

Analyst conference

First quarter 2024 results

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Kuehne + Nagel International AG

April 23, 2024

First quarter earnings lower

Profits stabilised through yield and cost control

Growth

- Net turnover of CHF 5.5 billion vs. CHF 6.7 billion in 2023 (-18%)
- Gross Profit of CHF 2.1 billion vs. CHF 2.4 billion in 2023 (-13%)

Profit

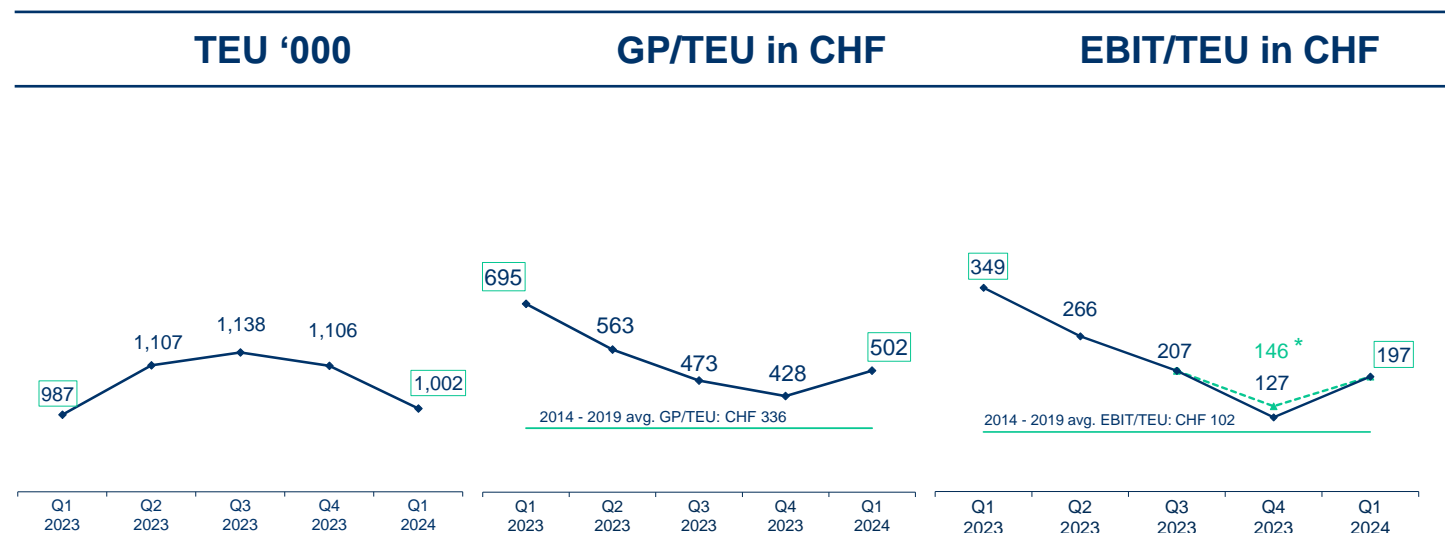
- EBIT of CHF 376 million vs. CHF 612 million in 2023 (-39%)
- Earnings per share of CHF 2.31 vs. CHF 3.83 per share in 2023 (-40%)
- Conversion Rate of 18% vs. 26% in 2023

Cash

- Free Cash Flow of CHF -78 million
- Cash and cash equivalents of CHF 1,774 million

Sea Logistics

Effective yield management drives result



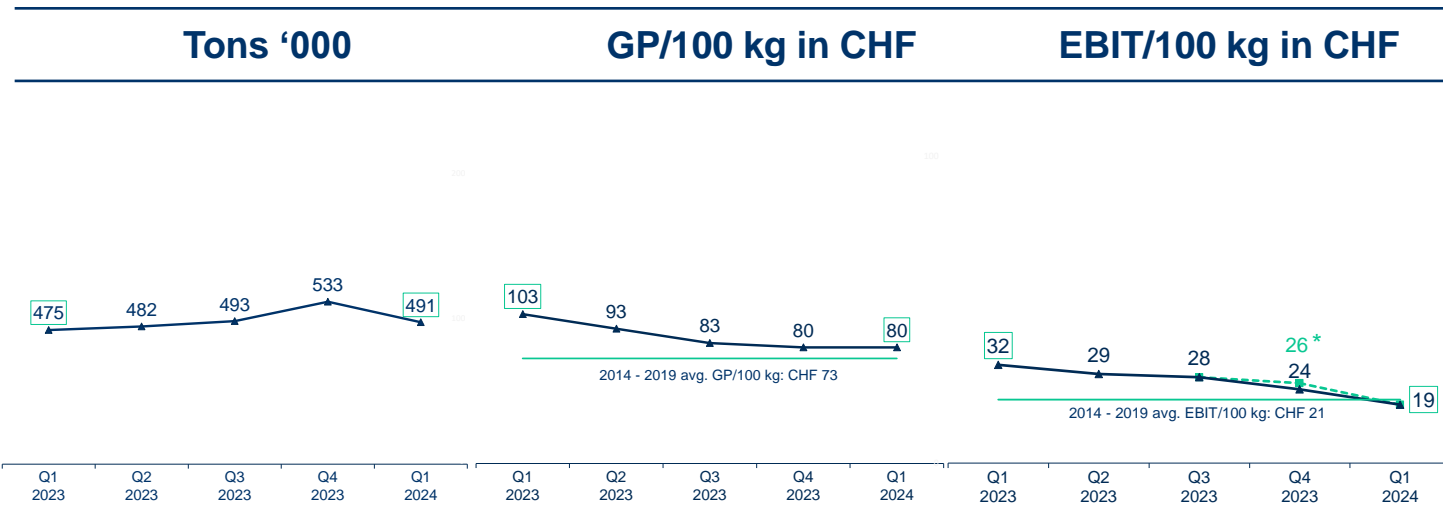
* Excluding restructuring one-off cost of CHF 21 million in Q4 2023

In CHF million	Q1 2024	Q1 2023	Variance
Gross profit	503	686	(27%)
EBIT	197	344	(43%)
Conversion rate	39%	50%	

- Stable market share with growth focused on higher-yielding business
- Continued recovery of volumes on Transpac and Americas trades
- Cost per TEU down by 12% year-over-year

Air Logistics

Prioritising yield over volume



* Excluding restructuring one-off of CHF 14 million in Q4 2023

In CHF million	Q1 2024	Q1 2023	Variance
Gross profit	392	488	(20%)
EBIT	94	154	(39%)
Conversion rate	24%	32%	

- Maintaining market share in hard cargo segment excluding e-commerce
- Focus on yield management will continue
- Volume growth in perishables
- Ongoing cost reduction measures

Road Logistics

Headwinds in key markets

In CHF million	Q1 2024	Q1 2023	Variance
Net turnover	860	956	(10%)
Gross profit	325	349	(7%)
EBIT	30	52	(42%)
Conversion rate	9%	15%	

- Stable market share with shipment volumes broadly unchanged excluding day-count effects
- Gross profit -3% excluding currency headwinds
- Consolidation of Farrow Group effective February 2024
- Acquisition of City Zone Express in February 2024, closing expected in Q2 2024

Contract Logistics

Resilient model delivers stable result

In CHF million	Q1 2024	Q1 2023	Variance
Net turnover	1,139	1,263	(10%)
Gross profit	856	871	(2%)
EBIT	55	62*	(11%)
Conversion rate	6%	7%	

* Includes CHF 9 million one-off profit from sale of real estate in Q1 2023

- Market share expanding in healthcare and e-commerce
- Q1 gross profit +2% excluding currency effects
- Significant negative currency effect of 3% on EBIT
- Major Adidas Southern European distribution center now operational

Roadmap 2026

Update Q1 2024

- **Kuehne+Nagel Experience: Implementing plans to enhance Customer and Employee Experience**

Started country action plans based on the group-wide surveys for Customer and Employee Experience
Closer customer proximity through streamlined organisational structure

- **Market Potential: Further expanded service offering in strategic growth areas**

Acquired City Zone Express to strengthen cross-border service offering in Asia; closed acquisition of customs broker Farrow; introduced Road Logistics MedTech service in Germany; won more renewable energy customers

- **Digital Ecosystem: Ongoing effort to make our data more actionable and to leverage AI to drive efficiencies**

Further development of cloud-based data platform and Digital Twin; rolled out global AI Copilot Webchat; expanded portfolio of (Gen)AI use cases to drive customer experience and process efficiencies is under development

- **Living ESG: Rolled out more tangible sustainable customer solutions and social impact initiatives**

Launched Book & Claim solution for electric trucks in Road Logistics and increased the number of customers using HVO solutions; started to roll out global community support framework and policy as part of social impact initiatives



Financial KPIs

Income Statement

Quarter over quarter comparison

CHF million	2024 Q1	2023 Q1	Variance		YTD Variance in %		
			2024/2023	2024/2023	Growth	Acquisition/di sposal	Forex ¹
Net turnover	5,508	6,748	(1,240)	(18.4%)	(14.8%)	0.8%	(4.4%)
Gross profit	2,076	2,394	(318)	(13.3%)	(9.8%)	0.8%	(4.3%)
Gross profit margin	37.7%	35.5%					
EBITDA	576	803	(227)	(28.3%)	(25.2%)	0.6%	(3.7%)
EBITDA margin	10.5%	11.9%					
EBIT	376	612	(236)	(38.6%)	(36.0%)	0.7%	(3.3%)
Conversion rate	18.1%	25.6%					
EBT	370	628	(258)	(41.1%)	(38.7%)	0.6%	(3.0%)
Earnings	278	462	(184)	(39.8%)	(37.4%)	0.6%	(3.0%)
Non-controlling interests	(5)	(6)	1				
Net earnings	273	456	(183)	(40.1%)	(37.7%)	0.7%	(3.1%)

¹ Foreign currency translation impact

- Significant translation impact due to decline of EUR (4.2%) and USD (5.8%) vs. CHF
- Cost control measures show first effects in reduced cost per unit in Sea and Air Logistics

Working Capital

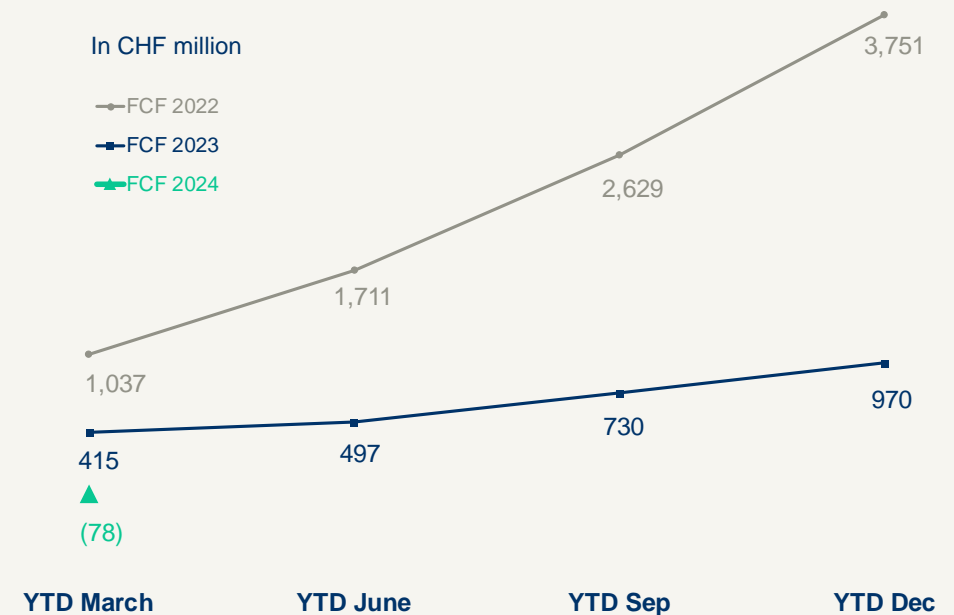
Focus on DSO – DPO spread

CHF million	March 31, 2024	December 31, 2023	March 31, 2023	Better/(worse) Mar 2024 vs. Dec 2023
Trade receivables/contract assets	4,410	4,006	5,032	(404)
Trade payables/accrued trade expenses/contract liabilities	(3,420)	(3,238)	(4,136)	182
Net working capital	990	768	896	(222)
KPIs:				
Working capital intensity	4.1%	3.0%	3.0%	(1.0%)
DSO	61.3	53.3	55.5	(8.0)
DPO	73.7	64.7	67.0	9.0
Δ	12.4	11.4	11.5	1.0

Cash and Free Cash Flow

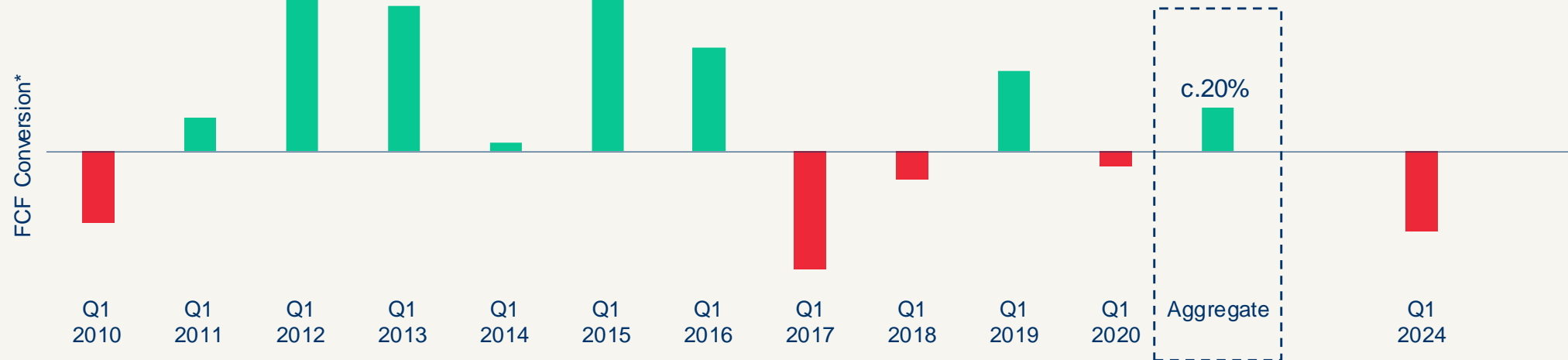
Improvements throughout the quarters

CHF million	YTD 2024	YTD 2023	Variance
Cash and cash equivalents January 1, net	2,008	3,770	(1,762)
Cash flow from operating activities	175	575	(400)
Cash flow from investing activities	(259)	(25)	(234)
Repayment of lease liabilities	(140)	(136)	(4)
Dividends paid	-	(1)	1
Purchase of treasury shares	(29)	(206)	177
Others	(9)	(5)	(4)
Total cash flow from financing activities	(178)	(348)	170
Exchange difference on cash and cash equivalents	28	(12)	40
Increase/(decrease) in cash and cash equivalents	(234)	190	(424)
Cash and cash equivalents March 31, net	1,774	3,960	(2,186)



Historic Free Cash Conversion in Q1

Average 2010 - 2020 FCF conversion c.20%



Non-seasonal factors impacting Q1 2024 Free Cash Flow conversion:

- Red Sea impact on core Net Working Capital (no additional comparable pressure anticipated)
- CHF 55m of non-core capex
- Earlier last collection day in March due to timing of Easter
- Redundancy program cash outflows and some early phasing of bonus payments

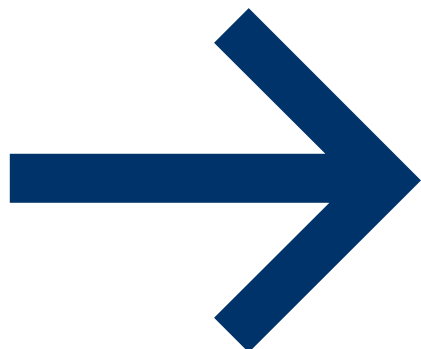
*FCF excluding disposal gains as a % of reported net income before minorities and non-recurring items.

Key takeaways:

- 1. Positive volume development continues**
- 2. Intensified cost measures**
- 3. Streamlining of organisational structure**
- 4. Strengthening of customer proximity**
- 5. Active yield and portfolio management**
- 6. Confirm focus on Roadmap 2026 initiatives**

Inspire. Empower. Deliver.





Upcoming events

08.05.2024

Annual General Meeting

03.07. - 23.07.2024

Closed period

23.07.2024

Half-year 2024 results

03.10. - 23.10.2024

Closed period

23.10.2024

Nine-months 2024 results

02.01. - 04.03.2025

Closed period

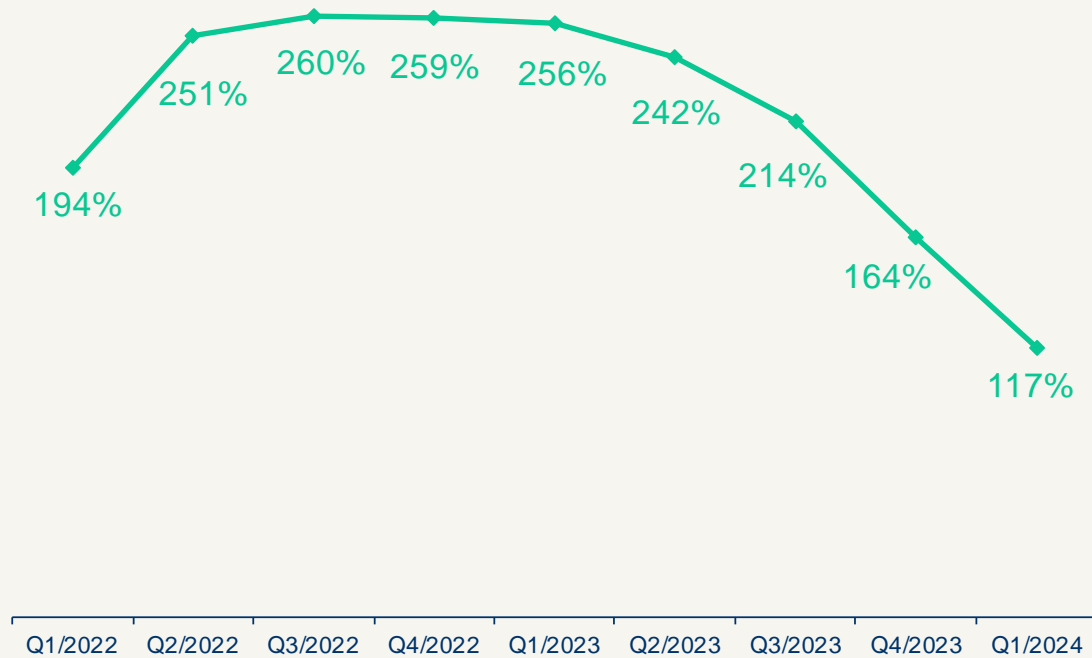
04.03.2025

Full-year 2024 results

Balance Sheet

CHF million	March 31, 2024	December 31, 2023		March 31, 2024	December 31, 2023
Assets			Equity and Liabilities		
			Equity attributable to the equity holders of the parent company	3,504	3,153
Property, plant and equipment	871	762	Non-controlling interests	6	6
Right-of-use assets	1,953	1,534	Total equity	3,510	3,159
Goodwill	2,286	2,034	Non-current lease liabilities	1,494	1,128
Other intangibles	135	121	Others	1,506	1,442
Others	212	203	Non-current liabilities	3,000	2,570
Non-current assets	5,457	4,654	Trade payables	2,120	2,012
			Contract liabilities	129	154
Trade receivables	4,055	3,634	Accrued trade expenses	1,171	1,072
Contract assets	253	267	Bank and other interest-bearing liabilities	23	3
Cash and cash equivalents	1,797	2,011	Current lease liabilities	545	487
Others	525	405	Others	1,589	1,514
Current assets	6,630	6,317	Current liabilities	5,577	5,242
Assets	12,087	10,971	Equity and Liabilities	12,087	10,971

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 2024/2023

Sea and Air Logistics

CHF million	2024	2023	Change	Change
	Q1	Q1	in %	in mCHF
			Q1	Q1
Sea Logistics				
Income Statement				
Turnover	2,205	3,025	(27.1)	(820)
Net Turnover	1,926	2,667	(27.8)	(741)
Gross Profit	503	686	(26.7)	(183)
Opex	(299)	(336)	+11.0	37
EBITDA	204	350	(41.7)	(146)
Depreciation and Amortisation	(7)	(6)	(16.7)	(1)
EBIT	197	344	(42.7)	(147)
KPI				
EBIT / GP conversion rate	39.2%	50.1%		
Volume (TEUs '000)	1,002	987	+1.5	15
GROSS PROFIT	502	695	(27.8)	(193)
EXPENSES	(305)	(346)	+11.8	41
EBIT	197	349	(43.6)	(152)
Air Logistics				
Income Statement				
Turnover	1,702	2,009	(15.3)	(307)
Net turnover	1,583	1,862	(15.0)	(279)
Gross Profit	392	488	(19.7)	(96)
Opex	(281)	(316)	+11.1	35
EBITDA	111	172	(35.5)	(61)
Depreciation and Amortisation	(17)	(18)	+5.6	1
EBIT	94	154	(39.0)	(60)
KPI				
EBIT / GP conversion rate	24.0%	31.6%		
Volume (Tons '000)	491	475	+3.4	16
GROSS PROFIT	80	103	(22.3)	(23)
EXPENSES	(61)	(71)	+14.1	10
EBIT	19	32	(40.6)	(13)

Quarter-over-quarter 2024/2023

Road and Contract Logistics

CHF million	2024 Q1	2023 Q1	Change in % Q1	Change in mCHF Q1
Road Logistics				
Income Statement				
Turnover	969	1,101	(12.0)	(132)
Net Turnover	860	956	(10.0)	(96)
Gross Profit	325	349	(6.9)	(24)
Opex	(281)	(283)	+0.7	2
EBITDA	44	66	(33.3)	(22)
Depreciation and Amortisation	(14)	(14)	-	-
EBIT	30	52	(42.3)	(22)
KPI				
EBITDA / Net turnover	5.1%	6.9%		
EBIT / GP conversion rate	9.2%	14.9%		
EBIT / Net turnover	3.5%	5.4%		
Contract Logistics				
Income Statement				
Turnover	1,228	1,392	(11.8)	(164)
Net turnover	1,139	1,263	(9.8)	(124)
Gross Profit	856	871	(1.7)	(15)
Opex	(639)	(656)	+2.6	17
EBITDA	217	215	+0.9	2
Depreciation and Amortisation	(162)	(153)	(5.9)	(9)
EBIT	55	62	(11.3)	(7)
KPI				
EBITDA / Net turnover	19.1%	17.0%		
EBIT / GP conversion rate	6.4%	7.1%		
EBIT / Net turnover	4.8%	4.9%		

Quarter-over-quarter 2024/2023

Kuehne+Nagel Group

CHF million	2024	2023	Change	Change
	Q1	Q1	in %	in mCHF
	Q1	Q1	Q1	Q1
Kuehne+Nagel Group				
Income Statement				
Turnover	6,104	7,527	(18.9)	(1,423)
Customs duties and taxes	(596)	(779)	+23.5	183
Net Turnover	5,508	6,748	(18.4)	(1,240)
Net expenses for services from 3rd parties	(3,432)	(4,354)	+21.2	922
Gross Profit	2,076	2,394	(13.3)	(318)
Opex	(1,500)	(1,591)	+5.7	91
EBITDA	576	803	(28.3)	(227)
Depreciation and Amortisation	(200)	(191)	(4.7)	(9)
EBIT	376	612	(38.6)	(236)
Result from finance and associates	(6)	16		(22)
EBT	370	628	(41.1)	(258)
Income tax	(92)	(166)	+44.6	74
Earnings	278	462	(39.8)	(184)
Non-controlling interests	(5)	(6)		1
Net Earnings	273	456	(40.1)	(183)
KPI				
EBIT / GP conversion rate	18.1%	25.6%		
GP / Net turnover	37.7%	35.5%		
EBITDA / Net turnover	10.5%	11.9%		
EBIT / Net turnover	6.8%	9.1%		
EBT / Net turnover	6.7%	9.3%		
Earnings / Net turnover	5.0%	6.8%		

Disclaimer

Forward-looking statements

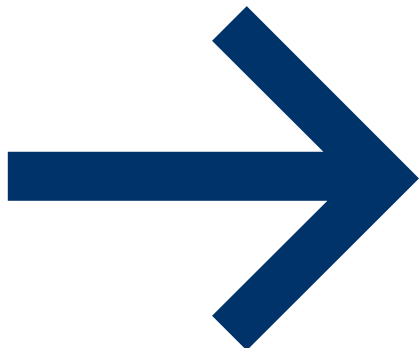
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