

Analyst conference

Half-year 2023 results

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Half-year results: Highlights

Cost control measures accelerated amidst volume decline

Growth

- Net turnover of CHF 12.7 billion vs. CHF 20.6 billion in 2022
38% decrease
- Gross Profit of CHF 4.6 billion vs. CHF 5.9 billion in 2022
21% decrease

Profit

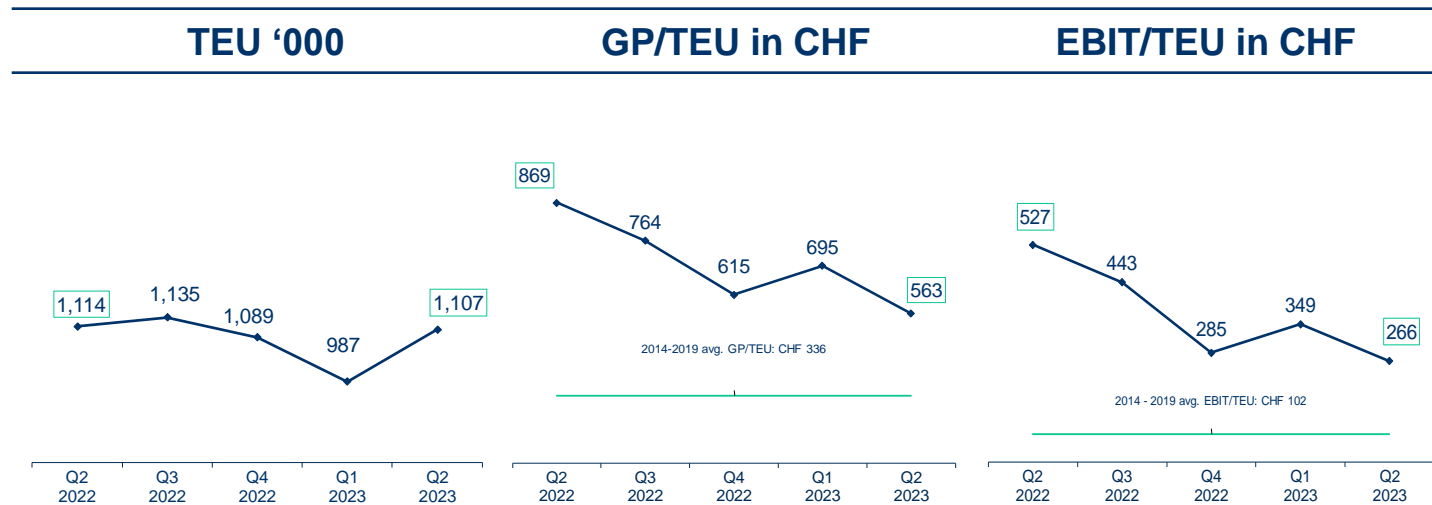
- EBIT of CHF 1,135 million vs. CHF 2,195 million in 2022
48% decrease
- Earnings per share of CHF 7.21 vs. CHF 12.90 per share in 2022
44% decrease
- Conversion Rate of 24% vs. 37% in 2022

Cash

- Free Cash Flow of CHF 497 million vs. CHF 1,711 million in 2022
71% decrease
- Cash and cash equivalents of CHF 2,021 million

Sea Logistics

Cost measures and mix effects support results

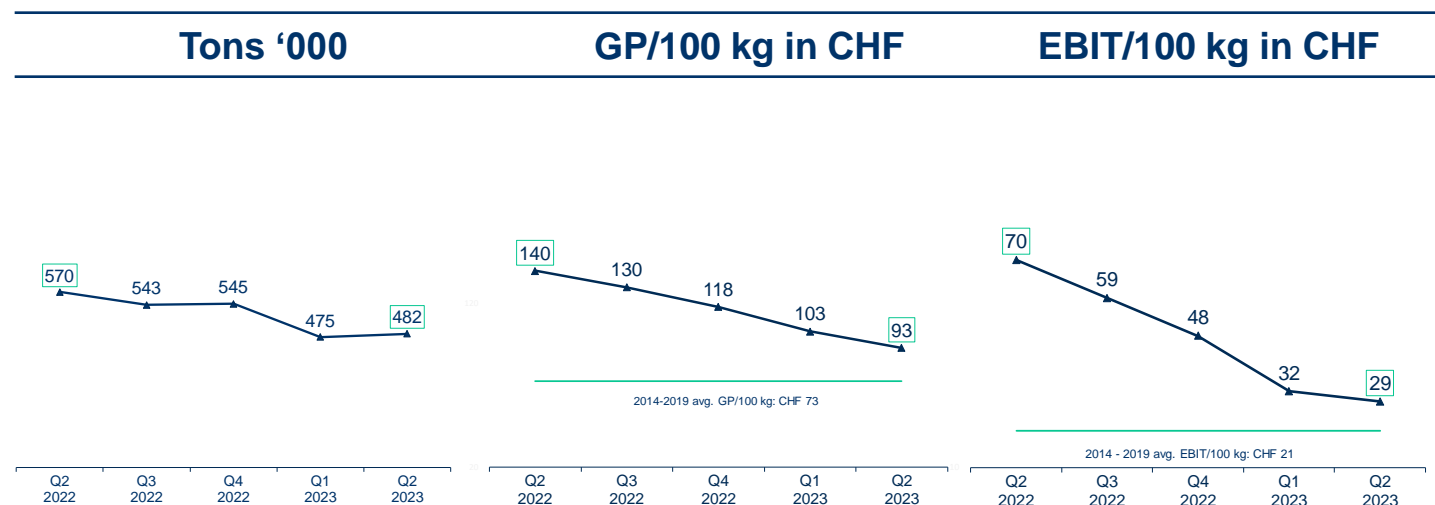


- Focus on continued long-term shift toward higher-yielding volumes
- Intensified cost measures result in 13% year-over-year reduction in cost per TEU in Q2
- Volume showing signs of recovery
- Increased market share centred in Transpacific gains

In CHF million	Q2 2023	Q2 2022	Variance	YTD 2023	YTD 2022	Variance
Gross profit	623	968	(36%)	1,309	1,942	(33%)
EBIT	295	587	(50%)	639	1,208	(47%)
Conversion rate	47%	61%		49%	62%	

Air Logistics

Focus on cost management accelerated



- Accelerated cost reduction programs drove down cost per 100kg by 9% year-over-year in Q2
- Volume decline in line with market development
- Acquisition of Morgan Cargo expected to close in Q3 2023

In CHF million	Q2 2023	Q2 2022	Variance	YTD 2023	YTD 2022	Variance
Gross profit	449	796	(44%)	937	1,613	(42%)
EBIT	139	401	(65%)	293	826	(65%)
Conversion rate	31%	50%		31%	51%	

Road Logistics

Increased conversion rate

In CHF million	Q2 2023	Q2 2022	Variance	YTD 2023	YTD 2022	Variance
Net turnover	917	1,051	(13%)	1,873	2,033	(8%)
Gross profit	335	355	(6%)	684	684	-
EBIT	41	50	(18%)	93	80	16%
Conversion rate	12%	14%		14%	12%	

- Stable volume development and high network utilisation
- Gross profit increase of 5% excluding foreign exchange effects
- Conversion rate increase to 14% from 12%

Contract Logistics

Strong performance with record EBIT

In CHF million	Q2 2023	Q2 2022	Variance	YTD 2023	YTD 2022	Variance
Net turnover	1,210	1,232	(2%)	2,473	2,405	3%
Gross profit	848	837	1%	1,719	1,659	4%
EBIT	48	37	30%	110*	81	36%
Conversion rate	6%	4%		6%	5%	

* Includes CHF 9 million one-off profit from sale of real estate (Q1:23)

- Market share expansion in pharma and e-commerce
- Evidence of destocking in H1 2023
- Gross profit growth of 9% excluding foreign exchange effects

Roadmap 2026

Update Q2 2023

- **Rolled out new e-commerce offerings in pilot markets**
First customers onboarded for new shared fulfilment centre, cross-border, and integrated last mile offerings tailored to SME customers
- **Launched dedicated sales coverage for Japanese and Korean customers**
CEO and three business unit heads met with over 100 customers in Japan and Korea
- **Won major contract in Semicon business growth area**
Awarded significant Air Logistics contract with a leading semiconductor equipment manufacturer, including the use of sustainable aviation fuel (SAF)
- **Achieved more progress on carbon reduction initiatives**
Real-time dashboard for scope 1 & 2 emissions in 800 Kuehne + Nagel offices and warehouses; agreement to purchase 6m litres of SAF from IAG Cargo



Financial KPIs

Income Statement

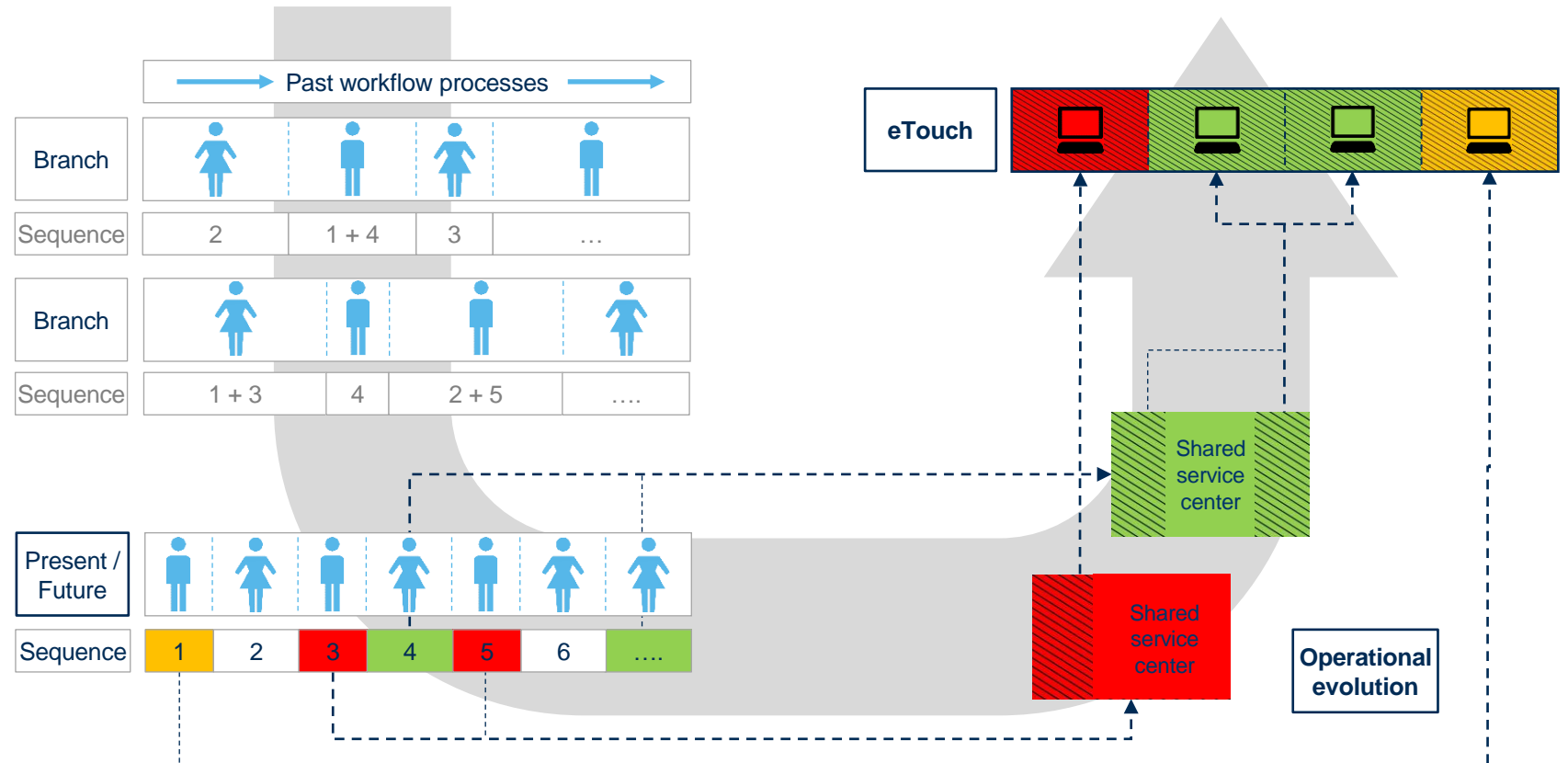
Quarter over quarter comparison

CHF million	2022 Q1	2022 Q2	2022 YTD	2023 Q1	2023 Q2	2023 YTD	Variance			YTD Variance in %			
							2023/2022	Q1	Q2	2023/2022	Growth	Acquisition/ disposal	Forex ¹
Net turnover	10,158	10,473	20,631	6,748	5,973	12,721	(7,910)	(3,410)	(4,500)	(38.3%)	(34.8%)	(0.3%)	(3.2%)
Gross profit	2,942	2,956	5,898	2,394	2,255	4,649	(1,249)	(548)	(701)	(21.2%)	(16.8%)	(0.5%)	(3.9%)
Gross profit margin	29.0%	28.2%	28.6%	35.5%	37.8%	36.5%							
EBITDA	1,306	1,274	2,580	803	715	1,518	(1,062)	(503)	(559)	(41.2%)	(38.8%)	0.5%	(2.9%)
EBITDA margin	12.9%	12.2%	12.5%	11.9%	12.0%	11.9%							
EBIT	1,120	1,075	2,195	612	523	1,135	(1,060)	(508)	(552)	(48.3%)	(46.8%)	1.1%	(2.6%)
Conversion rate	38.1%	36.4%	37.2%	25.6%	23.2%	24.4%							
EBT	1,128	1,086	2,214	628	549	1,177	(1,037)	(500)	(537)	(46.8%)	(45.2%)	1.1%	(2.7%)
Earnings	832	796	1,628	462	398	860	(768)	(370)	(398)	(47.2%)	(42.5%)	1.2%	(5.9%)
Non-controlling interests	(49)	(42)	(91)	(6)	2	(4)	87	43	44				
Net earnings	783	754	1,537	456	400	856	(681)	(327)	(354)	(44.3%)	(39.3%)	1.2%	(6.2%)

- Significant translation impact due to decline of EUR (4.2%) and USD (2.5%) vs. CHF
- Cost control yields first results

eTouch impact

- Standardises workflow and activity sequencing
- Centralises some tasks
- Creates opportunities for further digitisation and automation
- Impact: expands our front-line capacity to handle more volume and provide extraordinary customer service



eTouch progress: further automation expansion in H1 2023



- Annualised staff-hour improvement in H1 centered in Documentation automation
- Run-rate staff-hour savings nearly 1.7m hours at mid-year or +10% vs. 2022
- CR impact of 2.6pp vs. 2.0pp six months ago: greater efficiencies on a lower gross profit base

Air Logistics (AL) workflow area*	hours saved (000)	CHF cents / 100kg	AL CR impact
Customer quotation, booking and status	440	70	0.7pp
Carrier and supplier communication	10	- - -	- - -
Documentation	450	75	0.7pp
Invoicing	760	125	1.2pp
Total	1,660	270	2.6pp

*Core Air Logistics operational workflow categories. All figures relate to KN H1 2023 operations, wages and volume development excluding Apex Logistics.

Working Capital

Focus on DSO – DPO spread

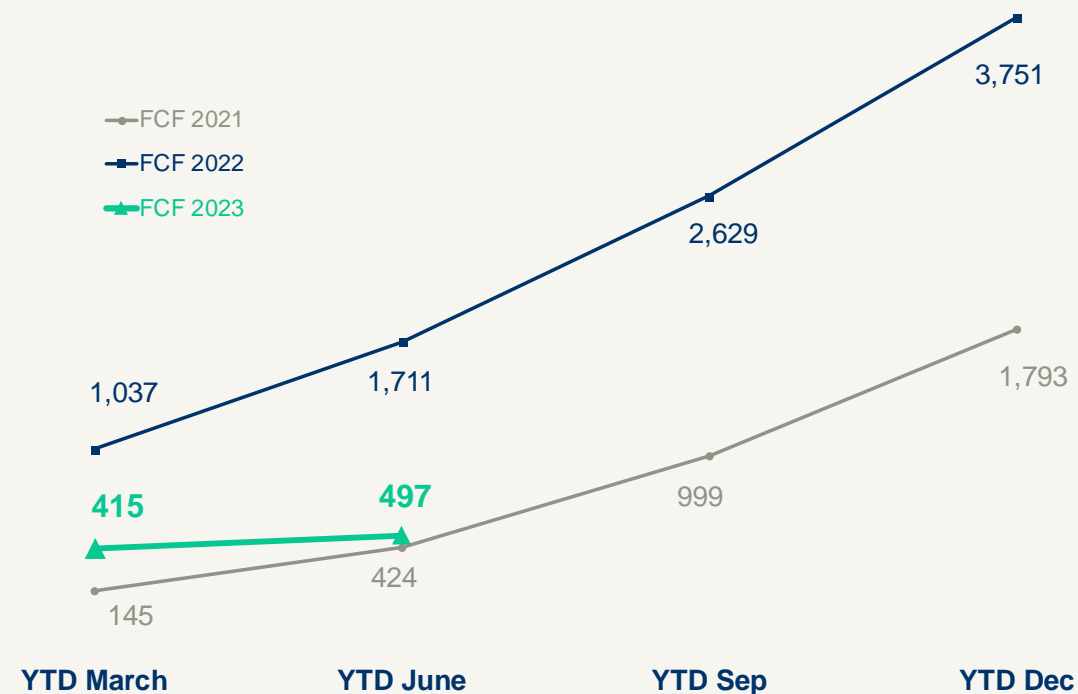
CHF million	June 30, 2022	December 31, 2022	June 30, 2023	Better/(worse) Dec 2022 vs. Jun 2023
Trade receivables/contract assets	7,490	6,027	4,472	1,555
Trade payables/accrued trade expenses/contract liabilities	(5,621)	(4,987)	(3,731)	(1,256)
Net working capital	1,869	1,040	741	299
KPIs:				
Working capital intensity	4.1%	2.7%	2.8%	(0.1%)
DSO	53.3	51.0	55.4	(4.4)
DPO	57.1	60.0	68.1	8.1
Δ	3.8	9.1	12.7	3.6

Cash and Free Cash Flow

Strong cash conversion

CHF million	YTD 2022	YTD 2023	Variance
Cash and cash equivalents January 1, net	2,300	3,770	1,470
Cash flow from operating activities	2,041	827	(1,214)
Cash flow from investing activities	(88)	(61)	27
Repayment of lease liabilities	(257)	(270)	(13)
Dividend paid	(1,247)	(1,663)	(416)
Purchase of treasury shares	(555)	(517)	38
Others	(11)	(11)	-
Total cash flow from financing activities	(2,070)	(2,461)	(391)
Exchange difference on cash and cash equivalents	-	(54)	(54)
Increase/(decrease) in cash and cash equivalents	(117)	(1,749)	(1,632)
Cash and cash equivalents June 30, net	2,183	2,021	(162)

In CHF million

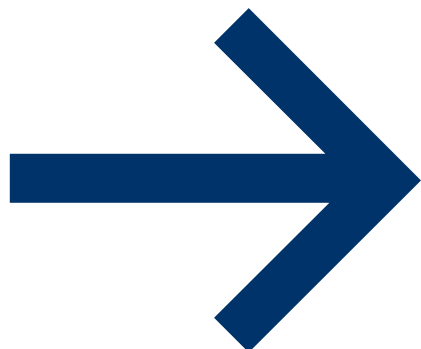


Key takeaways:

1. Solid Q2 2023 results
2. Cost control shows first results
3. Volume development as expected
4. Active yield and portfolio management continues
5. Roadmap 2026 initiatives underway

Inspire. Empower. Deliver.





Upcoming events

05.10. - 25.10.2023

25.10.2023

Closed period

Nine-months 2023 results

02.01. - 01.03.2024

01.03.2024

Closed period

Full-year 2023 results

03.04. - 23.04.2024

23.04.2024

Closed period

Three-months 2024 results

08.05.2024

Annual General Meeting

03.07. - 23.07.2024

23.07.2024

Closed period

Half-year 2024 results

03.10. - 23.10.2024

23.10.2024

Closed period

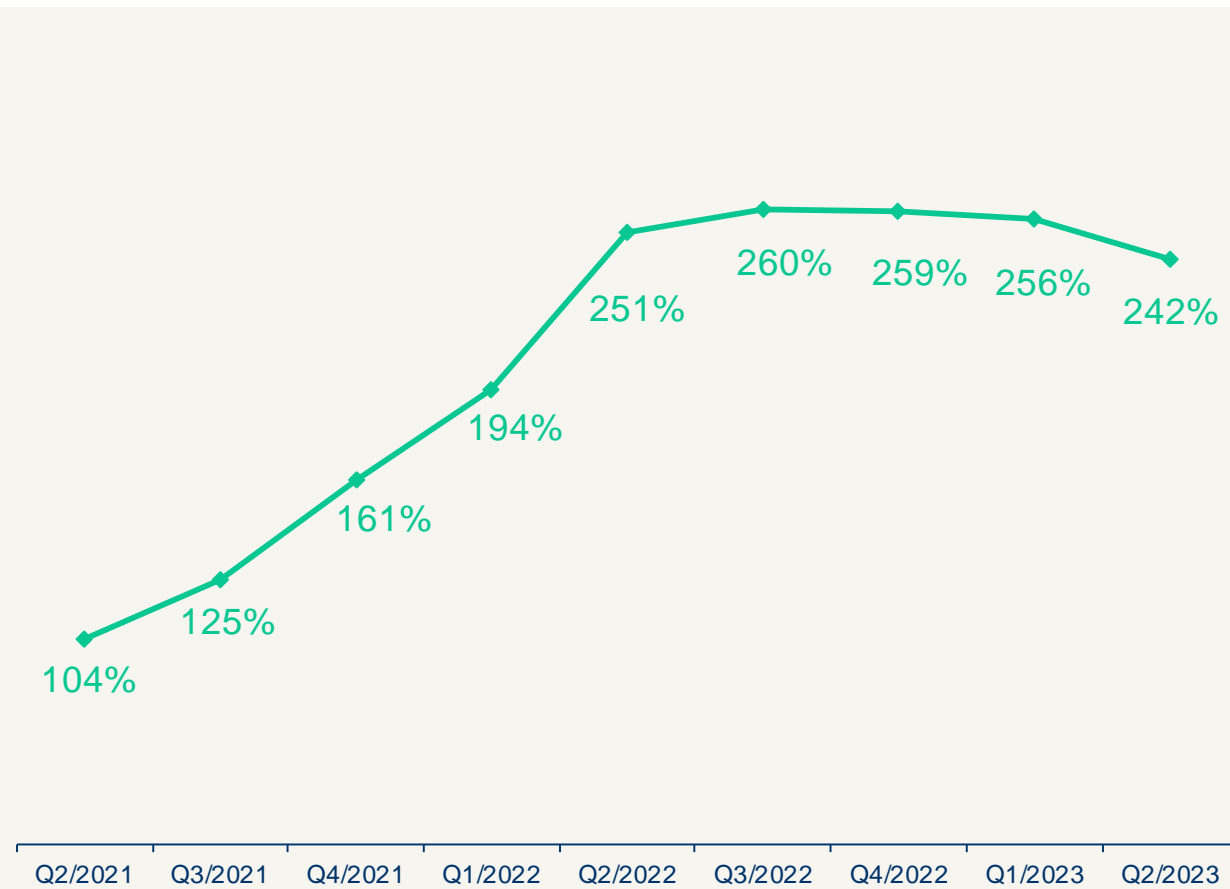
Nine-months 2024 results

Balance Sheet

Building on the strong foundation

CHF million	December 31, 2022	June 30, 2023		December 31, 2022	June 30, 2023
Assets			Equity and Liabilities		
			Equity attributable to the equity holders of the parent company	4,140	2,665
Property, plant and equipment	739	741	Non-controlling interests	7	7
Right-of-use assets	1,418	1,482	Total equity	4,147	2,672
Goodwill	2,199	2,096	Non-current lease liabilities	1,026	1,076
Other intangibles	180	146	Others	1,768	1,453
Others	257	245	Non-current liabilities	2,794	2,529
Non-current assets	4,793	4,710	Trade payables	2,731	2,090
			Contract liabilities	280	243
Trade receivables	5,291	3,970	Accrued trade expenses	1,976	1,397
Contract assets	540	339	Bank and other interest-bearing liabilities	8	9
Cash and cash equivalents	3,778	2,030	Current lease liabilities	466	488
Others	349	470	Others	2,349	2,091
Current assets	9,958	6,809	Current liabilities	7,810	6,318
Assets	14,751	11,519	Equity and Liabilities	14,751	11,519

ROCE



Calculation: last four quarters EBIT (rolling EBIT) divided by the average of the last four quarters capital employed (rolling capital employed); capital employed: assets and liabilities excluding investments in joint ventures and associates, deferred tax assets and liabilities, income tax receivables and liabilities, borrowings, cash and cash equivalents

Quarter-over-quarter 2023/2022

Sea and Air Logistics

CHF million	2023			2022			Change in %			Change in mCHF		
	Q1	Q2	TOTAL	Q1	Q2	TOTAL	Q1	Q2	TOTAL	Q1	Q2	TOTAL
Sea Logistics												
Income Statement												
Turnover	3,025	2,548	5,573	5,363	5,457	10,820	(43.6)	(53.3)	(48.5)	(2,338)	(2,909)	(5,247)
Net Turnover	2,667	2,192	4,859	4,857	5,012	9,869	(45.1)	(56.3)	(50.8)	(2,190)	(2,820)	(5,010)
Gross Profit	686	623	1,309	974	968	1,942	(29.6)	(35.6)	(32.6)	(288)	(345)	(633)
Opex	(336)	(320)	(656)	(343)	(369)	(712)	+2.0	+13.3	+7.9	7	49	56
EBITDA	350	303	653	631	599	1,230	(44.5)	(49.4)	(46.9)	(281)	(296)	(577)
Depreciation and Amortisation	(6)	(8)	(14)	(10)	(12)	(22)	+40.0	+33.3	+36.4	4	4	8
EBIT	344	295	639	621	587	1,208	(44.6)	(49.7)	(47.1)	(277)	(292)	(569)
KPI												
EBIT / GP conversion rate	50.1%	47.4%	48.8%	63.8%	60.6%	62.2%						
Volume (TEUs '000)	987	1,107	2,094	1,048	1,114	2,162	(5.8)	(0.6)	(3.1)	(61)	(7)	(68)
GROSS PROFIT	695	563	625	929	869	898	(25.2)	(35.2)	(30.4)	(234)	(306)	(273)
EXPENSES	(346)	(297)	(320)	(336)	(342)	(339)	(3.0)	+13.2	+5.6	(10)	45	19
EBIT	349	266	305	593	527	559	(41.1)	(49.5)	(45.4)	(244)	(261)	(254)
Air Logistics												
Income Statement												
Turnover	2,009	1,783	3,792	3,303	3,348	6,651	(39.2)	(46.7)	(43.0)	(1,294)	(1,565)	(2,859)
Net turnover	1,862	1,654	3,516	3,146	3,178	6,324	(40.8)	(48.0)	(44.4)	(1,284)	(1,524)	(2,808)
Gross Profit	488	449	937	817	796	1,613	(40.3)	(43.6)	(41.9)	(329)	(347)	(676)
Opex	(316)	(293)	(609)	(373)	(374)	(747)	+15.3	+21.7	+18.5	57	81	138
EBITDA	172	156	328	444	422	866	(61.3)	(63.0)	(62.1)	(272)	(266)	(538)
Depreciation and Amortisation	(18)	(17)	(35)	(19)	(21)	(40)	+5.3	+19.0	+12.5	1	4	5
EBIT	154	139	293	425	401	826	(63.8)	(65.3)	(64.5)	(271)	(262)	(533)
KPI												
EBIT / GP conversion rate	31.6%	31.0%	31.3%	52.0%	50.4%	51.2%						
Volume (Tons '000)	475	482	957	574	570	1,144	(17.2)	(15.4)	(16.3)	(99)	(88)	(187)
GROSS PROFIT	103	93	98	142	140	141	(27.5)	(33.6)	(30.5)	(39)	(47)	(43)
EXPENSES	(71)	(64)	(67)	(68)	(70)	(69)	(4.4)	+8.6	+2.9	(3)	6	2
EBIT	32	29	31	74	70	72	(56.8)	(58.6)	(56.9)	(42)	(41)	(41)

Quarter-over-quarter 2023/2022

Road and Contract Logistics

CHF million	2023			2022			Change in %			Change in mCHF		
	Q1	Q2	TOTAL	Q1	Q2	TOTAL	Q1	Q2	TOTAL	Q1	Q2	TOTAL
Road Logistics												
Income Statement												
Turnover	1,101	1,054	2,155	1,124	1,196	2,320	(2.0)	(11.9)	(7.1)	(23)	(142)	(165)
Net Turnover	956	917	1,873	982	1,051	2,033	(2.6)	(12.7)	(7.9)	(26)	(134)	(160)
Gross Profit	349	335	684	329	355	684	+6.1	(5.6)	-	20	(20)	-
Opex	(283)	(280)	(563)	(284)	(290)	(574)	+0.4	+3.4	+1.9	1	10	11
EBITDA	66	55	121	45	65	110	+46.7	(15.4)	+10.0	21	(10)	11
Depreciation and Amortisation	(14)	(14)	(28)	(15)	(15)	(30)	+6.7	+6.7	+6.7	1	1	2
EBIT	52	41	93	30	50	80	+73.3	(18.0)	+16.3	22	(9)	13
KPI												
EBITDA / Net turnover	6.9%	6.0%	6.5%	4.6%	6.2%	5.4%						
EBIT / GP conversion rate	14.9%	12.2%	13.6%	9.1%	14.1%	11.7%						
EBIT / Net turnover	5.4%	4.5%	5.0%	3.1%	4.8%	3.9%						
Contract Logistics												
Income Statement												
Turnover	1,392	1,315	2,707	1,300	1,378	2,678	+7.1	(4.6)	+1.1	92	(63)	29
Net turnover	1,263	1,210	2,473	1,173	1,232	2,405	+7.7	(1.8)	+2.8	90	(22)	68
Gross Profit	871	848	1,719	822	837	1,659	+6.0	+1.3	+3.6	49	11	60
Opex	(656)	(647)	(1,303)	(636)	(649)	(1,285)	(3.1)	+0.3	(1.4)	(20)	2	(18)
EBITDA	215	201	416	186	188	374	+15.6	+6.9	+11.2	29	13	42
Depreciation and Amortisation	(153)	(153)	(306)	(142)	(151)	(293)	(7.7)	(1.3)	(4.4)	(11)	(2)	(13)
EBIT	62	48	110	44	37	81	+40.9	+29.7	+35.8	18	11	29
KPI												
EBITDA / Net turnover	17.0%	16.6%	16.8%	15.9%	15.3%	15.6%						
EBIT / GP conversion rate	7.1%	5.7%	6.4%	5.4%	4.4%	4.9%						
EBIT / Net turnover	4.9%	4.0%	4.4%	3.8%	3.0%	3.4%						

Quarter-over-quarter 2023/2022

Kuehne+Nagel Group

CHF million	2023			2022			Change in %			Change in mCHF		
	Q1	Q2	TOTAL	Q1	Q2	TOTAL	Q1	Q2	TOTAL	Q1	Q2	TOTAL
Kuehne+Nagel Group												
Income Statement												
Turnover	7,527	6,700	14,227	11,090	11,379	22,469	(32.1)	(41.1)	(36.7)	(3,563)	(4,679)	(8,242)
Customs duties and taxes	(779)	(727)	(1,506)	(932)	(906)	(1,838)	+16.4	+19.8	+18.1	153	179	332
Net Turnover	6,748	5,973	12,721	10,158	10,473	20,631	(33.6)	(43.0)	(38.3)	(3,410)	(4,500)	(7,910)
Net expenses for services from 3rd parties	(4,354)	(3,718)	(8,072)	(7,216)	(7,517)	(14,733)	+39.7	+50.5	+45.2	2,862	3,799	6,661
Gross Profit	2,394	2,255	4,649	2,942	2,956	5,898	(18.6)	(23.7)	(21.2)	(548)	(701)	(1,249)
Opex	(1,591)	(1,540)	(3,131)	(1,636)	(1,682)	(3,318)	+2.8	+8.4	+5.6	45	142	187
EBITDA	803	715	1,518	1,306	1,274	2,580	(38.5)	(43.9)	(41.2)	(503)	(559)	(1,062)
Depreciation and Amortisation	(191)	(192)	(383)	(186)	(199)	(385)	(2.7)	+3.5	+0.5	(5)	7	2
EBIT	612	523	1,135	1,120	1,075	2,195	(45.4)	(51.3)	(48.3)	(508)	(552)	(1,060)
Result from finance and associates	16	26	42	8	11	19				8	15	23
EBT	628	549	1,177	1,128	1,086	2,214	(44.3)	(49.4)	(46.8)	(500)	(537)	(1,037)
Income tax	(166)	(151)	(317)	(296)	(290)	(586)	+43.9	+47.9	+45.9	130	139	269
Earnings	462	398	860	832	796	1,628	(44.5)	(50.0)	(47.2)	(370)	(398)	(768)
Non-controlling interests	(6)	2	(4)	(49)	(42)	(91)				43	44	87
Net Earnings	456	400	856	783	754	1,537	(41.8)	(46.9)	(44.3)	(327)	(354)	(681)
KPI												
EBIT / GP conversion rate	25.6%	23.2%	24.4%	38.1%	36.4%	37.2%						
GP / Net turnover	35.5%	37.8%	36.5%	29.0%	28.2%	28.6%						
EBITDA / Net turnover	11.9%	12.0%	11.9%	12.9%	12.2%	12.5%						
EBIT / Net turnover	9.1%	8.8%	8.9%	11.0%	10.3%	10.6%						
EBT / Net turnover	9.3%	9.2%	9.3%	11.1%	10.4%	10.7%						
Earnings / Net turnover	6.8%	6.7%	6.8%	8.2%	7.6%	7.9%						

Disclaimer

Forward-looking statements

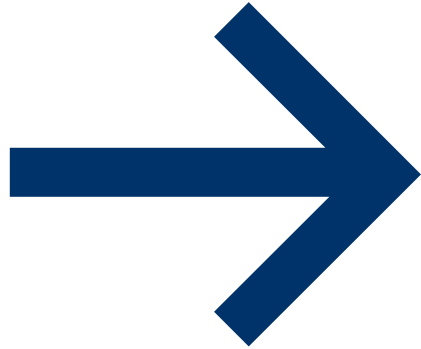
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