

Financial Statements 2023

Income statement

CHF million	Note	2023	2022
Income			
Income from investments in Group companies	1	3,481	1,563
Financial income			
– Interest income banks		26	7
– Interest income on loan receivables from Group companies		21	11
– Exchange gains		194	148
– Profit on sale of treasury shares		28	–
Other operational income	2	–	4
Total income		3,750	1,733
Expenses			
Financial expenses			
– Interest expenses banks		-1	-6
– Interest expenses on liabilities towards Group companies		-78	-13
– Exchange losses		-174	-116
– Loss on sale of treasury shares		–	-11
Other operational expenses	3	-31	-24
Total expenses		-284	-170
Earnings before tax and impairment		3,466	1,563
Impairment of investments in Group companies	6	–	-56
Earnings before tax (EBT)		3,466	1,507
Income tax		13	-23
Earnings for the year		3,479	1,484

Balance sheet

CHF million	Note	Dec. 31, 2023	Dec. 31, 2022
Assets			
Cash and cash equivalents	4	1,354	2,298
Other current receivables			
– from third parties		7	15
– from Group companies	5	1,108	609
Total current assets		2,469	2,922
Investments	6	3,387	3,063
Non-current assets		3,387	3,063
Total assets		5,856	5,985
Liabilities and equity			
Liabilities towards Group companies	7	1,071	2,534
Current liabilities			
– Other current liabilities	8	42	114
– Tax provision		7	4
Current liabilities		1,120	2,652
Non-current liabilities			
– Other non-current liabilities	8	3	85
– Borrowings	9	200	200
Non-current liabilities		203	285
Total liabilities		1,323	2,937
Share capital	10	121	121
Legal capital contribution reserves	11	210	210
Legal reserves		60	60
Free reserves			
– Retained earnings	11	1,265	1,443
– Earnings for the year		3,479	1,484
Treasury shares	12	-602	-270
Equity		4,533	3,048
Total liabilities and equity		5,856	5,985

Schindellegi, February 29, 2024

Kuehne + Nagel International AG

Stefan Paul
CEOMarkus Blanka-Graff
CFO

Notes to the financial statements 2023

General

Kuehne + Nagel International AG (the Company) directly or indirectly controls companies which are consolidated in the Group financial statements.

The financial statements are based on the regulations of Swiss Code of Obligations (Art. 959c Abs. 1 OR). Additional regulations, which are not required by law, are also specified below.

Basis of preparation/accounting policies

Investments

Investments in subsidiaries, associates and joint ventures are recognised in the balance sheet at cost less valuation allowance.

Receivables

- *from Group companies*
Balances outstanding are recorded at their nominal value less valuation allowance.
- *other*
Other receivables are recorded at their nominal value less valuation allowance.

Treasury shares

Treasury shares are valued at average costs presented as a negative position in equity. The profit or loss from sale is accounted for in the income statement.

Tax provision

Swiss taxes on income and capital are provided for at balance sheet date.

Liabilities

- *towards Group companies*
Liabilities towards consolidated companies are recorded at their nominal value.

Notes to the income statement

1 Income from investments in Group companies

Income from investments in Group companies mainly relates to dividends received.

CHF million	2023	2022
Income from investments and others	3,481	1,563
Total	3,481	1,563

2 Other operational income

CHF million	2023	2022
Refund from antitrust claims	-	4
Total	-	4

3 Other operational expenses

CHF million	2023	2022
Board of Directors fee	5	5
Other operational expenses	26	19
Total	31	24

Notes to the balance sheet

4 Cash and cash equivalents

CHF million	Dec. 31, 2023	Dec. 31, 2022
Bank deposits are in the following currencies:		
CHF	1,317	1,855
EUR	18	58
USD	6	361
CNY	12	23
Others	1	1
Total	1,354	2,298

5 Receivables from Group companies

Current receivables

CHF million	Dec. 31, 2023	Dec. 31, 2022
Kuehne + Nagel Ltd., Nairobi	4	8
Kuehne + Nagel Ltd., Dubai	-	5
Kuehne + Nagel Investment S.a.r.l., Luxembourg	1	17
Kuehne + Nagel Investment Inc., New York	-	139
Kuehne + Nagel Holding Inc., New York	467	-
Kuehne + Nagel S.A.S., Paris	1	1
Quick International France S.A.S., Villepinte	1	-
Kuehne + Nagel N.N., Rotterdam	17	19
Kuehne + Nagel Investment B.V., Rotterdam	282	297
Kuehne + Nagel Real Estate Holding AG, Schindellegi	6	5
Kuehne + Nagel Management AG, Schindellegi	224	1
Kuehne + Nagel Finance AG, Schindellegi	94	100
Kuehne + Nagel Management Ltd., Singapore	2	-
Kuehne + Nagel Co. W.L.L., Kuwait	1	1
Kuehne + Nagel A/S, Copenhagen	3	2
Kuehne + Nagel (AG &Co.) KG, Hamburg	-	8
KN Airlift GmbH, Frankfurt	1	-
Kuehne + Nagel Ltd., Port of Spain	1	1
Kuehne & Nagel Ltd., Amman	-	1
Kuehne + Nagel Shared Service Centre d.o.o., Belgrade	1	1
Other Group companies	2	3
Total	1,108	609

6 Development of investments

CHF million	Investments in consolidated companies	Investments in affiliated companies	Total
Cost			
Balance as of January 1, 2023	3,478	2	3,480
Additions	324	-	324
Balance as of December 31, 2023	3,802	2	3,804
Cumulative amortisation			
Balance as of January 1, 2023	415	2	417
Balance as of December 31, 2023	415	2	417
Carrying amount			
As of January 1, 2023	3,063	-	3,063
As of December 31, 2023	3,387	-	3,387

A schedule of the Group's direct and main indirect subsidiaries and Kuehne+Nagel's share in the respective equity is shown in "Significant consolidated subsidiaries and joint ventures" in the consolidated financial statements.

The movements of investments are mainly related to additions from the purchase of additional shareholding of 3.9 per cent in Apex Logistics Solutions International Pte. Ltd., Singapore.

7 Liabilities towards Group companies

CHF million	Dec. 31, 2023	Dec. 31, 2022
Kuehne + Nagel Ltd., Dublin	19	1
Kuehne + Nagel S.a.r.l., Luxembourg	60	83
Kuehne + Nagel S.A.S., Paris	43	101
Kuehne + Nagel N.V., Rotterdam	4	1
Kuehne + Nagel NV/SA, Antwerp	52	57
Kuehne + Nagel Srl., Milano	1	-
Kuehne + Nagel Services Ltd., Vancouver	-	1
Kuehne + Nagel A/S, Oslo	-	4
Kuehne + Nagel GmbH, Vienna	1	-
Kuehne + Nagel Eastern Europe AG, Vienna	55	65
Kuehne + Nagel Ltd., London	4	6
Kuehne + Nagel s.r.o., Bratislava	3	6
Kuehne + Nagel spol.s.r.o., Prague	2	7
Kuehne + Nagel Ltd., Singapore	2	1
Kuehne + Nagel Management Ltd., Singapore	-	2
Kuehne + Nagel (AG & Co.) KG, Hamburg	196	370
Kuehne + Nagel Ltd., Mississauga	58	-
Kuehne + Nagel Ltd., Mexico City	-	5
Kuehne + Nagel Ltd., Hongkong	16	11
Kuehne + Nagel Ltd., Auckland	1	2
Kuehne + Nagel Kft., Budapest	4	10
Kuehne + Nagel d.o.o., Ljubljana	2	2
Kuehne + Nagel Ltd., Shanghai	9	154
Kuehne + Nagel s.r.l., Bucharest	-	2
Kuehne + Nagel S.A., Madrid	2	1
Kuehne + Nagel Investment SL, Madrid	73	74
Kuehne + Nagel Investment AB, Stockholm	34	33
Kuehne + Nagel Inc., New York	35	924
Kuehne + Nagel Management AG, Schindellegi	241	349
Kühne + Nagel AG, Zürich	36	67
Kuehne + Nagel Finance AG, Schindellegi	9	4
Nacora Holding AG, Schindellegi	2	6
Nacora Agencies AG, Schindellegi	23	18
Kuehne + Nagel LLC, Dubai	6	5
Kuehne + Nagel Management MEA LLC, Dubai	3	-
Kuehne + Nagel Pty Ltd., Melbourne	1	10
Kuehne + Nagel W.L.L., Manama	-	1
Kuehne + Nagel Log. Co. Ltd., Shanghai	71	132
Kuehne + Nagel Ltd., Tokyo	-	4
Other Group companies	3	15
Total	1,071	2,534

8 Other current and non-current liabilities

Other current and non-current liabilities mainly include a contingent consideration of CHF 41 million to acquire an additional stake of

3.03 per cent of the shares of Apex International Corporation. Further details can be found in note 33 of the consolidated financial statements.

9 Borrowings

CHF million	Dec. 31, 2023	Dec. 31, 2022
0.20 per cent bond due on June 18, 2025	200	200
Borrowings	200	200

A public bond was issued on June 18, 2019, for CHF 200 million with a nominal interest rate of 0.2 per cent due on June 18, 2025, with redemption at par value.

10 Share capital

Share capital	Registered shares at nominal value of CHF 1 each	CHF million
Balance as of December 31, 2023	120,753,783	121

Authorised and conditional share capital

The Annual General Meeting held on May 3, 2022, extended its approval of authorised share capital up to a maximum of CHF 20 million by a further two years until May 3, 2024.

The Annual General Meeting held on May 2, 2005, approved a conditional share capital increase up to a maximum of CHF 12 million and to add a respective section in the Articles of Association.

The Annual General Meeting held on May 5, 2015, approved a conditional share capital up to a maximum of CHF 2 million for the provision of the employee share-based compensation plans of the Company.

There is no resolution of the Board of Directors outstanding for further issuance of either authorised or conditional capital.

11 Legal capital contribution reserves and retained earnings

Legal capital contribution reserves	CHF million
Capital contribution reserves as of December 31, 2023	210

Retained earnings	CHF million
Balance as of January 1, 2022 (before income for the year)	1,443
Earnings for the year 2022	1,484
Retained earnings as of December 31, 2022 (prior to appropriation of available earnings)	2,927
Distribution to the shareholders (representing CHF 14.00 per share) ¹	-1,662
Balance as of December 31, 2023 (before income for the year)	1,265

¹ Distribution to the shareholders (representing CHF 14.00 per share) amounts to CHF 1,661,337,454.

12 Treasury shares

Own shares	Average price of transactions in CHF	Number of shares	CHF million
Balance as of January 1, 2023		1,134,991	270
Purchases of own shares	249.93	2,863,414	716
Disposal of own shares	246.11	-1,559,540	-384
Closing balance as of December 31, 2023		2,438,865	602

Treasury shares are valued at average cost.

Other notes**13 Personnel**

The company has no employees and therefore utilises the central services of Kuehne + Nagel Management AG, Schindellegi (Feusisberg) for its administrative requirements. The respective costs are included in other operational expenses.

14 Contingent liabilities

For further information regarding contingent liabilities refer to note 29 of the consolidated financial statements.

Proposal of the Board of Directors to the Annual General Meeting May 8, 2024 regarding the appropriation of the available earnings

For 2023 the Board of Directors is proposing a regular dividend amounting to CHF 8.25 per share and a dividend from legal capital contribution reserves of CHF 1.75 per share for approval at the Annual General Meeting. If the dividend proposal is approved by

shareholders, dividend payments will amount to CHF 976 million towards regular dividend and CHF 207 million towards dividend from legal capital contribution reserves. The total dividend payment is resulting in a payout ratio of 82.7 per cent (2022: 62.9 per cent).

Available earnings	CHF million
Balance as of January 1, 2023 (before income for the year)	1,265
Earnings for the year 2023	3,479
Available earnings as of December 31, 2023	4,744
Distribution to the shareholders (representing CHF 8.25 per share) ¹	-976
Retained earnings as of December 31, 2023 (after appropriation of available earnings)	3,768

Available legal capital contribution reserves	CHF million
Balance as of January 1, 2023	210
Distribution to the shareholders (representing CHF 1.75 per share) ¹	-207
Legal capital contribution reserves as of December 31, 2023	3

¹ The total dividend amount covers all outstanding shares (as per December 31, 2023: 118,314,918 shares). However, shares held in treasury on the date of the dividend declaration are not eligible for dividend payments. As a consequence, and if required, the reported total dividend amount will be adjusted accordingly.

Report of the statutory auditor on the financial statements to the General Meeting of Kuehne + Nagel Inter- national AG, Schindellegi (Feusisberg), Switzerland



Opinion

We have audited the financial statements of Kuehne + Nagel International AG (the Company), which comprise the balance sheet as at 31 December 2023, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 119 to 127) comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements.

The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Valuation of investments and related income statement accounts

Risk	Our audit response
<p>As of December 31, 2023, the Company's investments amounted to CHF 3,387 million and accounted for 58% of total assets. Investments are recorded at cost less economically necessary valuation allowances. At every balance sheet date, the carrying value of each investment is compared to its equity balance as of that date. In those cases where the equity value is below the carrying value, management tests the investment for impairment. The impairment assessment depends on the estimation of future earnings and the discount rates applied.</p> <p>Due to the significance of the carrying values of the investments and the judgment involved in performing the impairment tests, this matter was significant to our audit.</p> <p>Further details on the Company's investments in subsidiaries are disclosed in note 6 to the financial statements.</p> <p>The accounting policies regarding investments applied by the Group are explained in the notes to the consolidated financial statements in the section "Basis of Preparation / Accounting Policies".</p>	<p>We assessed the difference between the carrying amounts of the investments in subsidiaries and their equity balances. Furthermore, we examined the Company's valuation model and evaluated management's key assumptions.</p> <p>Our audit procedures did not lead to any reservations concerning the valuation of investments in subsidiaries.</p>



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERT-suisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Simon Zogg
Licensed audit expert
(Auditor in charge)

Andreas Traxler
Licensed audit expert

Zurich, February 29, 2024

Financial calendar

April 23, 2024	Three-months 2024 results
May 8, 2024	Annual general meeting
July 23, 2024	Half-year 2024 results
October 23, 2024	Nine-months 2024 results
March 4, 2025	Full-year 2024 results

Kuehne + Nagel International AG
Kuehne + Nagel House
P.O. Box 67
CH-8834 Schindellegi
+41 (0) 44 786 95 11
www.kuehne-nagel.com