscription price.

The new shares are negotiable instruments and shall have the same rights as the Company's present shares. The new shares must be registered in the names of the holders. No to the transferability of the new shares, see Article 5. The new shares shall be fully paid. The Board of Directors shall lay down any other conditions for effecting the capital increase.

Article 4a3
In the period until 1 March 2020, the share capital may be increased through one or more instances by the issuance of new shares of a nominal value of up to DKK 56,406,250 following a resolution by the Board of Directors. The increase may only be effected by contribution of shares in Panalpina Welttransport (Holding) AG.

The shares are to be issued at market price, and the subscription is to be made without pre-emptive rights for existing shareholders. The Board of Directors may decide that the capital increase can only be subscribed for by one or more named investors as full or partial payment for acquisition of an existing enterprise or specific assets.

The new shares are negotiable instruments and shall have the same rights as the Company's present shares. The new shares must be registered in the names of the holders. No restrictions shall apply to the transferability of the new shares, see Article 5. The new shares shall be fully paid. The Board of Directors shall lay down any other conditions for effecting the capital increase.

Article 4a4
The nominal increase, which the Board of Directors may decide upon pursuant to (i) Article 4a1 and 4a2 cannot exceed DKK 37,600,000 shares in the total aggregate and (ii) Article 4a1, Article 4a2 and 4a3 cannot exceed DKK 56,406,250 in the total aggregate, provided that in case that the Board has decided to issue more than DKK 37,600,000 shares in total aggregate pursuant to Article 4a3, the authorizations pursuant to Article 4a1 and Article 4a2 cannot be used.

Article 4b
At the Company's annual general meeting on 15th 2019, the General Assembly approved the general guidelines for the Company's incentive pay for employees of DSV A/S, which is an integrated part of the Company's remuneration policy.

The remuneration policy has been published on the Company's website (www.dsv.com).

Article 4c
At the Annual General Meeting held on 12 March 2015, the Company authorised the Board of Directors of the Company to resolve on the raising of loans against issuance of convertible debt instruments (convertible loans) and/or to issue warrants and to resolve on the associated capital increase. The authorisation is valid until 12 March 2020 and comprises an aggregate nominal amount of up to DKK 25 million.

The above authorisation may be exercised through one or more issues.

The shareholders of the Company are not to have any pre-emptive rights at the exercise of this authorisation by the Board of Directors – be it in connection with the issuance of warrants or convertible debt instruments or in connection with the exercise of warrants or the conversion of debt instruments – and any convertible debt instruments or warrants are issued at a subscription, conversion or exercise price corresponding at least to the market price on the date of the resolution of the Board of Directors.

The detailed conditions for issuance of convertible debt instruments and warrants will be laid down by the Board of Directors before the date of exercise or conversion, including the conditions governing the exercise of the warrants, the loan conditions and the conditions governing the conversion of the debt instruments, and the recipient's legal position in case of capital increases, capital reductions, issuance of new warrants, issuance of new convertible debt instruments and the dissolution, merger or demerger of the Company.

According to the rules of the Companies Act applicable at any time, the Board of Directors may re- apply or re-issue any lapsed or non-exercised convertible debt instruments or warrants, provided that such re-application or re-issuance is effected on the conditions and within the time limits appearing from the above authorisation. Re-application means the right of the Board of Directors to let another contractual party become a party to an already existing agreement on warrants or right of conversion. Re-issuance means the possibility for the Board of Directors to re-issue new warrants or new convertible debt instruments under the same authorisation if those already issued have lapsed.

The Board of Directors may apply to have the convertible debt instruments admitted for listing and trading on one or more regulated markets in Denmark and abroad.

In the period until 12 March 2020, the Board of Directors is authorised to increase the share capital by a nominal amount of up to DKK 25 million through one or more issues in connection with the exercise of the authorisation to issue warrants or convertible debt instruments.

The new shares issued as a consequence of this provision must be negotiable instruments and be registered in the names of the holders. No restrictions apply to the transferability of the new shares, see Article 5.
The Board of Directors shall itself lay down the other conditions for effecting the capital increase, including the date when the rights in respect of such new shares attach.

A resolution of the Board of Directors to issue warrants or to raise convertible loans must be included in the Articles of Association. The Board of Directors is authorised to carry out the relevant necessary amendments to the Articles of Association.

Article 5
No shareholder is obliged to let his or her shares be redeemed in full or in part.
The shares of the Company are to be registered in the names of the holders and entered the Company's register of shareholders.
No restrictions apply to the transferability of the shares.

Article 5a
The Company's register of shareholders must be kept on behalf of the Company by a keeper of the register of shareholders appointed by the Board of Directors:
Computershare A/S CVR. no. 27088899

Article 6
Dividends remaining unclaimed three years after the due date accrue to the Company.

General meetings
Article 7
In its communication with the shareholders, the Company may exchange documents electronically and use electronic mail (e-mail) as specified below.

Accordingly, the Company may electronically circulate, including by e-mail, notices to shareholders convening annual or extraordinary general meetings, including the full text of proposals to amend the Articles of Association, agendas, annual reports, interim financial reports, company announcements, admission, proxy and postal voting forms, minutes of general meetings and other company-law documents relating to general meetings and any other information of a general nature from the Company to its shareholders. To the extent this is prescribed by the Companies Act or generally deemed expedient, these documents will also be published on the Company's website.

The Company undertakes to request registered shareholders to provide an electronic address to which notices, etc., can be sent. Each shareholder is responsible for ensuring that the Company is in possession of the correct electronic address. Shareholders can find detailed information on system requirements and on the procedure for using electronic communication on the Company's website.

Article 8
General meetings must be held in the Company’s registered municipality (as recorded in the IT system of the Danish Business Authority), or in Greater Copenhagen.
Notices for Annual General Meetings are sent by the Board of Directors with at least three weeks’ and no more than five weeks’ notice. Notice is sent by publication on the Company’s website and in writing to the Company's registered shareholders if they have requested written notice.
The notice convening the shareholders to annual and extraordinary general meetings must contain at least the information listed in Appendix 1 to the Articles of Association.
Not later than three weeks before each general meeting (inclusive of the date of the general meeting), the following documents and information must be made available to the shareholders on the Company’s website:

The notice with the information listed in Appendix 1 to the Articles of Association.

The total number of shares and voting rights at the date of the notice.

The documents to be presented to the general meeting; as far as annual general meetings are concerned they include the audited annual report with the audit report and any consolidated financial statements.
The agenda and the complete proposed resolutions.

If relevant, the forms to be used for voting by proxy and for voting by letter, unless such forms are sent directly to the shareholders. If these forms cannot be made available on the Company’s website for technical reasons, the Company must state on its website how to obtain the forms in hard copy. In such cases, the Company will send the forms to any shareholder who so requests. The pertaining costs will be defrayed by the Company.

Article 9
The annual general meeting must be held not later than four months after expiry of the financial year.

The agenda of the annual general meeting must include the following items:

(1) The report of the Board of Directors and Executive Board on the Company’s activities in the year under review.
(2) Presentation of the annual report with the audit report for adoption.
(3) Approval of proposed remuneration for the members of the Board of Directors for the current year.
(4) Resolution on application of profits or covering of losses as per the adopted annual report.
(5) Election of members for the Board of Directors.
(6) Election of auditor(s).
(7) Any proposed resolutions from the Board of Directors or shareholders to be considered.
(8) Any other business.

Proposals from the shareholders to be considered at the annual general meeting must be submitted in writing to the Board of Directors not later than six weeks before the date of the general meeting. If the Board of Directors receives a proposal later than six weeks before the date of a general meeting, the Board of Directors shall determine whether the proposal has been submitted in time for the item to be included in the agenda after all.

Not later than eight weeks before the contemplated date of the annual general meeting, the Board of Directors shall announce to the shareholders the contemplated date of the general meeting and the latest date for submission of requests to include a specific item in the agenda as set out above.

Article 10
An extraordinary general meeting must be held whenever requested by the Board of Directors or the auditor(s). Furthermore, an extraordinary general meeting must be convened within two weeks when requested in writing by shareholders holding not less than 5 per cent of the share capital for the transaction of specific business.

Article 11
General meetings are presided over by a chairman to be appointed by the Board of Directors. The chairman determines all issues concerning the transaction of business, including proceedings, voting and the results thereof.

The proceedings at general meetings must be recorded in a minute book to be signed by the chairman of the meeting and the attending members of the Board of Directors.

Immediately after a general meeting, the minutes of the proceedings at the general meeting or a certified copy thereof must be made available to the Company's shareholders.

Attendance and voting rights
Article 12
Shareholders holding shares in the Company on the registration date, as defined in Article 14 of the Articles of Association, are entitled to attend the general meeting, provided that they have registered their attendance no later than three days before the general meeting.
At general meetings, each shareholder holds voting rights pursuant to the following rules.

The shareholders' voting rights at general meetings of the Company or postal voting rights, see Article 13, attaching to the shareholders' shares are determined in proportion to the shares held by the shareholders on the registration date, see Article 14. Any disposal or acquisition of shares in the period between the registration date and the pertaining general meeting does not affect voting rights at the general meeting or postal voting rights for use at the general meeting.

Each share amount of DKK 1 entitles the holder to one vote at general meetings.

All resolutions at general meetings are adopted by a simple majority of votes unless otherwise prescribed by special rules of the Companies Act on representation and majority.

The Company's general meetings are open to the press.

Article 13
Shareholders are entitled to attend general meetings by proxy, who must present a written and dated proxy document. No time restrictions or other restrictions apply to proxy documents.

A proxy document may be revoked in writing by the appointing shareholder at any time.

The shareholder or the proxy may attend the general meeting together with an adviser.

Instead of voting at the actual general meeting, shareholders may choose to vote by letter, that is, vote in writing before the date of the general meeting. Shareholders who choose to vote by letter must send their postal vote to the Company so that the postal vote has been received by the Company not later than one day before the date of the general meeting. A postal vote received by the Company cannot be revoked.

Article 14
The registration date is the date one week prior to the date of the general meeting. At the end of the registration date, the shares held by each of the Company's shareholders on the registration date must be calculated. The calculation is made on the basis of registrations of shares made in the register of shareholders and duly evidenced notices to the Company about any acquisition of shares not yet registered in the register of shareholders but received by the Company before the end of the registration date. For entry into the register of shareholders and inclusion in the calculation, notices of shareholdings must be evidenced by presentation of a printout from VP Securities A/S or other similar documentation which may not be more than one month old. Such evidence must have been received by the Company before the end of the registration date.

Board of Directors

Article 15

The proceedings of the Board of Directors must be recorded in a minute book to be signed by all members present.

The Board of Directors shall elect its own chairman and deputy chairman.

The Board of Directors shall lay down specific rules of procedure regarding the discharge of its duties.

The Board of Directors may grant individual or collective powers of procuration.

Article 16

The Board of Directors appoints an Executive Board consisting of up to five members to be in charge of the day-to-day operations.

Executive Board

Article 17

The Board of Directors appoints an Executive Board consisting of up to five members to be in charge of the day-to-day operations.

Power to bind the Company

Article 18

The Company is bound by the joint signatures of the chairman or the deputy chairman of the Board of Directors and a member of the Executive Board or a member of the Board of Directors or by the joint signatures of two members of the Board of Directors and a member of the Executive Board.

Auditors

Article 19

The general meeting shall elect one or two state-authorised public accountants. Auditors are elected for a term of one year at a time. Auditors are eligible for re-election.

Financial statements

Article 20

The Company's financial year runs from 1 January to 31 December.

Article 21

Annual reports and interim reports must be prepared and presented in English in compliance with the legislation applicable at any time and with the international financial reporting standards that apply to the Company and its subsidiaries.

The Board of Directors may resolve to supplement the annual reports and interim reports of the Company with a Danish translation or a summary in Danish.

Thus, adopted on the extraordinary general meeting on 27 May 2019.

In case of discrepancy between the Danish and English version, the Danish version shall prevail.

ANNEX B – CONDITIONS FOR THE COMPANY'S EXCHANGE OFFER

The Offer Conditions are reproduced from Section 7.1 in the Offer Prospectus, which in its entirety is incorporated by reference into this Listing Prospectus. The capitalised terms set out in the text shall have the meanings ascribed to them in the Offer Prospectus.

Offer Conditions

The offer conditions are reproduced from the Exchange Offer, which is incorporated by reference. In this annex, the definitions shall have the following meanings as described in the Exchange Offer.

The Offer is subject to the following conditions (the "Offer Conditions", and each an "Offer Condition"):

a) Minimum acceptance level: Upon expiry of the (possibly extended) Main Offer Period, the Offeror shall have received valid and irrevocable declarations of acceptance for such number of Panalpina Shares which, when combined with the Panalpina Shares held by DSV and its subsidiaries (but not including the Panalpina Shares held by the Company or its subsidiaries), account for at least 80% of all Panalpina Shares that will be issued at the end of the (possibly extended) Main Offer Period.

b) Merger clearances and other approvals: All waiting periods applicable to the acquisition of the Company by the Offeror shall have expired or been terminated and all competent merger control and other authorities (including the Committee on Foreign Investment in the United States (CFIUS)) and, if applicable, courts, in all relevant jurisdictions shall have approved (or cleared, as applicable) the Offer, its Settlement and the acquisition of the Company by the Offeror, without imposing any undertaking or condition on DSV and/or the Company and/or any of their respective subsidiaries or making their approvals and/or clearance subject to the satisfaction of any condition or undertaking that, individually or together with any other condition or undertaking or other circumstances or events, in the opinion of an independent accounting firm or investment bank of international repute to be appointed by DSV ("Independent Expert"), would reasonably be capable of causing any of the following effects (each a "Material Adverse Effect") on the Company and its subsidiaries, taken as a whole, or DSV and its subsidiaries, taken as a whole:

   - a reduction of annual consolidated earnings before interest and taxes ("EBIT") by an amount of CHF 26 million (which, according to the annual report of the Company for the year ended 31 December 2018, corresponds to approximately 22% of the consolidated EBIT of the Company for the financial year 2018) or more; or
   - a reduction of annual consolidated revenue by an amount of CHF 543.2 million (which, according to the annual report of the Company for the year ended 31 December 2018, corresponds to approximately 9% of Company consolidated revenue for the financial year 2018) or more; or
   - a reduction of consolidated equity by an amount of CHF 68.5 million (which, according to the unaudited condensed consolidated balance sheet of the Company as at 31 December 2018, corresponds to approximately 12% of the Company's consolidated equity as of such date) or more.

c) No Material Adverse Effect: By the end of the (possibly extended) Main Offer Period, no circumstances shall have arisen and no events shall have occurred, and no circumstances or events shall have been reported by the Company or otherwise come to the attention of the Offeror that, considered individually or in conjunction with other requirements, obligations, circumstances or events, in the opinion of the Independent Expert, would reasonably be capable of having a Material Adverse Effect on the Company, including its direct or indirect subsidiaries.

d) Repeal of art. 5 para. 2 and art. 12 para. 2 of the Company's articles of association: A duly convened ordinary or extraordinary shareholders' meeting of the Company shall have validly resolved to repeal (i) the transfer restriction according to art. 5 para. 2 of the Company's articles of association and (ii) the voting right restriction according to art. 12 para 2 of the Company's articles of association without replacement, and these amendments of the Company's articles of association shall have been registered in the Commercial Register of the Canton of Basel-City.

e) Registration in the share register of the Company: Subject to an ordinary or extraordinary shareholders' meeting of the Company having taken the resolution according to Offer Condition d) (i) above, the board of directors of the Company shall have resolved to register DSV and/or any other company controlled and designated by DSV in the share register of the Company as shareholder(s) with voting rights with respect to all Panalpina Shares that DSV or any of its subsidiaries have acquired or may acquire, and DSV and/or any other company controlled and designated by DSV shall have been so recorded in the share register of the Company.

f) Resignation and election of the members of the board of directors of the Company: Subject to the fulfilment or waiver of all other Offer Conditions, (i) all incumbent members of the board of directors of the Company shall have resigned from their functions on the boards of directors of the Company and its subsidiaries at the latest with effect from the Settlement, and (ii) a duly convened extraordinary shareholders' meeting of the Company shall have elected the persons designated by DSV as members of the board of directors of the Company representing DSV with effect as of the Settlement (and no other person shall have been elected as member of the board of directors of the Company).

g) Capital increase of DSV: A shareholders' meeting of DSV shall have resolved on and approved an authorisation to the board of directors of DSV to decide a capital increase of DSV to create the DSV Shares to be delivered under this Offer.

h) Approval of listing prospectus: The Danish Financial Supervisory Authority shall have approved a prospectus required for the listing and admittance to trading of the DSV Shares to be delivered under this Offer.

i) Listing of DSV Shares: NASDAQ Copenhagen shall have approved the listing and admittance to trading of the DSV Shares to be delivered under this Offer.

j) No adverse resolution of the shareholders' meeting of the Company: No shareholders' meeting of the Company shall have:

  (i) resolved upon or approved any dividends or other distribution or capital reduction, or any purchase, spin-off (*Abspaltung*), transfer of assets and liabilities (*Vermögensübertragung*) or any other disposal of assets (x) with an aggregate value or for an aggregate consideration of more than CHF 225.4 million (which, according to the annual report of Panalpina for the year ended 31 December 2018, corresponds to approximately 10% of Panalpina's consolidated assets as of 31 December 2018), or (y) contributing in the aggregate more than CHF 17.8 million to the EBIT of the Company (which, according to the annual report of Panalpina for the year ended 31 December 2018, corresponds to approximately 15% of the consolidated EBIT of Panalpina for the financial year 2018);

  (ii) resolved upon or approved any merger, demerger (*Aufspaltung*) or ordinary, authorized or conditional capital increase of the Company; or

  (iii) adopted an amendment of the articles of association of the Company to introduce any transfer restrictions (*Vinkulierung*) or voting limitations (*Stimmrechtsbeschränkungen*).

k) No prohibition: No judgment, decision, order or any other authoritative measure shall have been issued that prevents, prohibits or declares illegal the Offer or its Settlement.

l) No obligation to acquire or sell material assets or to incur or repay material indebtedness: With the exception of the obligations that have been made public prior to the date of the Pre-Announcement or that are related to the Offer or arise from its Settlement, between 31 December 2018 and the transfer of control to the Offeror, the Company and its subsidiaries shall not have undertaken to acquire or sell any assets or incur or repay any indebtedness in the aggregate amount or value of more than CHF 225.4 million (which, according to the annual report of Panalpina for the year ended 31 December 2018, corresponds to approximately 10% of Panalpina's consolidated assets as of 31 December 2018).

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