

# Analyst conference

## First quarter 2023 results

Stefan Paul, CEO

Markus Blanka-Graff, CFO

Kuehne + Nagel International AG

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# First quarter results: Highlights

## Efficiency increase alongside volume reduction

### Growth

- Net turnover of CHF 6.7 billion vs. CHF 10.2 billion in 2022  
34% decrease
- Gross Profit of CHF 2.4 billion vs. CHF 2.9 billion in 2022  
19% decrease

### Profit

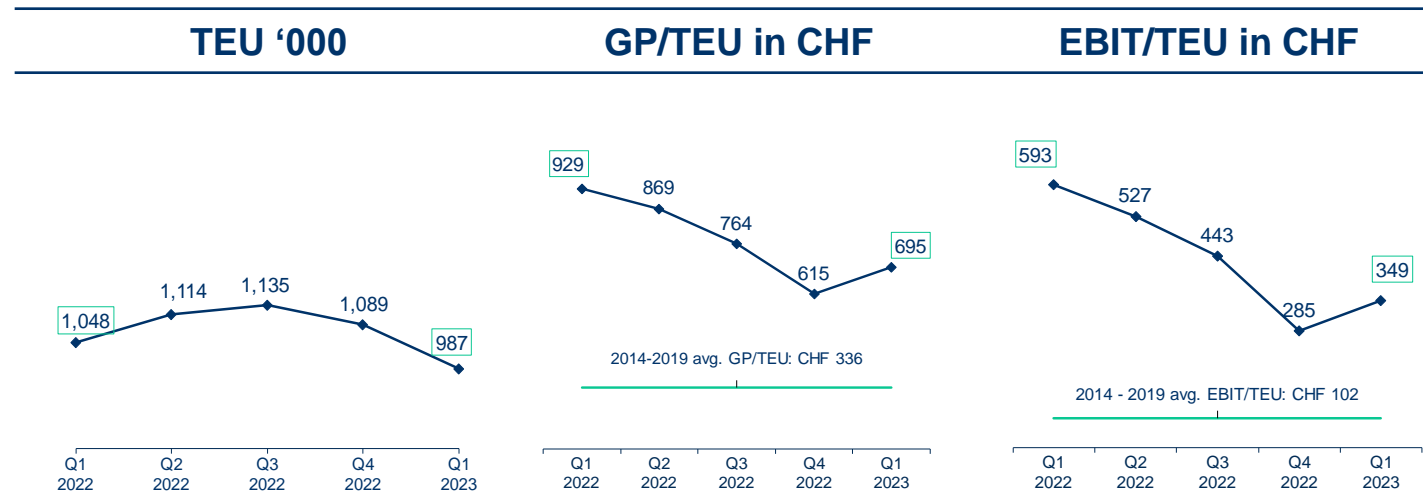
- EBIT of CHF 612 million vs. CHF 1,120 million in 2022  
45% decrease
- Earnings per share of CHF 3.83 vs. CHF 6.53 per share in 2022  
41% decrease
- Conversion Rate of 26% vs. 38% in 2022

### Cash

- Free Cash Flow of CHF 415 million vs. CHF 1,037 million in 2022  
60% decrease
- Cash and cash equivalents of CHF 3,960 million

# Sea Logistics

## Yield management boosts Q1 2023

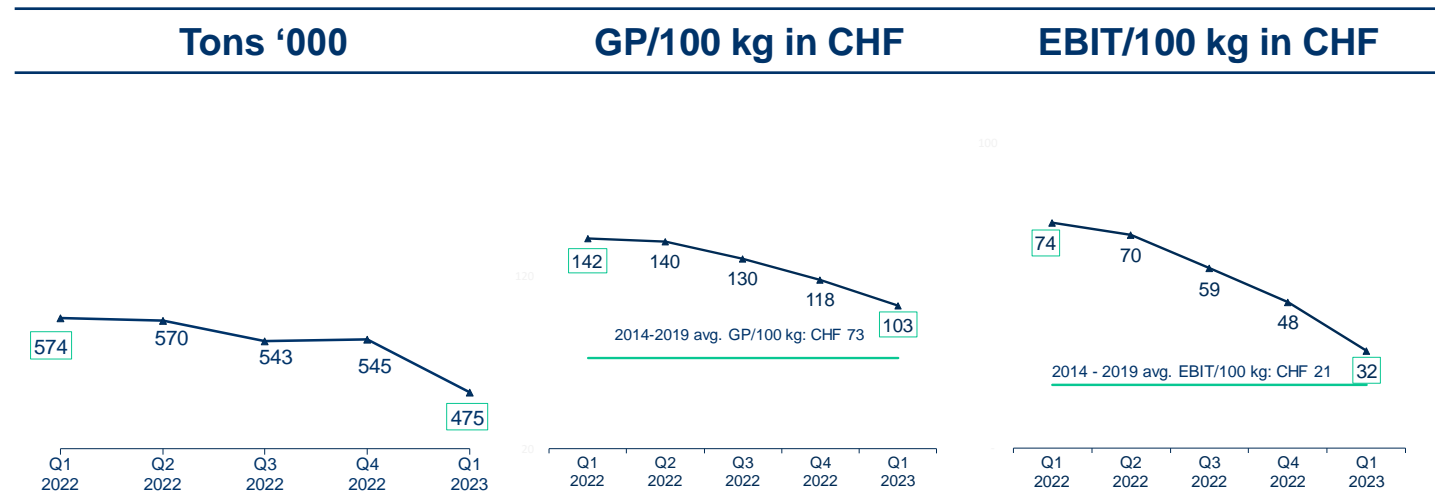


- Focus on continued long-term shift toward higher-yielding volumes
- Increased market share with market leadership in Transpacific for the first time
- Inflationary pressure partially compensated by cost reductions

In CHF million	Q1 2023	Q1 2022	Variance
Gross profit	686	974	(30%)
EBIT	344	621	(45%)
Conversion rate	50%	64%	

# Air Logistics

## Yield normalisation trend continues



- North America and Asia export volumes declining
- Europe, Intra-Asia and South America with relatively strong export volumes
- Inflationary pressure partially compensated by cost reductions

In CHF million	Q1 2023	Q1 2022	Variance
Gross profit	488	817	(40%)
EBIT	154	425	(64%)
Conversion rate	32%	52%	

# Road Logistics

## Record result driven by high network utilisation

In CHF million	Q1 2023	Q1 2022	Variance
Net turnover	956	982	(3%)
Gross profit	349	329	6%
EBIT	52	30	73%
Conversion rate	15%	9%	

- Stable volume development and high network utilisation
- 2% net turnover growth excluding foreign exchange translation impact
- Incremental Gross Profit converts into EBIT

# Contract Logistics

## Strong performance with record EBIT

In CHF million	Q1 2023	Q1 2022	Variance
Net turnover	1,263	1,173	8%
Gross profit	871	822	6%
EBIT	62 <sup>*</sup>	44	41%
Conversion rate	7%	5%	

\* including CHF 9 million one-off profit from sale of real estate

- Market share expansion due to favorable industry and customer mix
- Low idle space due to high inventory levels
- 12% net turnover growth, excluding foreign exchange translation impact

# Roadmap 2026

## Update Q1 2023

- **CEO world tour since CMD on March 1<sup>st</sup>**  
Met with hundreds of customers and thousands of employees with very positive resonance
- **Kuehne+Nagel Experience leadership**  
Dedicated global leader nominated
- **Executive Management Team change complete**  
Sarah Kreienbühl started as a new member of the Management Board responsible for Human Resources and ESG
- **Early success in Renewable Energy business growth area**  
Selected as the logistics service provider for a large renewable energy project in Middle East & Africa



# Financial KPIs



# Income Statement

## Quarter over quarter comparison

CHF million	2022 Q1	2023 Q1	Variance		YTD Variance in %		
			2023/2022	2023/2022	Growth	Acquisition/ disposal	Forex <sup>1</sup>
Net turnover	10,158	6,748	(3,410)	(33.6%)	(30.6%)	(0.4%)	(2.6%)
Gross profit	2,942	2,394	(548)	(18.6%)	(15.0%)	(0.5%)	(3.1%)
Gross profit margin	29.0%	35.5%					
EBITDA	1,306	803	(503)	(38.5%)	(35.8%)	(0.4%)	(2.3%)
EBITDA margin	12.9%	11.9%					
EBIT	1,120	612	(508)	(45.4%)	(43.1%)	(0.3%)	(2.0%)
Conversion rate	38.1%	25.6%					
EBT	1,128	628	(500)	(44.3%)	(42.0%)	(0.3%)	(2.0%)
Earnings	832	462	(370)	(44.5%)	(42.0%)	(0.2%)	(2.3%)
Non-controlling interests	(49)	(6)	43				
Net earnings	783	456	(327)	(41.8%)	(39.1%)	(0.3%)	(2.4%)

<sup>1</sup> Foreign currency translation impact

- Significant translation impact due to EUR decline (4.0%) and USD +0.5% vs. CHF
- Cost control through FTE management

# Working Capital

## Focus on DSO – DPO spread

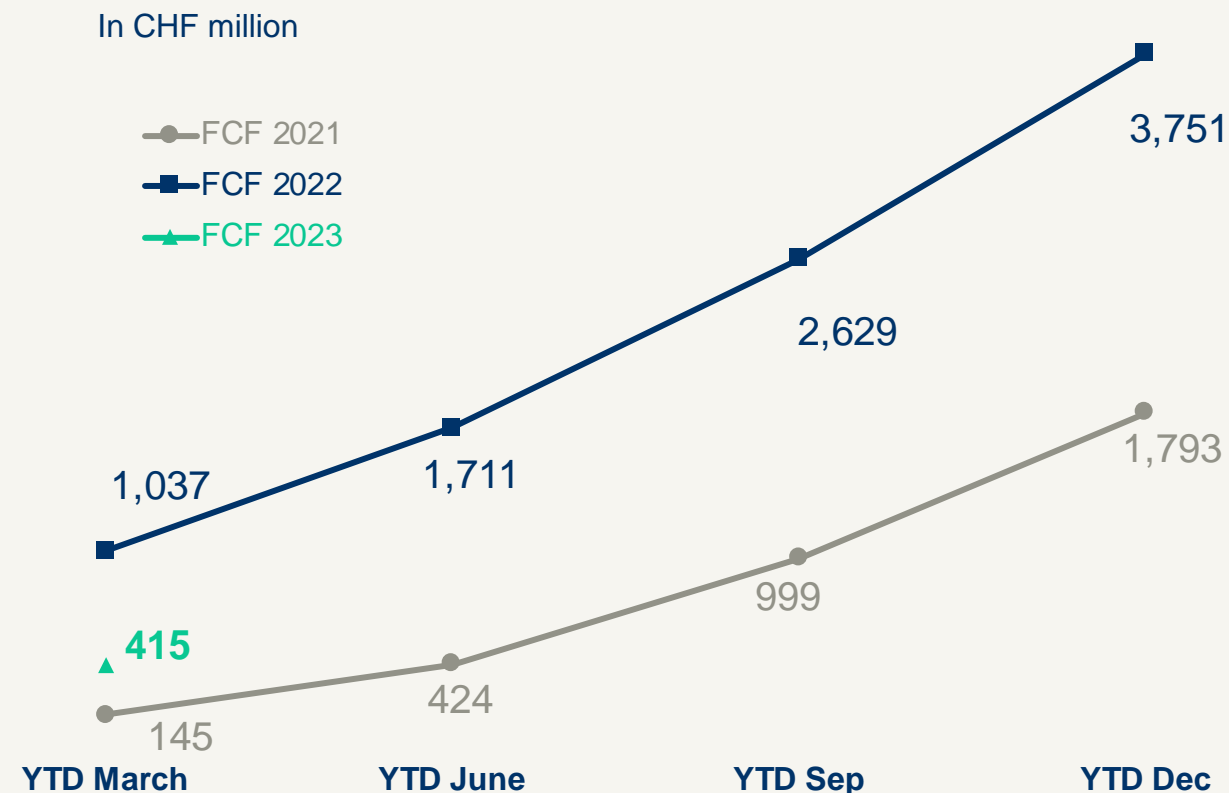
CHF million	March 31, 2022	December 31, 2022	March 31, 2023	Better/(worse) Dec 2022 vs. Mar 2023
Trade receivables/contract assets	7,257	6,027	5,032	995
Trade payables/accrued trade expenses/contract liabilities*	(5,469)	(4,987)	(4,136)	(851)
<b>Net working capital</b>	<b>1,788</b>	<b>1,040</b>	<b>896</b>	<b>144</b>
<b>KPIs:</b>				
<b>Working capital intensity</b>	<b>4.0%</b>	<b>2.7%</b>	<b>3.0%</b>	<b>(0.3%)</b>
DSO	52.6	51.0	55.5	(4.5)
DPO	57.7	60.0	67.0	7.0
Δ	5.1	9.1	11.5	6.4

\* Contract liabilities have been added to the working capital calculation.  
Prior year working capital intensity and DPO have been updated to reflect this change.

# Cash and Free Cash Flow

## Strong cash conversion

CHF million	YTD 2022	YTD 2023	Variance
<b>Cash and cash equivalents January 1, net</b>	<b>2,300</b>	<b>3,770</b>	<b>1,470</b>
<b>Cash flow from operating activities</b>	<b>1,190</b>	<b>575</b>	<b>(615)</b>
<b>Cash flow from investing activities</b>	<b>(26)</b>	<b>(25)</b>	<b>1</b>
Repayment of lease liabilities	(125)	(136)	(11)
Dividend paid	-	(1)	(1)
Purchase of treasury shares	(263)	(206)	57
Others	(5)	(5)	-
<b>Total cash flow from financing activities</b>	<b>(393)</b>	<b>(348)</b>	<b>45</b>
Exchange difference on cash and cash equivalents	11	(12)	(23)
Increase/(decrease) in cash and cash equivalents	782	190	(592)
<b>Cash and cash equivalents March 31, net</b>	<b>3,082</b>	<b>3,960</b>	<b>878</b>

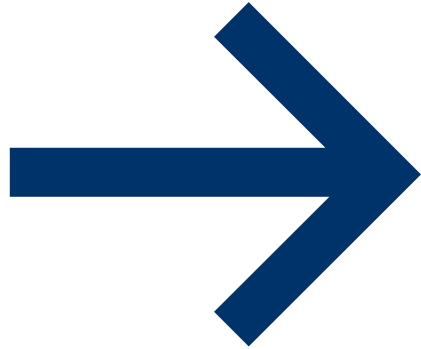


## Key takeaways:

- 1. Solid Q1 2023 results**
- 2. Volume decline as expected**
- 3. Active yield management continues**
- 4. Cost control measures in place**
- 5. Roadmap 2026 initiatives underway**

Inspire. Empower. Deliver.





## Upcoming events

**09.05.2023**

**Annual General Meeting**

05.07. - 25.07.2023

Closed period

**25.07.2023**

**Half-year 2023 results**

05.10. - 25.10.2023

Closed period

**25.10.2023**

**Nine-months 2023 results**

02.01. - 01.03.2024

Closed period

**01.03.2024**

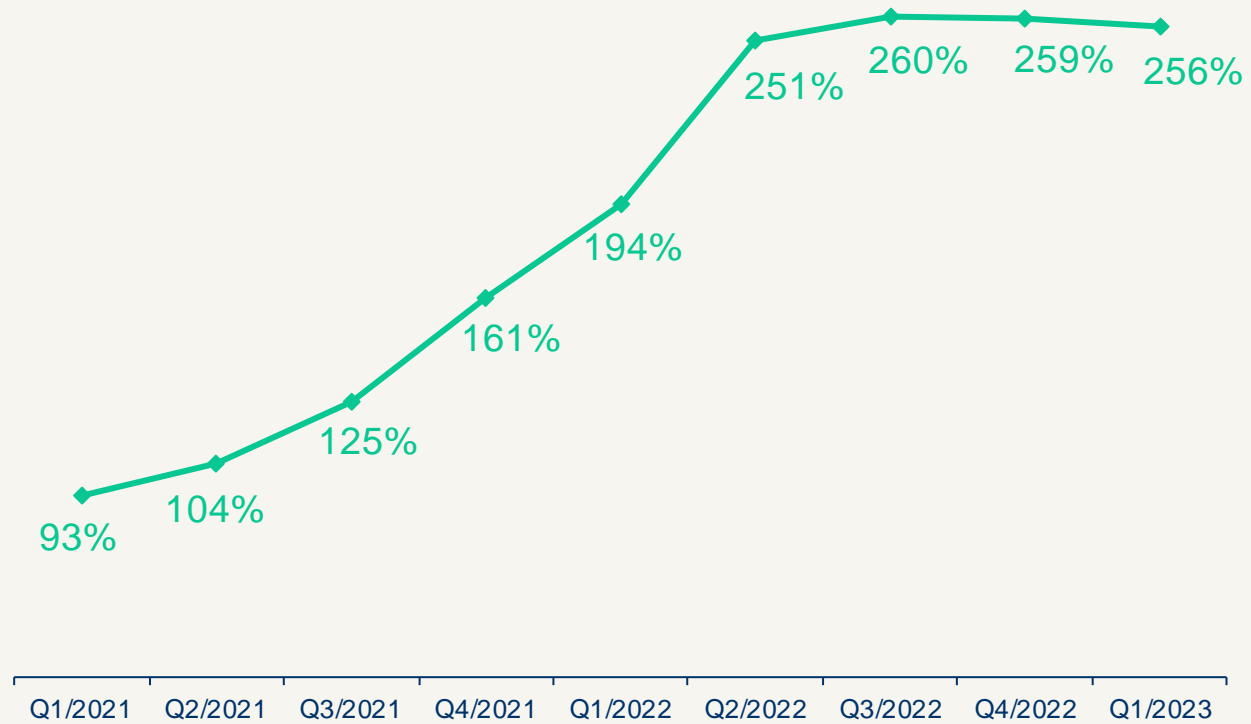
**Full-year 2023 results**

# Balance Sheet

## Building on the strong foundation

CHF million	December 31, 2022	March 31, 2023		December 31, 2022	March 31, 2023
<b>Assets</b>			<b>Equity and Liabilities</b>		
			<b>Equity attributable to the equity holders of the parent company</b>	<b>4,140</b>	<b>4,370</b>
Property, plant and equipment	739	749	Non-controlling interests	7	7
Right-of-use assets	1,418	1,497	<b>Total equity</b>	<b>4,147</b>	<b>4,377</b>
Goodwill	2,199	2,187	Non-current lease liabilities	1,026	1,086
Other intangibles	180	166	Others	1,768	1,771
Others	257	260	<b>Non-current liabilities</b>	<b>2,794</b>	<b>2,857</b>
<b>Non-current assets</b>	<b>4,793</b>	<b>4,859</b>	Trade payables	2,731	2,200
			Contract liabilities	280	262
Trade receivables	5,291	4,445	Accrued trade expenses	1,976	1,674
Contract assets	540	384	Bank and other interest-bearing liabilities	8	19
Cash and cash equivalents	3,778	3,979	Current lease liabilities	466	494
Others	349	417	Others	2,349	2,201
<b>Current assets</b>	<b>9,958</b>	<b>9,225</b>	<b>Current liabilities</b>	<b>7,810</b>	<b>6,850</b>
<b>Assets</b>	<b>14,751</b>	<b>14,084</b>	<b>Equity and Liabilities</b>	<b>14,751</b>	<b>14,084</b>

# 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	Change
	Q1	Q1	in %	in mCHF
	Q1	Q1	Q1	Q1
<b>Sea Logistics</b>				
<b>Income Statement</b>				
Turnover	3,025	5,363	(43.6)	(2,338)
Net Turnover	2,667	4,857	(45.1)	(2,190)
Gross Profit	686	974	(29.6)	(288)
Opex	(336)	(343)	+2.0	7
EBITDA	350	631	(44.5)	(281)
Depreciation and Amortisation	(6)	(10)	+40.0	4
EBIT	344	621	(44.6)	(277)
<b>KPI</b>				
EBIT / GP conversion rate	50.1%	63.8%		
Volume (TEU's '000)	987	1,048	(5.8)	(61)
GROSS PROFIT	695	929	(25.2)	(234)
EXPENSES	(346)	(336)	(3.0)	(10)
EBIT	349	593	(41.1)	(244)
} CHF per TEU				
<b>Air Logistics</b>				
<b>Income Statement</b>				
Turnover	2,009	3,303	(39.2)	(1,294)
Net turnover	1,862	3,146	(40.8)	(1,284)
Gross Profit	488	817	(40.3)	(329)
Opex	(316)	(373)	+15.3	57
EBITDA	172	444	(61.3)	(272)
Depreciation and Amortisation	(18)	(19)	+5.3	1
EBIT	154	425	(63.8)	(271)
<b>KPI</b>				
EBIT / GP conversion rate	31.6%	52.0%		
Volume (TON's '000)	475	574	(17.2)	(99)
GROSS PROFIT	103	142	(27.5)	(39)
EXPENSES	(71)	(68)	(4.4)	(3)
EBIT	32	74	(56.8)	(42)
} CHF per 100kg				

# Quarter-over-quarter 2023/2022

## Road and Contract Logistics

CHF million	2023	2022	Change in %	Change in mCHF
	Q1	Q1	Q1	Q1
<b>Road Logistics</b>				
<b>Income Statement</b>				
Turnover	1,101	1,124	(2.0)	(23)
Net Turnover	956	982	(2.6)	(26)
Gross Profit	349	329	+6.1	20
Opex	(283)	(284)	+0.4	1
EBITDA	66	45	+46.7	21
Depreciation and Amortisation	(14)	(15)	+6.7	1
EBIT	52	30	+73.3	22
<b>KPI</b>				
EBITDA / Net turnover	6.9%	4.6%		
EBIT / GP conversion rate	14.9%	9.1%		
EBIT / Net turnover	5.4%	3.1%		
<b>Contract Logistics</b>				
<b>Income Statement</b>				
Turnover	1,392	1,300	+7.1	92
Net turnover	1,263	1,173	+7.7	90
Gross Profit	871	822	+6.0	49
Opex	(656)	(636)	(3.1)	(20)
EBITDA	215	186	+15.6	29
Depreciation and Amortisation	(153)	(142)	(7.7)	(11)
EBIT	62	44	+40.9	18
<b>KPI</b>				
EBITDA / Net turnover	17.0%	15.9%		
EBIT / GP conversion rate	7.1%	5.4%		
EBIT / Net turnover	4.9%	3.8%		

# Quarter-over-quarter 2023/2022

## Kuehne+Nagel Group

CHF million	2023	2022	Change in %	Change in mCHF
	Q1	Q1	Q1	Q1
<b>Kuehne+Nagel Group</b>				
<b>Income Statement</b>				
Turnover	7,527	11,090	(32.1)	(3,563)
Customs duties and taxes	(779)	(932)	+16.4	153
Net Turnover	6,748	10,158	(33.6)	(3,410)
Net expenses for services from 3rd parties	(4,354)	(7,216)	+39.7	2,862
Gross Profit	2,394	2,942	(18.6)	(548)
Opex	(1,591)	(1,636)	+2.8	45
EBITDA	803	1,306	(38.5)	(503)
Depreciation and Amortisation	(191)	(186)	(2.7)	(5)
EBIT	612	1,120	(45.4)	(508)
Result from finance and associates	16	8		8
EBT	628	1,128	(44.3)	(500)
Income tax	(166)	(296)	+43.9	130
Earnings	462	832	(44.5)	(370)
Non-controlling interests	(6)	(49)		43
Net Earnings	456	783	(41.8)	(327)
<b>KPI</b>				
EBIT / GP conversion rate	25.6%	38.1%		
GP / Net turnover	35.5%	29.0%		
EBITDA / Net turnover	11.9%	12.9%		
EBIT / Net turnover	9.1%	11.0%		
EBT / Net turnover	9.3%	11.1%		
Earnings / Net turnover	6.8%	8.2%		

# Disclaimer

## Forward-looking statements

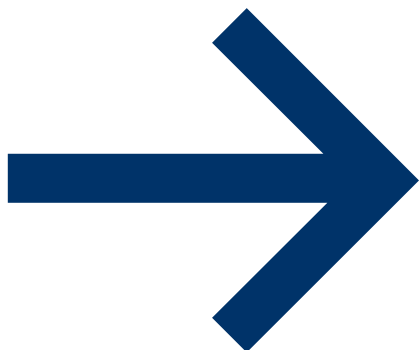
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## Contacts

Markus Blanka-Graff

CFO

[markus.blanka@kuehne-nagel.com](mailto:markus.blanka@kuehne-nagel.com)

Tel: +41 (0)44 7869 644

Christopher Combé

Head of Investor Relations

[christopher.combe@kuehne-nagel.com](mailto:christopher.combe@kuehne-nagel.com)

Tel: +41 (0)44 7869 693

Andrea Kobi

Investor Relations

[andrea.kobi@kuehne-nagel.com](mailto:andrea.kobi@kuehne-nagel.com)

Tel: +41 (0)44 7869 561