Q3 2023 RESULTS

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DHL GROUP INVESTOR RELATIONS
November 8th, 2023

DHL Group

AGENDA

Q3 2023 Group Highlights

Q3 2023 Financials

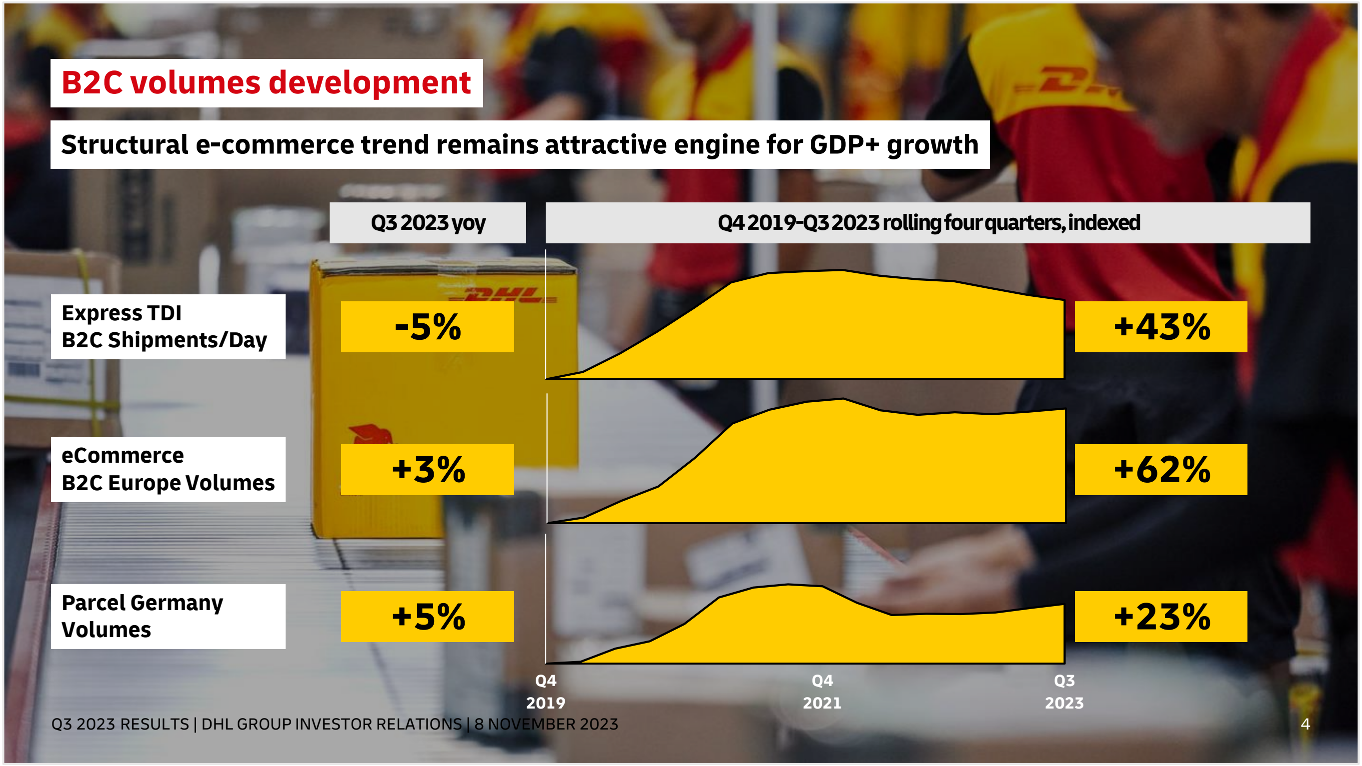
Strategic Outlook

Management comments:
Despite the continued weak freight markets, DHL Group is on track to deliver on its FY 2023 EBIT and FCF targets.

With expected €3bn FCF (excl. Net M&A), cash generation will hence exceed the 2023 dividend payment (€2.2bn) significantly. This strong cash flow – even in the current economic environment – underscores the Group´s structurally improved cash flow generation.

Short-term capex control is successfully contributing to FCF. However, the Group also leverages its financial strength to keep investing into structural long-term projects, to be ready for the return of volumes when the macro situation turns positive again.

Having executed €1.8bn out of our €3bn share buy-back program, we are now in preparation to start the execution of the next tranche.



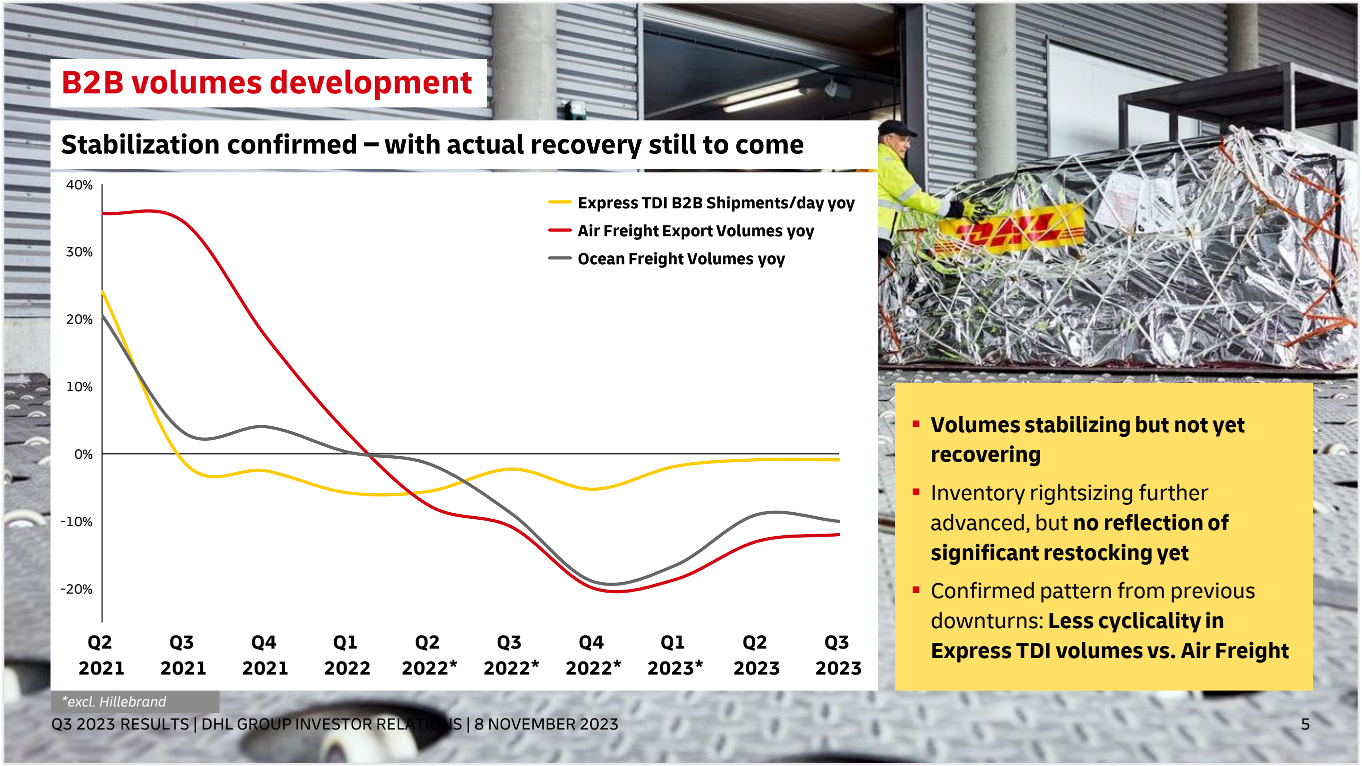
Management comments:
B2C volumes continue to show good resilience with e-commerce gaining further share of retail sales.

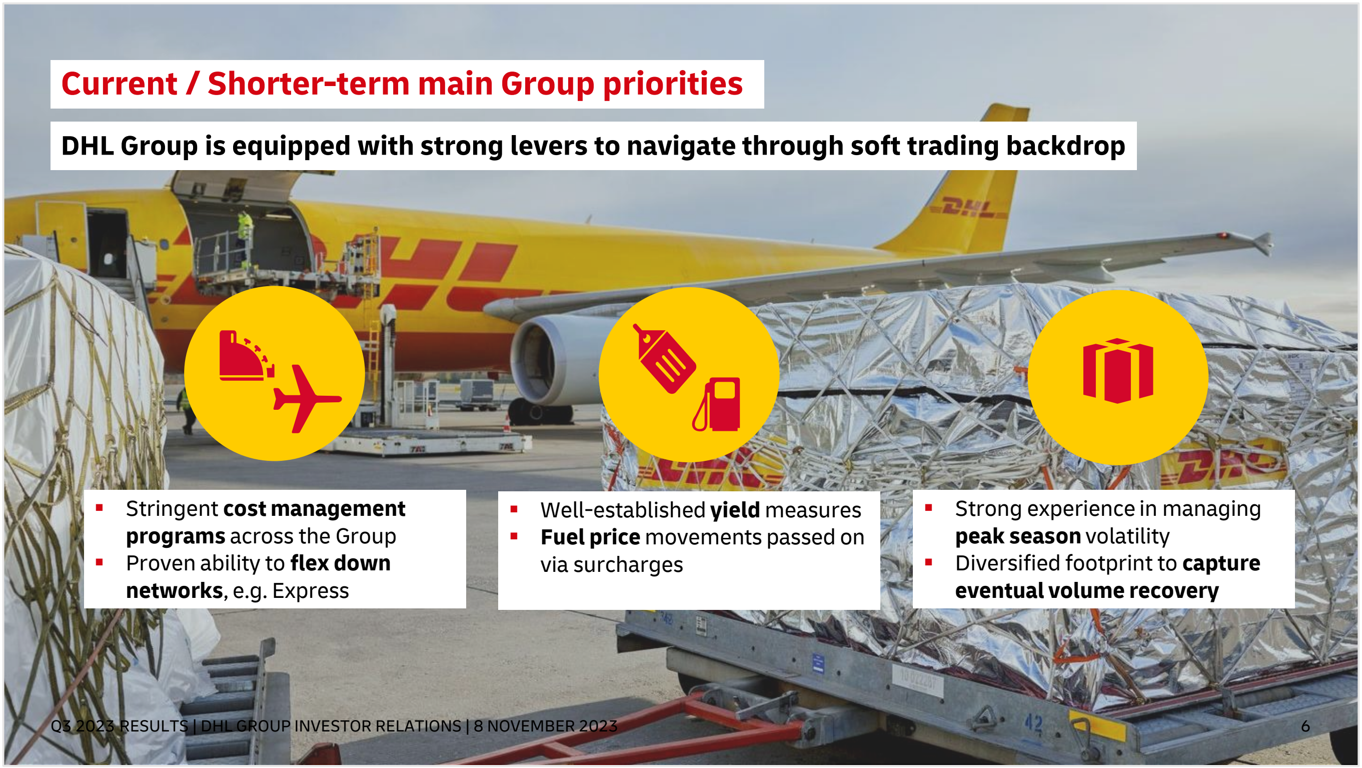
E-commerce volumes remain in growth territory for Parcel Germany and B2C Europe; the yoy comparison in DHL Express has improved from -7% yoy in Q2.

We certainly expect e-commerce to remain an attractive growth engine for Group EBIT for at least another decade.

Management comments:
B2B volumes in Express and Global Forwarding remained sequentially about stable in Q3; activity levels have not worsened but there have also been no relevant signs of cyclical recovery and related inventory restocking so far.

As in previous economic cycles, Express B2B volumes keep showing better resilience vs the more volatile Ocean Freight and Air Freight volume development.





Management comments:

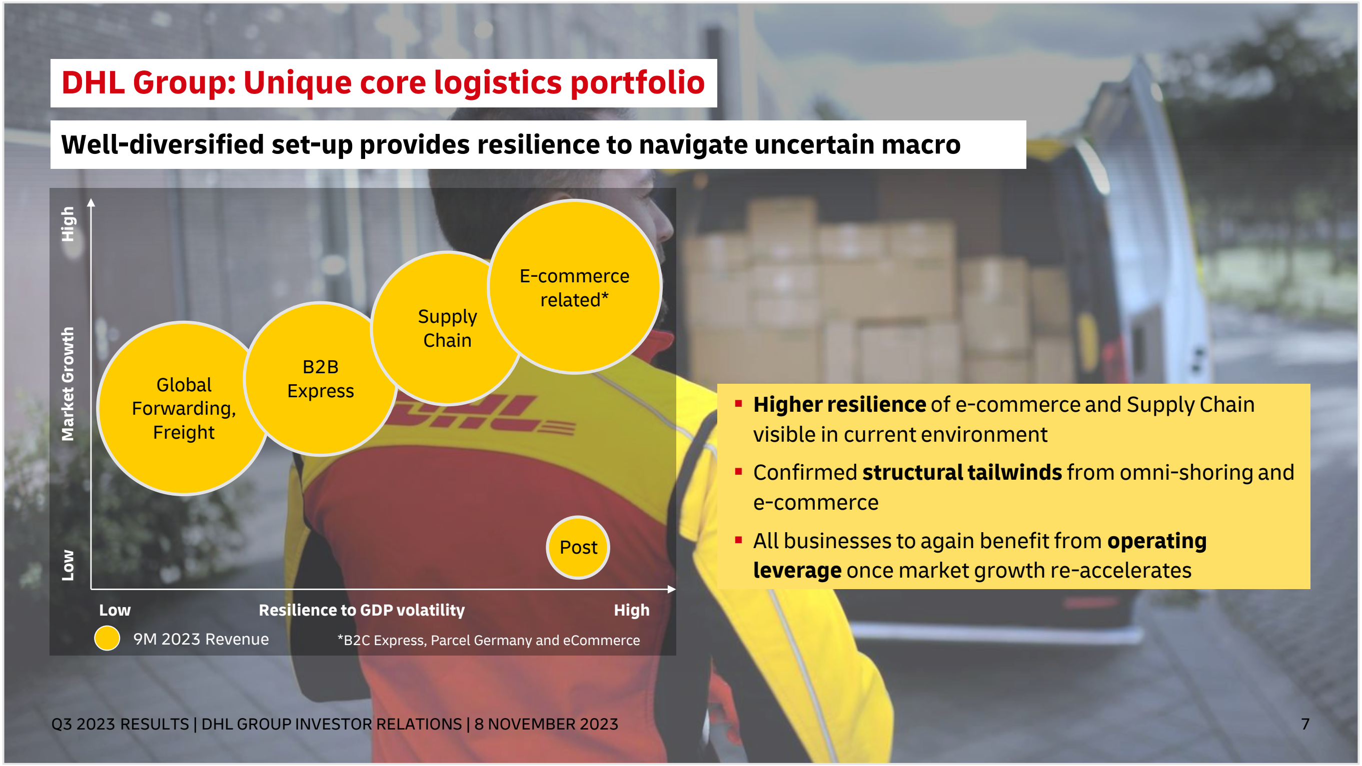
DHL Group has approached the uncertain 2023 circumstances based on different scenarios as laid out in our initial EBIT guidance. This early preparation has allowed us to address the continued weak freight market environment by taking timely and efficient measures on indirect costs but also on direct operating expenses for example related to the Express aviation network or hiring.

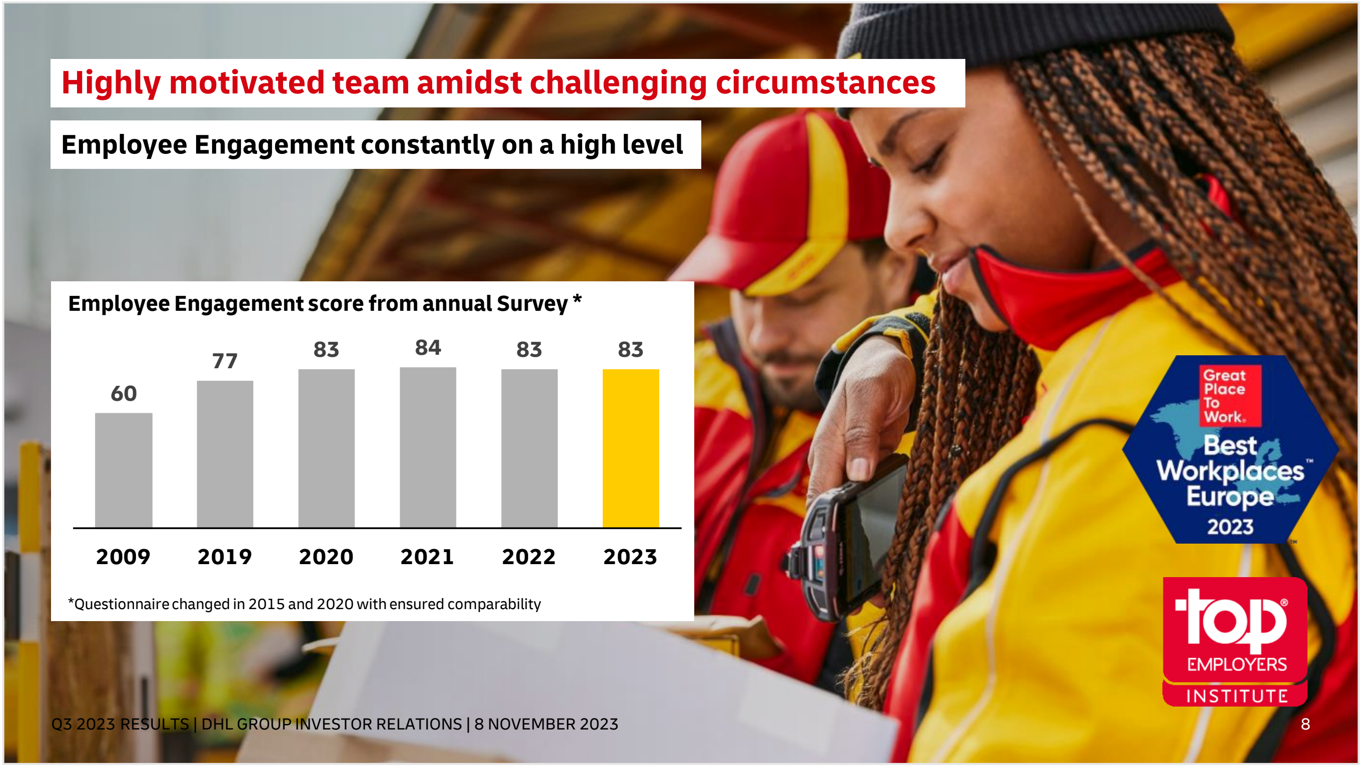
Pricing discipline remains of utmost importance, incl. regular annual price increases and established surcharge mechanisms.

At the same time, our networks remain flexible to cater for any short-term peak season uplift as well as the eventual cyclical recovery.

Management comments:
Q3 results once again show how our diversified portfolio makes EBIT and cash generation more resilient in economic downturns.

While diversified, all our businesses focus on core logistics and hence benefit from common structural trends like e-commerce and new forms of global trade.





Management comments:

As a global logistics service provider, the engagement of our ~600,000 colleagues is key and we hence aspire to be the “Employer of Choice” for all our colleagues.

We measure our employee engagement annually through our well-established Employee Opinion Survey.

2023 results show not only a continued high participation rate; in the current challenging circumstances, all measures of employee satisfaction and engagement have also held their high previous-year levels.

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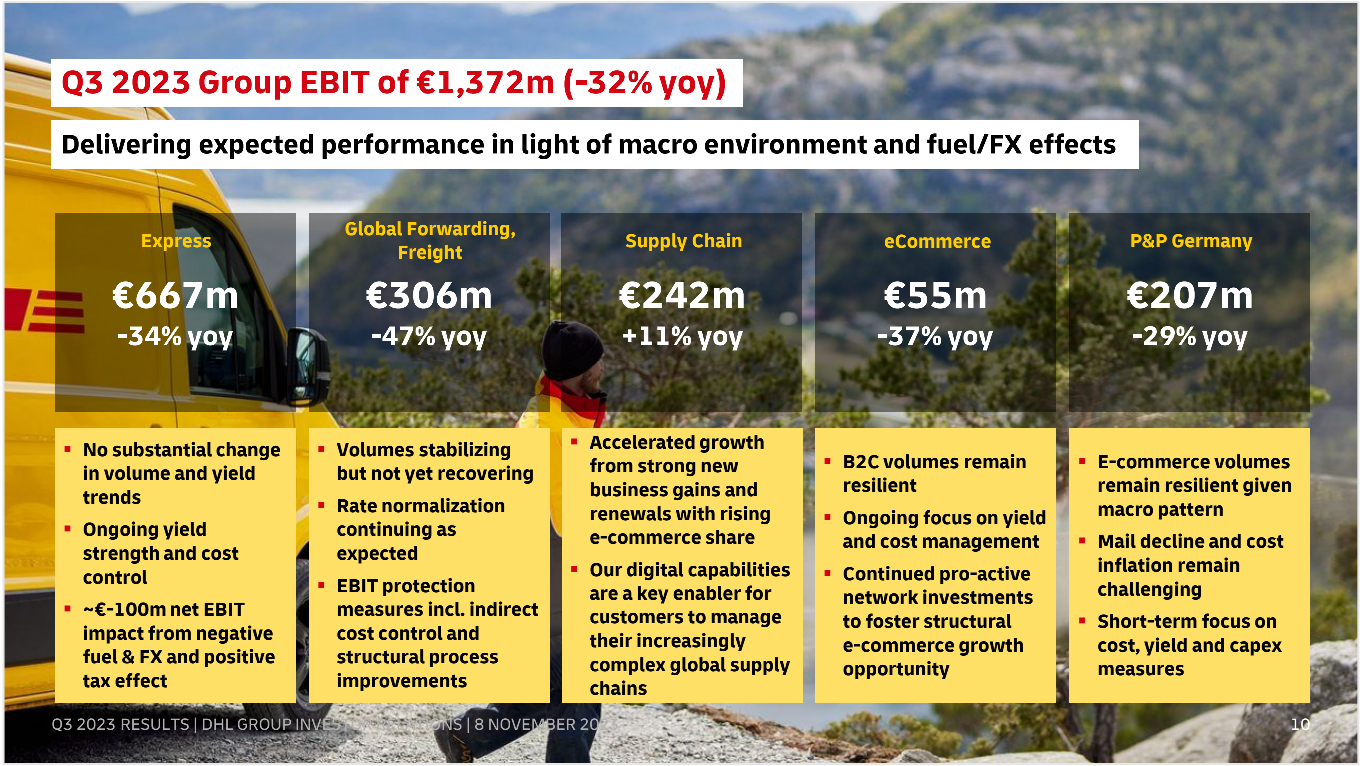


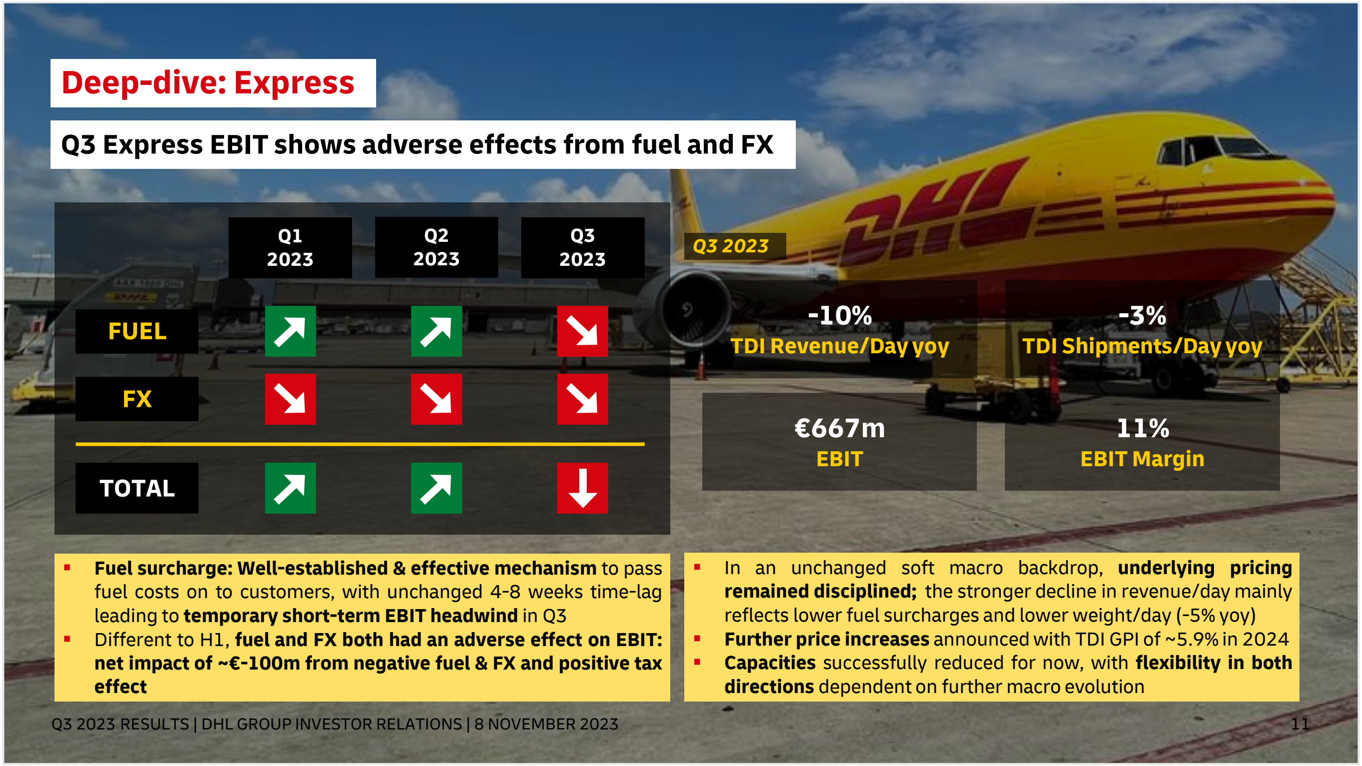
Management comments:
In Q3 2023, the end markets across our divisions have continued to develop largely in line with the L-scenario of our initial 2023 guidance assumptions. While B2C volumes have stayed more resilient, there has been no trend change towards volume recovery in our B2B markets yet.

With group results overall in line with consensus expectations, it is worth noting that Express has faced headwinds from fuel and FX, as expected, as well as a positive tax effect. The decline in Global Forwarding, Freight is in line with expected trends and overall sector developments driven by the post-pandemic normalization. Results of the eCommerce division reflect the conscious network investments geared towards the structural e-commerce growth opportunity.

P&P Germany saw similar trends in Q3 vs. Q2 reflecting structural mail decline and cost inflation, partly offset by cost and yield measures.

Management comments:
Q3 Express TDI shipments/day have developed very similarly to Q2. The volume development has hence stabilized but not worsened; still, Q3 2023 marked the 9th consecutive quarter of yoy TDI shipment/day decline for Express.

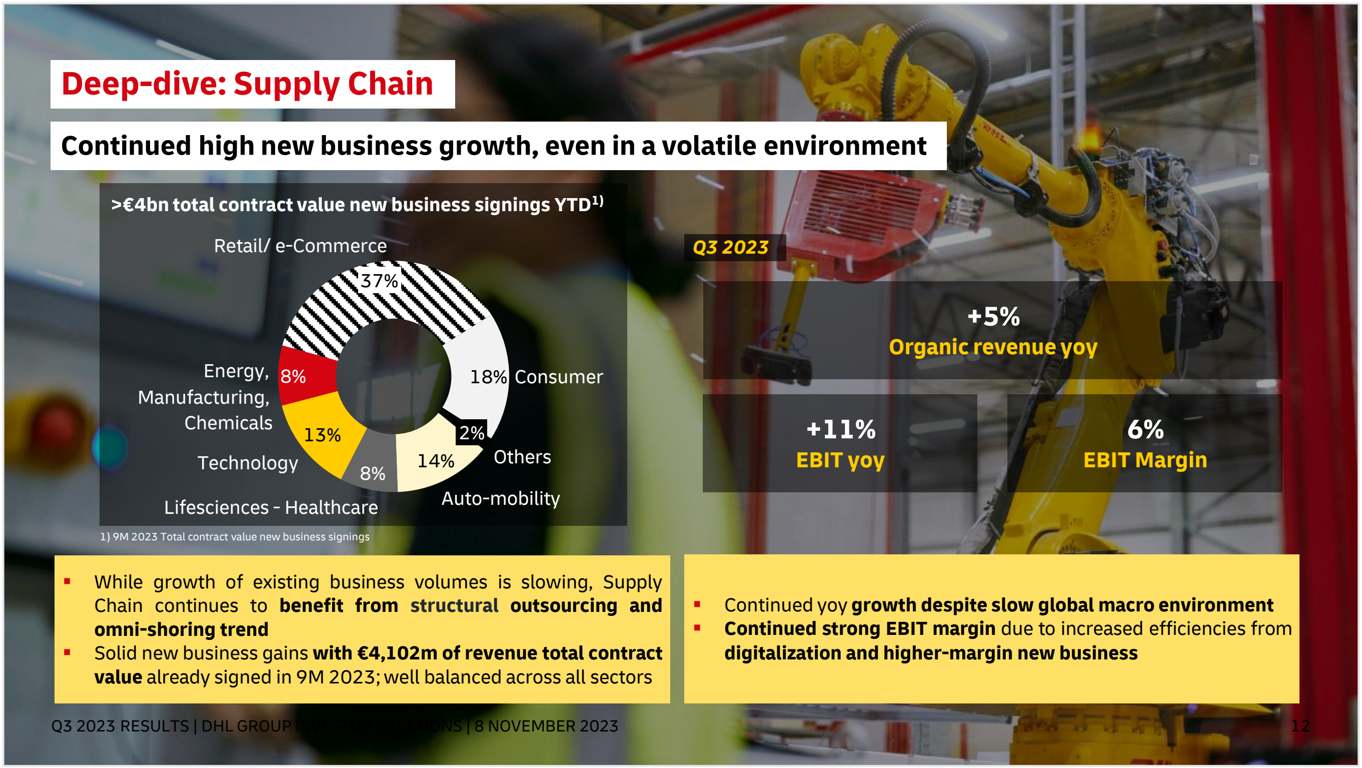
While we continue to successfully mitigate the operating leverage headwind from ongoing volume declines, the major difference in Q3 vs Q2 EBIT is that the short-term effect from fuel price changes turned negative and is hence no more offsetting but adding to negative FX effects. In total, reported Q3 Express EBIT includes a combined ~€-100m effect from FX & fuel-related headwinds as well as a positive tax effect.



Management comments:

Supply Chain stands out against the overall trend in freight markets, with an 11th quarter of yoy EBIT growth.

While not immune to cyclical fluctuations, this shows the resilience of the business model based on long-term contracts. Current growth momentum is mainly driven by the strong pipeline of new business wins, reflecting the structural acceleration of outsourcing driven by e-commerce and omni-shoring.



Management comments:
Group OCF decline mainly reflects the EBIT development, coupled with yoy lower working capital inflow in Global Forwarding, Freight as a result of overall normalization in volume and freight rates and change in provisions.

FCF declined less than OCF yoy due to lower net capex and net M&A. In Q3 2022, Net M&A was mainly related to the acquisition of Glen Cameron in Australia (Supply Chain).

2023 guidance confirmed for two remaining macro scenarios

2023 macroeconomic scenario	2023 EBIT sensitivities
~~V-shape (recovery starting around mid-year)~~	~~~ €7.0bn~~
U-shape (recovery starting more towards year-end)	~ €6.6bn
L-shape (no significant recovery in 2023)	> €6.2bn

2023 Group EBIT guidance: €6.2-6.6bn for two remaining macro scenarios
(from €6.2-7.0bn, three scenarios)

Management comments:
We fully confirm our expectation to the sensitivities of the individual macroeconomic scenarios as laid out in our previous guidance updates this year. However, the V-shape scenario can meanwhile be excluded as the actual market development did not show a recovery so far. As of today, the remaining possibilities are for a very late or possibly no recovery in calendar year 2023. Reflecting these two remaining scenarios, we hence narrowed our expectations for FY 2023 Group EBIT within our previous range to €6.2-6.6bn. The shape of the 2023 B2C peak season will also be a key determining factor of the actual strength of Q4 results.

2023 guidance confirmed; scenarios aligned to macro environment

in € bn

EBIT	2023 Guidance
Group	**6.2-6.6 (from 6.2-7.0)**
DHL	5.7-6.1 (from 5.7-6.5)
P&P Germany	0.8-1.0
Group Functions	~-0.45
Free Cash Flow[1]	**~3.0**
Gross Capex (excl. leases)	**~3.5 (from 3.4-3.9)**
Tax Rate	**28-30%**

	Mid-term Guidance
2025 Group EBIT	**7-8 (from >8.0)**
Free Cash Flow 2023-2025 cumulative[1]	**9-10 (from 9-11)**
Gross Capex (excl. leases) 2023-2025 cumulative	**10-11 (from 10-12)**

[1]FCF guidance excludes net M&A; ~€-0.5bn expected in 2023

Management comments:
As the V-shape scenario can now be excluded, we have confirmed FY 2023 guidance for the two remaining scenarios, leading to updated ranges for Group and DHL EBIT. In light of the macro uncertainties and reduced capex in P&P Germany, we expect gross capex spending at the lower end of our initial guidance range, at around €3.5bn. Therefore, our expectation for FY 2023 Group FCF is unchanged at ~€3bn, excluding expected net M&A spending of ~€0.5bn.

We have also updated our 2025 guidance to take into account the continued weak macro environment so far. With the volume recovery to set in later, we still expect EBIT to grow by 2025, but have taken down EBIT guidance from >€8.0bn to €7-8bn. In line with this less pronounced growth momentum, we have also narrowed our cumulative guidance for gross capex and FCF by reducing the upper end of range by €1bn for both KPIs for the period 2023-25.

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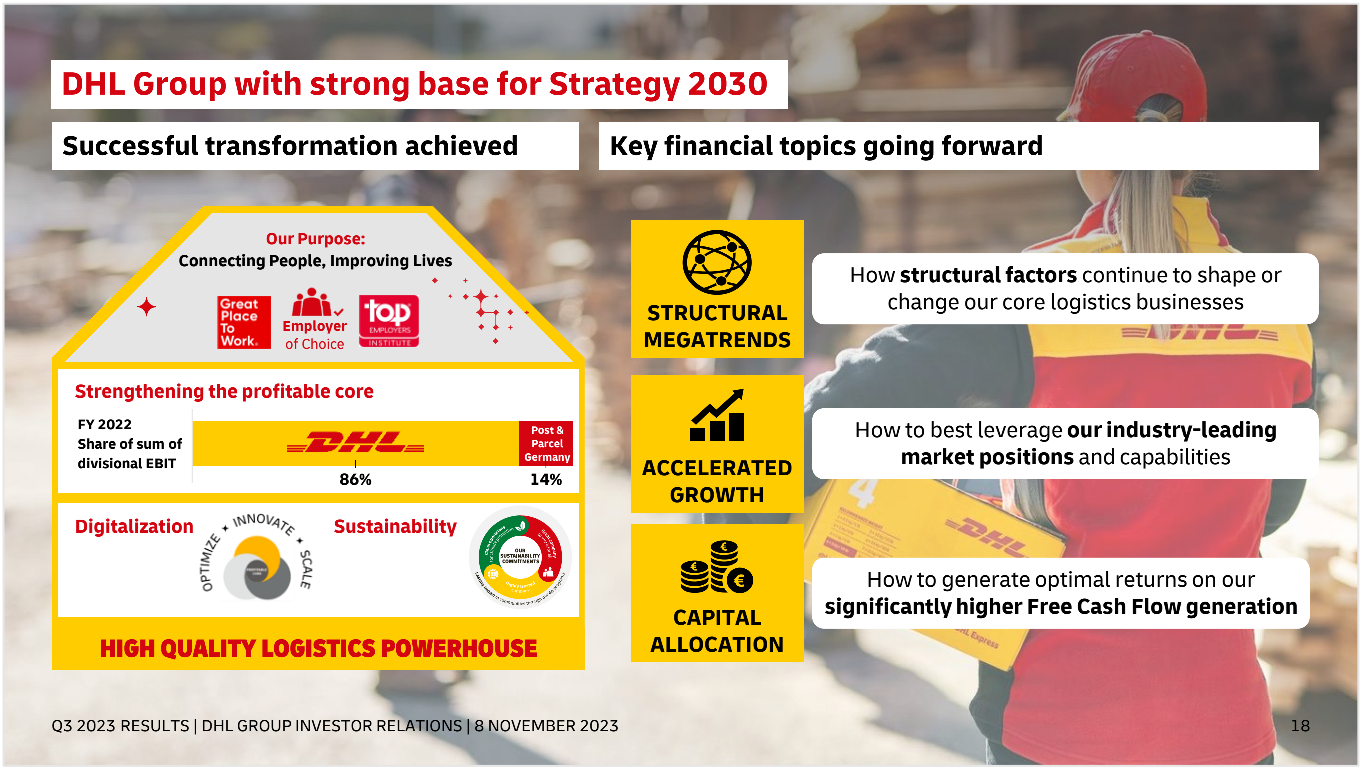
Management comments:
In light of the multiple current uncertainties, we are striving to take balanced short-term mitigation actions to not compromise our ability to fully leverage intact structural growth drivers. In that, we are drawing on our strong experience from managing economic cycles.

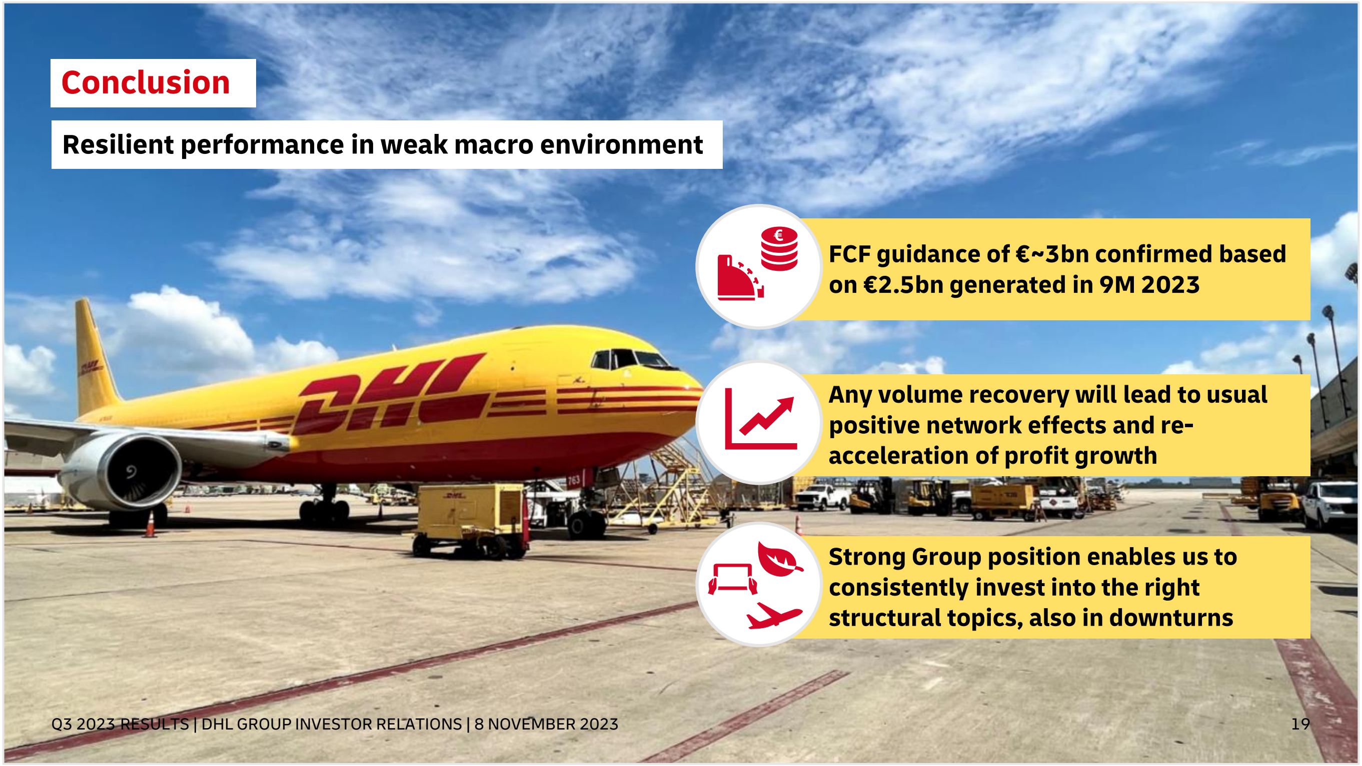
As reflected in our 2025 guidance, Group EBIT growth will ultimately again be driven by a combination of structural growth drivers like omni-shoring and e-commerce, as well as positive operating leverage driven by recovering volumes in all divisions, particularly in Express and also in Global Forwarding, Freight.



Management comments:

The name change to DHL Group implemented earlier this year punctuates the transformation of the former state-owned German Postal operator into a leading global logistics company. While this is reflected in the strong global footprint of our 5 operating divisions, DHL Group has also established a strong corporate culture built on common mission & values and is recognized as employer of choice through external certifications.

This all means that DHL Group is in a strong position to drive the next strategic phase around our Strategy 2030, to be presented in fall 2024.



Management comments:

The short conclusion along three time horizons:

- In the short-term, we are successfully mitigating the challenging economic environment, while generating significant FCF even in current circumstances
- We are ready and will benefit from the return of positive operating leverage as soon as the volume recovery eventually kicks in
- We are in good shape to define the next strategic long-term targets and make the adequate targeted investments

Group

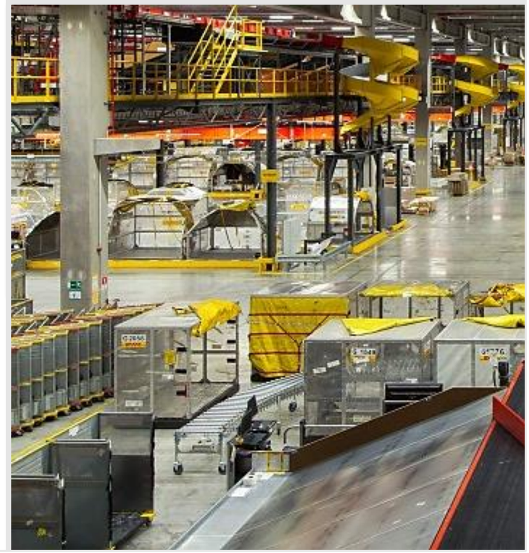
INVITATION

DHL EXPRESS HUB TOUR

DATE	LOCATION	
NOV 29th 2023	BRU	Brussels, Belgium
	YHM	Hamilton/Toronto, Canada

SIGN UP VIA IR@DHL.COM

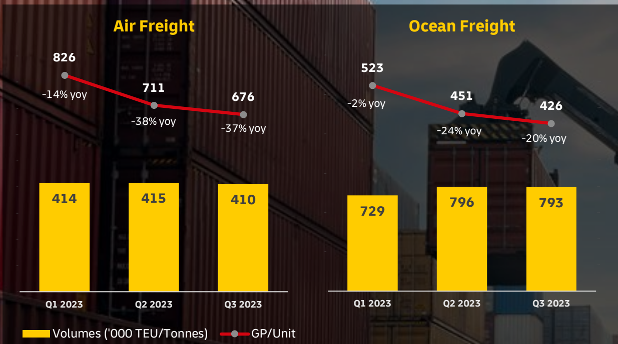
FOR INVESTORS ONLY



APPENDIX

Global Forwarding, Freight

Expected main business trends, in line with industry peers



Q3 2023

-44%
Revenue yoy

-25%
Gross Profit yoy

30%
DGF GP/EBIT Conversion Rate

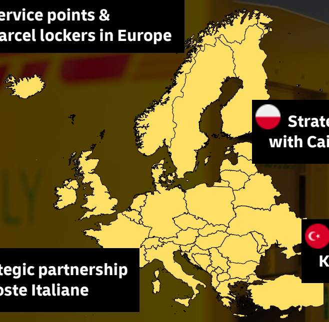
7%
EBIT Margin

- **Volumes stabilizing but not yet recovering** – actual recovery still to come as no reflection of significant restocking so far
- **Rate normalization continuing as expected** – GP/unit decline qoq slower than in Q2 (AFR -5% qoq; OFR -5% qoq)

- Conversion rate supported by **EBIT protection measures** incl. indirect cost control and structural process improvement
- **Continued gradual reduction in FTE (-3% yoy, -2% qoq)** reflecting current volume development

eCommerce

Continued investments in structural long-term e-commerce growth



80,000 service points & 20,000 parcel lockers in Europe

Strategic partnership with Cainiao in Poland

Acquisition of MNG Kargo in Turkey closed

Strategic partnership with Poste Italiane

Q3 2023

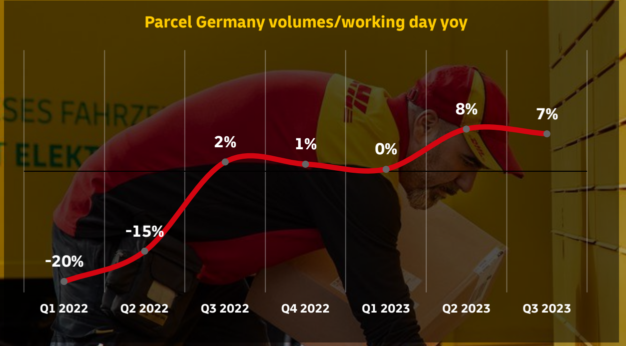
-1% Revenue yoy	**+3%** B2C Europe volume yoy
4% EBIT Margin	

- **B2C volumes remain resilient** – third consecutive quarter of yoy growth despite weak overall retail spending
- **Ongoing focus on yield and cost management** – with dedicated programs across all countries/networks

- **Continued pro-active network investments to foster structural e-commerce growth opportunity** – conscious build-out costs, even at expense of margin performance

Post & Parcel Germany

Confirmation of structural trends; regulation limits adequate measures



Q3 2023

+7% Parcel volumes/WD* yoy	**-4%** Mail volumes/WD* yoy
€115m Costs from new wage agreement	**5%** EBIT margin

*WD = Working Day

- **E-commerce volumes remain resilient** given macro pattern – Parcel volumes developing better than overall retail sales
- Fifth consecutive quarter of **yoy growth in Parcel volumes/working day** – however at slow pace reflecting cautious consumer sentiment

- Mail decline and cost inflation remain challenging – **scope of cost and yield measures remains limited by current regulation**
- **Short-term focus on cost, yield and capex measures** – safeguarding full-year EBIT target and spending only the cash P&P earns

P&L and Cash Flow Summary

On track to deliver on 2023 guidance with 9M EBIT of €4.7bn and 9M FCF of €2.5bn

in €m

P&L Highlights	Q3 2022	Q3 2023	yoy in %
Revenue	**24,038**	**19,398**	**-19.3**
EBIT	**2,029**	**1,372**	**-32.4**
Net Finance Costs	**-152**	**-162**	**-6.6**
Income Taxes	**-544**	**-363**	**+33.3**
Net Profit*	**1,220**	**807**	**-33.9**
Basic EPS (in €)	**1.01**	**0.68**	**-32.7**

**attributable to DPAG shareholders*

Cash Flow Statement	Q3 2022	Q3 2023	yoy
EBIT	**2,029**	**1,372**	**-657**
Depreciation/amortization	1,057	1,118	+61
Taxes/Provisions/Other	-403	-624	-221
Changes in Working Capital	782	668	-114
Operating Cash Flow	**3,465**	**2,534**	**-931**
Net capex	-891	-798	+93
Net Cash for Leases	-642	-700	-58
Net M&A	-124	17	+141
Net interest	9	21	+12
Free Cash Flow	**1,817**	**1,074**	**-743**