

Logwin with satisfactory sales and earnings development in a challenging market environment

Overall economic conditions

Grevenmacher (Luxembourg) - Against the background of tightened global monetary policy measures to counter inflation, the global economy has expanded only moderately in the course of this year. With supply bottlenecks easing and inflation rates declining compared with the beginning of the year, industrial production and world trade stagnated. In the euro zone overall, rising economic output slightly exceeded pre-pandemic levels, while German economic output recorded a drop in the first three quarters of 2023. In China, the expected economic recovery following the end of the zero-covid policy remained mostly unfulfilled.

The logistics market declined as a result of reduced demand for transport capacity and logistics services. Air freight rates continued to decline over the course of the year and were thus very significantly below the historic highs of previous periods. Ocean freight rates also fell rapidly to an unexpectedly low level. This development was caused by extraordinarily high availability of shipping capacity due to weak demand. The sentiment of the German logistics industry deteriorated significantly because of the negative macro-economic effects. In view of these difficult conditions, the Logwin Group performed well so far in 2023.

Net assets, financial situation and earnings position

Revenues The Logwin Group's sales of EUR 972.2m for the first nine months of 2023 were below the previous year's sales of EUR 1,774.5m. The Air + Ocean business segment generated sales of EUR 696.3m, significantly below the previous year's level due to the considerable year-on-year decline in air and ocean freight rates and reduced volumes worldwide (2022: EUR 1,426.7m). In the Solutions business segment, the serious decline in freight rates in the international transport business and the disposal of the German retail network in particular led to lower sales of EUR 276.8m (2022: EUR 350.5m).

EBITA The Logwin Group recorded a year-on-year decline in operating result (EBITA) of EUR 75.8m in the first nine months of 2023, in line with the general market development (2022: EUR 106.0m). The operating result (EBITA) of the Air + Ocean business segment of EUR 67.7m for the first nine months was significantly below the previous year's result (2022: EUR 107.7m), reflecting the substantially gloomier market environment, particularly in global ocean freight activity. The Solutions business segment achieved an operating result (EBITA) of EUR 17.2m and was thus significantly above the previous year's level in all activities (2022: EUR 10.7m). The national and international transport business and the discontinuation of loss-making activities in previous quarters made a major contribution to this development.

Net result The Logwin Group's net result for the first nine months of 2023 was EUR 59.4m (2022: EUR 64.2m). The previous year's result includes an impairment of goodwill in the Solutions business segment of EUR -11.7m.

Free cash flow In line with the reduced operating result, the Logwin Group's free cash flow of EUR 67.8m in the first three quarters of 2023 was below the previous year's figure of EUR 98.7m.

Risks and changes in forecast

Compared with the disclosures in the Annual Financial Report 2022, the risk situation for the Logwin Group has not changed significantly overall. There are risks to the expected development arising from an unforeseeable renewed expansion of supply bottlenecks for raw materials and intermediate products, as well as from existing inflation and a possible renewed tightening of the energy supply situation. In addition, uncertainties exist particularly with regard to the current geopolitical tensions.

As part of its risk management, Logwin identifies emerging risks at an early stage and pursues their minimization. Nevertheless, an unexpected negative impact on the net assets, financial position and earnings position of the Logwin Group cannot be ruled out. With regard to other existing and potential risks, we refer to the Annual Financial Report 2022.

The Logwin Group continues to expect significantly lower sales for the financial year 2023 compared to the previous year. This development is related on the one hand to the noticeably stronger than expected decrease in freight rates, and on the other hand to declining volumes due to economic and market conditions. The development of sales remains highly dependent on the further development of air and ocean freight rates. As expected, the Logwin Group's operating result (EBITA) for the financial year 2023 will be lower than the extremely positive result achieved in the previous year.

The aforementioned key performance indicators (KPIs) are an integral part of Logwin Group's system of key figures and are described and defined in the section "Financial Performance Management" of the management report of the Annual Financial Report 2022 (page 1 et seq.) in line with the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures (APM) dated 5 October 2015.

The Logwin Group's quarterly statement as of 30 September 2023 is available on the internet at www.logwin-logistics.com.

About Logwin AG

Logwin AG (Grevenmacher, Luxembourg) provides efficient logistics and transport solutions for its customers from industry and trade. In 2022, the group generated sales of EUR 2.3bn and currently employs about 4,000 staff. Logwin operates in all main markets worldwide and has 190 locations on six continents. With its two business segments Solutions and Air + Ocean, Logwin AG is one of the leaders in the market.

Logwin AG is listed in the Prime Standard of the Deutsche Börse. The majority shareholder is DELTON Logistics S.à r.l., Grevenmacher (Luxembourg).

Contact:**Sebastian Esser**

Chief Financial Officer

Phone: +352 719690-1112

sebastian.esser@logwin-logistics.com

www.logwin-logistics.com