

Investor Presentation

H1 2023 Results

Hamburg, 10 August 2023



Opening Remarks

1 | HIGHLIGHTS

- Global transport demand remained muted in H1 2023 leading to a challenging market environment
- With the completion of the SAAM Ports & Logistics acquisition in August we reached a significant milestone
- Delivery of our newbuild LNG-powered vessels will substantially contribute to our CO₂ reduction targets

2 | FINANCIAL PERFORMANCE

- Normalisation of earnings trend set in as anticipated – H1 financial performance was still very strong
- Average freight rate fell further due to normalisation of supply chains and weaker demand
- We continue to have a strong balance sheet following the dividend distribution of USD 12.2 bn in May

3 | MARKET UPDATE

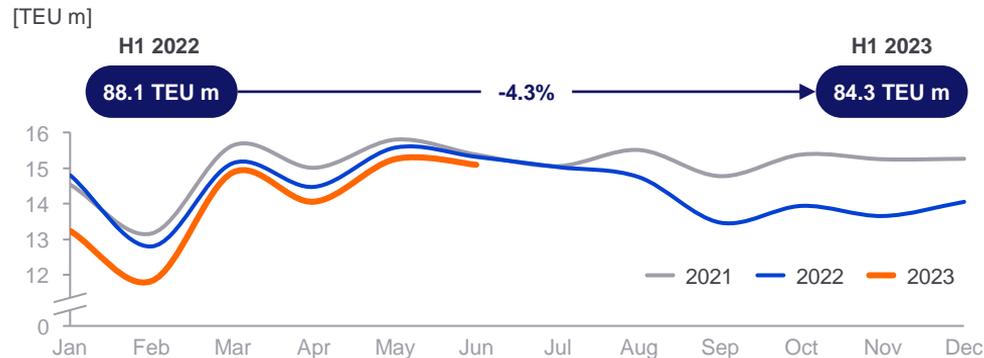
- Only slow recovery of demand expected in the next quarters
- High inflow of newbuild vessels commenced, partly offset by increasing scrapping and slow steaming
- Supply will likely outpace demand in 2023 & 2024 making active cost management inevitable

4 | WAY FORWARD

- Outlook 2023 confirmed: Earnings normalisation expected to continue
- Terminal activities to become second pillar of our business
- Roll-out of remaining Simplify, Strengthen and Invest measures and develop a new mid-term strategy

Global transport demand remained muted in H1 2023 reflecting slow GDP growth and a shift back from goods to services

GLOBAL CONTAINER VOLUMES



SHANGHAI CONTAINERIZED FREIGHT INDEX



MARKET DEVELOPMENT



Global container volumes in H1 2023 were well below 2021/2022 levels



Spot rates ex-China bottomed out at the end of Q1 2023 while Atlantic and LatAm rates fell further in Q2



Effective capacity is increasing due to normalisation of supply-chains and strong influx of newbuild vessels



Inflationary pressure keeps transport costs on elevated levels despite easing of congestion

We have completed the SAAM Ports & Logistics acquisition in August, a key milestone to build a robust terminal portfolio

SAAM PORTS & LOGISTICS ACQUISITION

Chilean terminal operator and logistics company



10 Terminals

operated in Latin America and the USA



>3 TEU m

container throughput p.a.



Full-service portfolio

in the area of terminal operations and logistics

STRATEGIC RATIONALE



Strengthen our market position in the Americas



Our new LNG-powered vessels will substantially contribute to our CO₂ reduction targets



New vessel
Berlin Express
 23.600 TEU
 Dual-fuel LNG engine

-60%

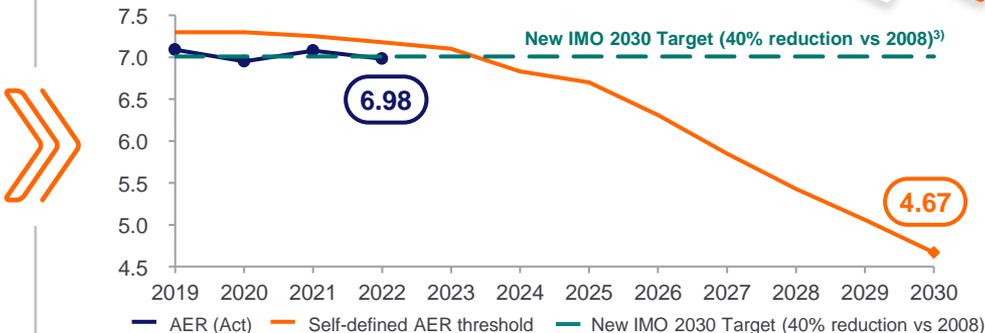
11.68
2008

4.67
2030

OUR CO₂ REDUCTION MEASURES

- Deployment of highly efficient 13k and 24k TEU **newbuild vessels**
- Use of **LNG** to instantly **reduce CO₂ emission by 15-25%** as compared to regular bunker
- Retrofitting** of more than 150 vessels will generate CO₂ savings of 6-7%
- Extended use of **biofuels** to avoid emissions by 20-30%¹⁾
- Exploring **methanol main engine retrofit** with MAN

OUR CO₂ REDUCTION AMBITION [AER]²⁾



1) For B30 blend 2) Goal to reduce CO₂ intensity of the fleet in ownership measured as Average Efficiency Ratio [g CO₂/dwt x NM] by 60% in 2030 as compared to 2008
 3) 2023 IMO Greenhouse Gas Strategy ambition to reduce CO₂ emissions per transport work, as an average across international shipping, by at least 40% by 2030, compared to 2008.

Customer satisfaction increased to the highest level since 2018

QUALITY PROMISES

June 2023 vs.
2019/2021



97%
89%

Timely and correct documentation
Issuance of final bills of lading within 8 hours



107%
100%

Booked and loaded as agreed
Compliance with volume agreements



97%
89%

Fast case resolution
Cases resolved within 24 business hours



92%
63%

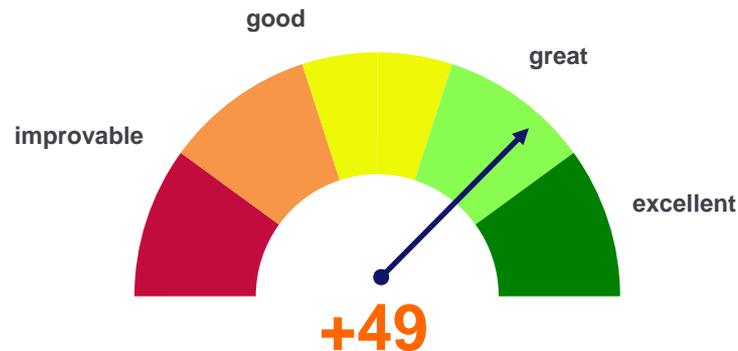
Responsive service
Answered calls within 12 seconds



61%
74%

Reliable transport
On-time arrival

RECOMMENDATION RATE – NPS (Net Promoter Score)



NET PROMOTER SCORE

NPS improved further by +20 compared to October 2022 to the highest level since survey began in 2018

Strong financial performance in H1 2023 despite challenging market environment

Transport volume

5.8 MTEU

PY: 6.0 MTEU

Revenue

USD 10.8 bn

PY: USD 18.6 bn

EBITDA

USD 3.8 bn

PY: USD 10.9 bn

Free Cash Flow

USD 4.0 bn

PY: USD 9.5 bn

Net Liquidity

USD 3.9 bn

FY 2022: USD 13.4 bn

Equity

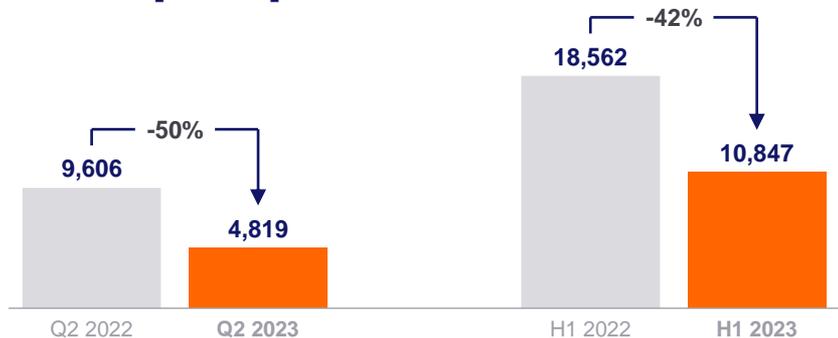
USD 20.7 bn

FY 2022: USD 29.8



Normalisation of earnings trend in H1 2023 as anticipated – Margins and return on invested capital still on a high level

REVENUE [USD m]



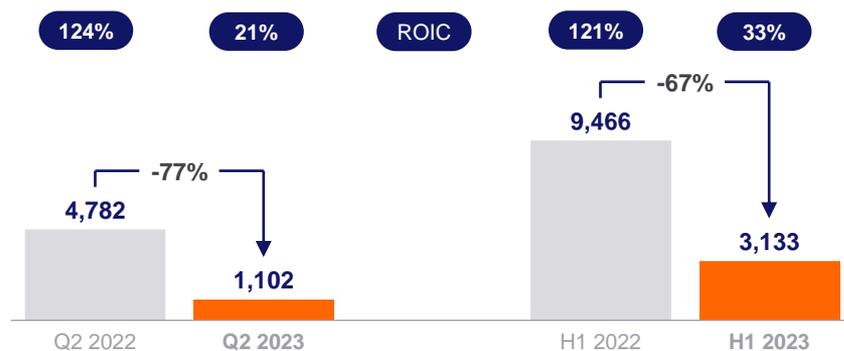
EBITDA [USD m]



EBIT [USD m]

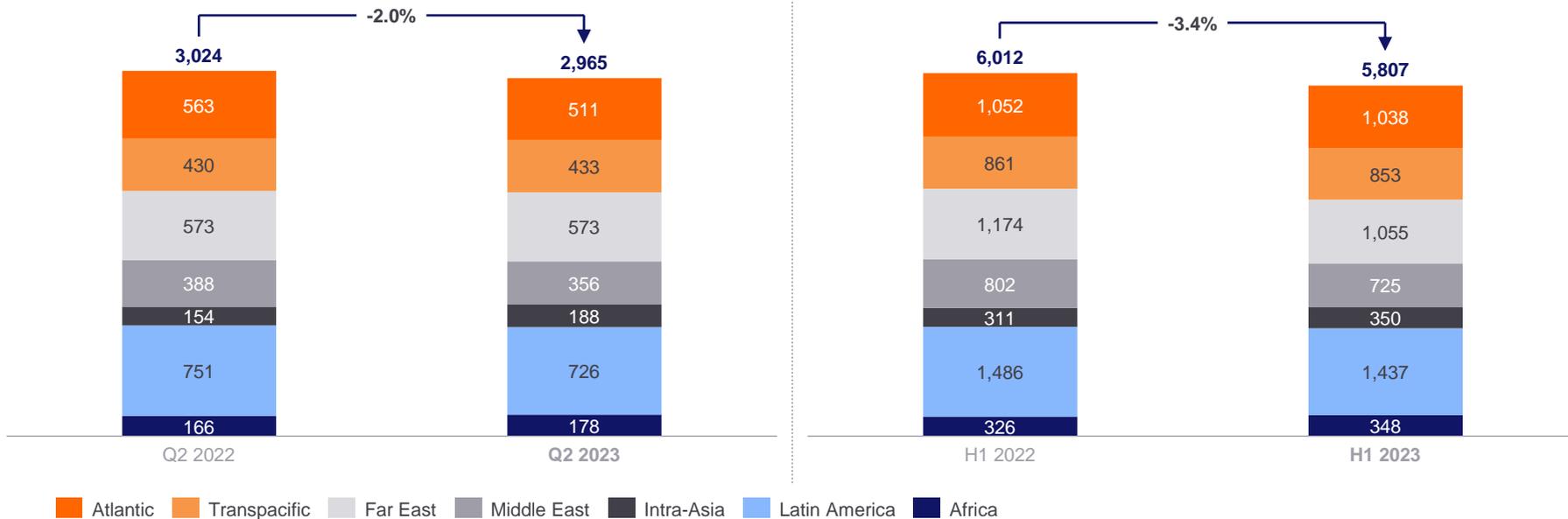


GROUP PROFIT [USD m]



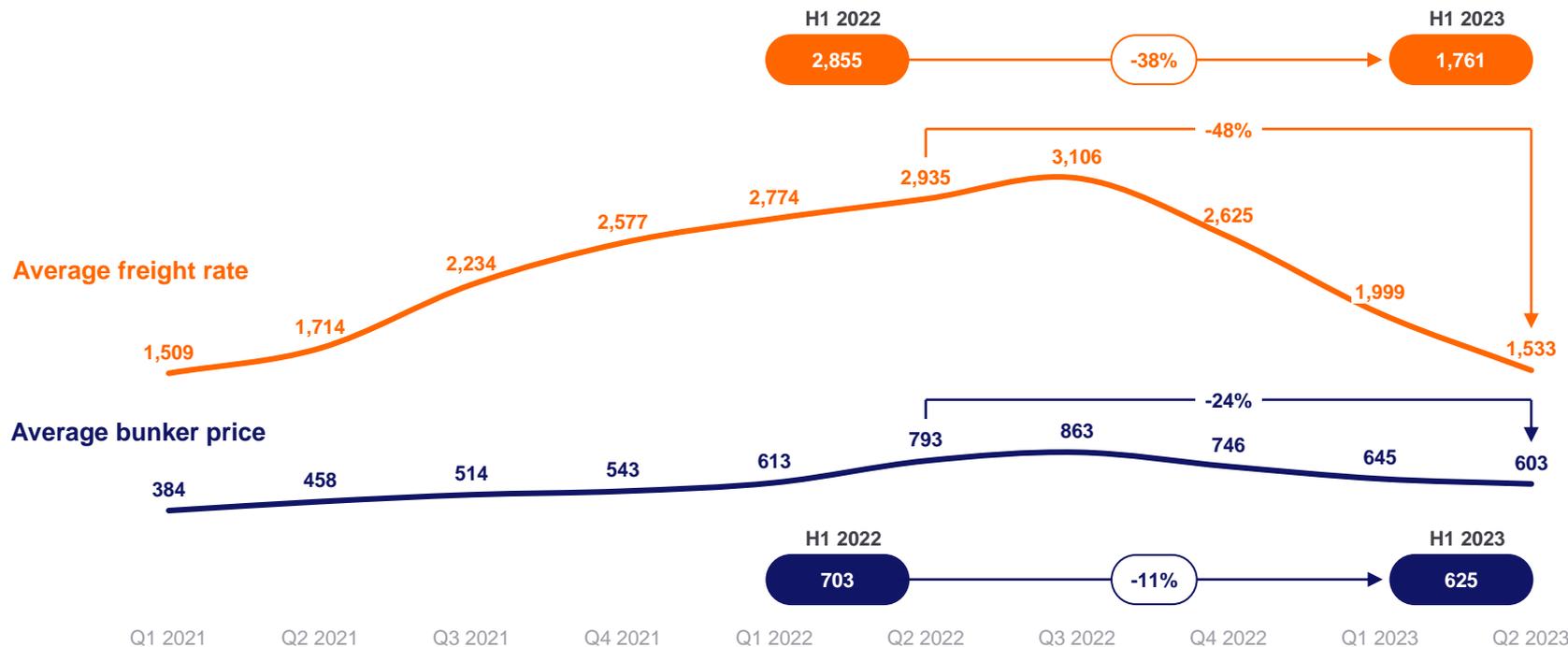
Transport volumes declined by 3.4% YoY in H1 due to weak global demand for container transport

TRANSPORT VOLUME DEVELOPMENT BY TRADE [TTEU]



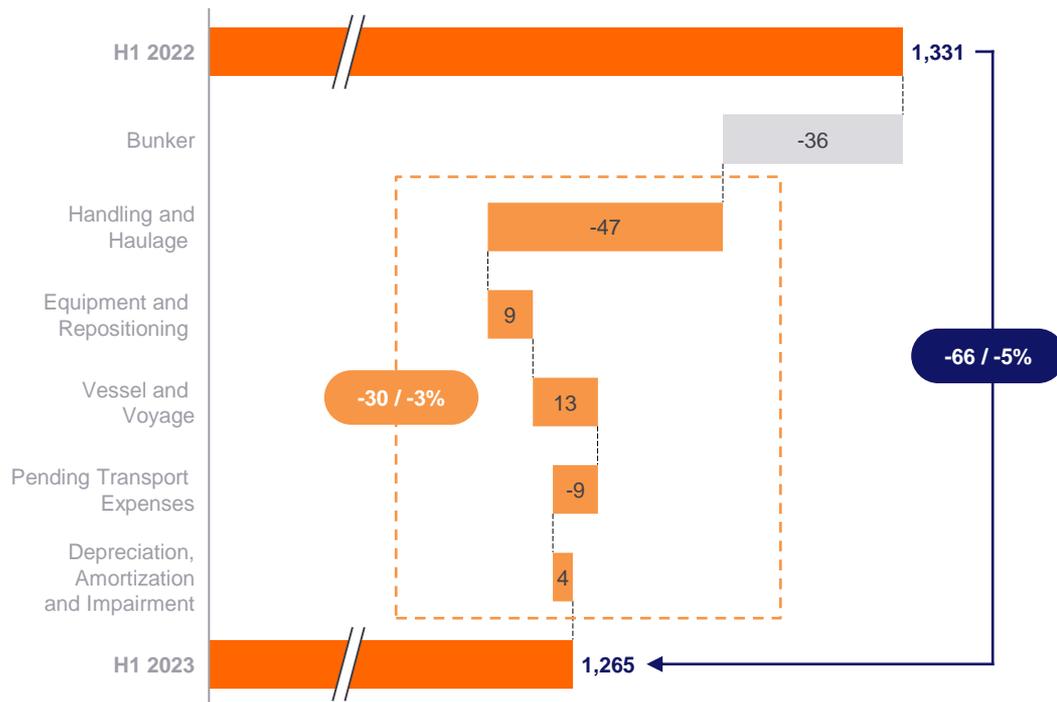
Average freight rate fell further due to normalisation of supply chains and weaker demand – bunker price down clearly

FREIGHT RATE [USD/TEU] VS. BUNKER PRICE DEVELOPMENT [USD/MT]



Unit costs decreased YoY mainly due to lower bunker prices and easing of port congestion

CHANGE IN TRANSPORT EXPENSES PER UNIT [USD/TEU]

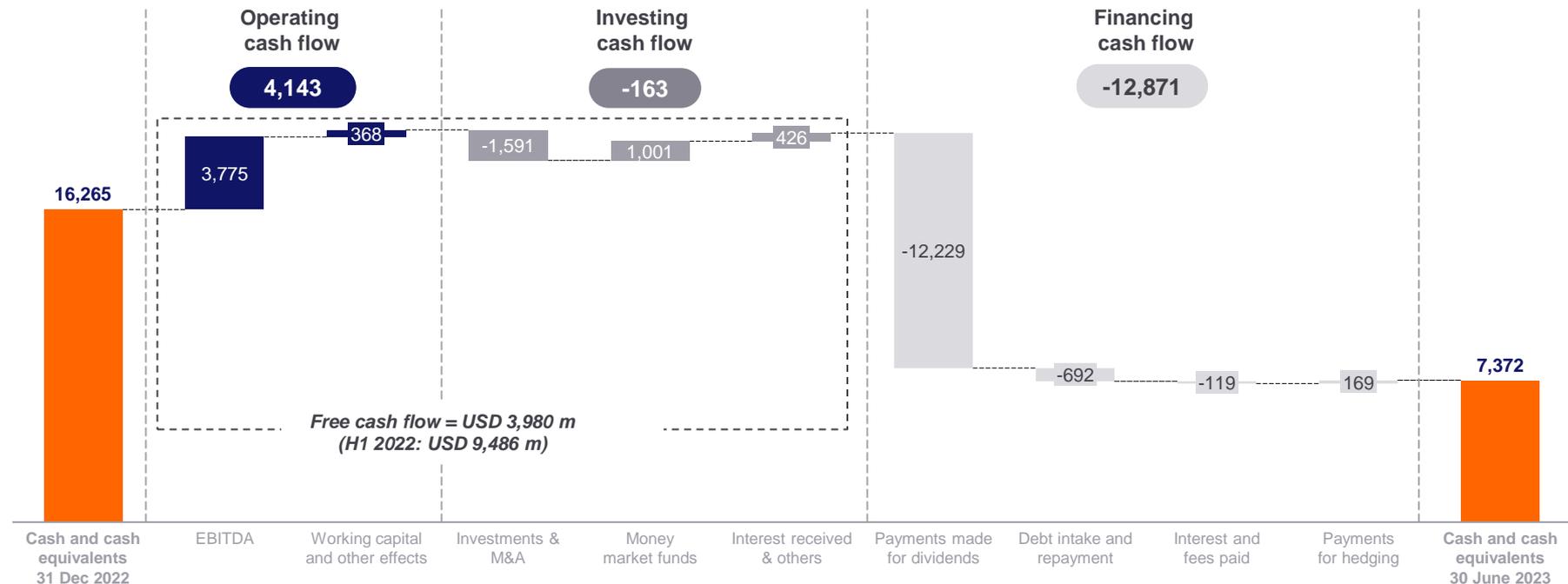


COMMENTS

- “Bunker” expenses decreased by 15% because of lower bunker prices.
- “Handling and Haulage” expenses decreased by 8% due to easing of port congestion.
- “Equipment and Repositioning” expenses increased by 7% due to higher storage expenses for empty containers.
- “Vessel and voyage” expenses increased by 6% mainly due to higher port and canal costs, and expenses for container slot charter costs on third-party vessels.
- In total, unit cost in H1 2023 were down 5% or 66 USD/TEU as compared to H1 2022.

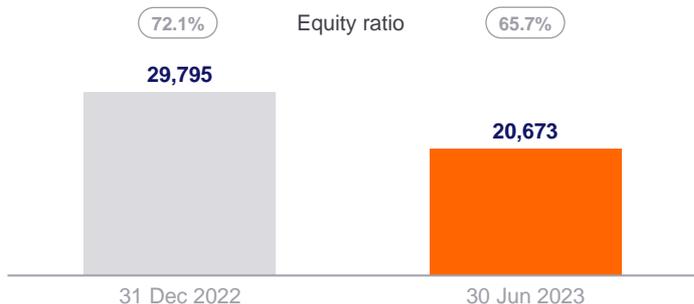
Despite high dividend payout in May, cash balance stood at USD 7.4 bn at the end of H1 2023

CASH FLOW H1 2023 [USD m]

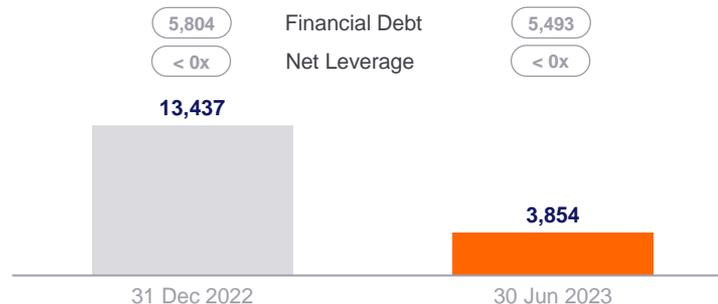


Balance sheet figures remain strong – Net liquidity at USD 3.9 bn

EQUITY [USD m]



NET LIQUIDITY [USD m]



LIQUIDITY RESERVE [USD m]¹



COMMENTS

- Following the AGM approval on 3 May 2023, we used excess funds for a dividend distribution to our shareholders in the amount of USD 12.2 bn.
- Fixed-income investments recognised under other financial assets amounted to USD 2.0 bn.

1) From the first quarter 2023, the liquidity reserve includes money market transactions and fixed income investments which are recognised under other financial assets. Prior year figures adjusted accordingly.

High inflow of newbuild vessels commenced – Vessel ordering activity still elevated

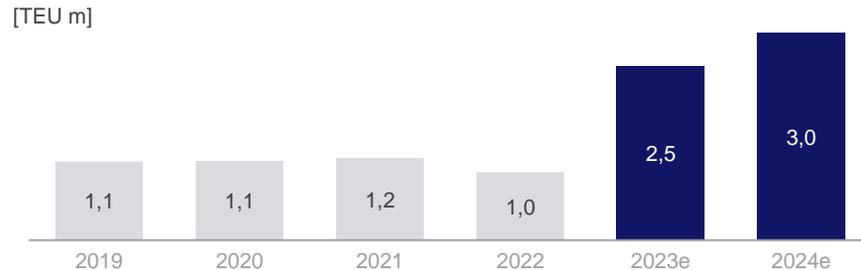
GLOBAL ORDERBOOK



Source: MDS Transmodal

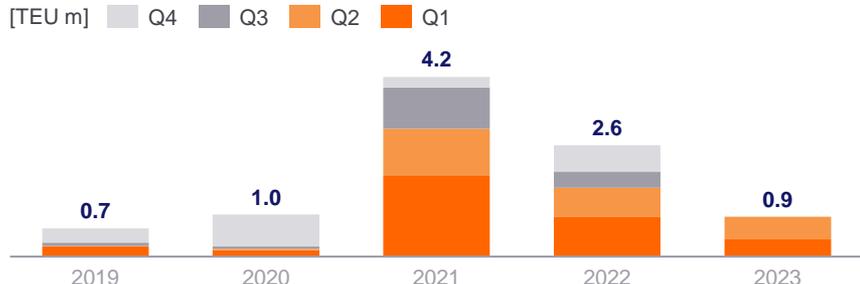
SCHEDULED VESSEL DELIVERIES

[before scrapping and slippage]



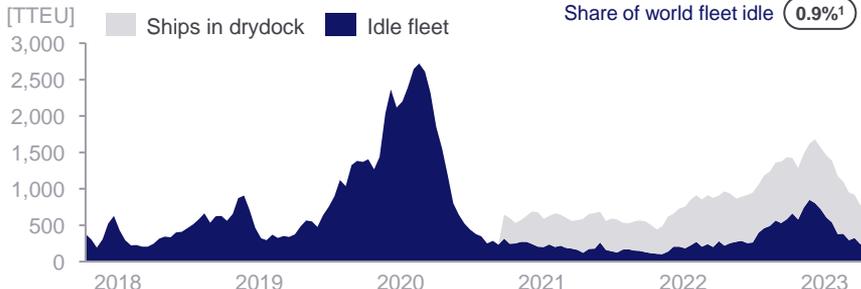
Source: Drewry Container Forecaster (2Q23) until 2022; Alphaliner Monthly Monitor (July 23) from 2023 onwards

NEWLY PLACED ORDERS



Source: Clarksons (9 Aug 2023)

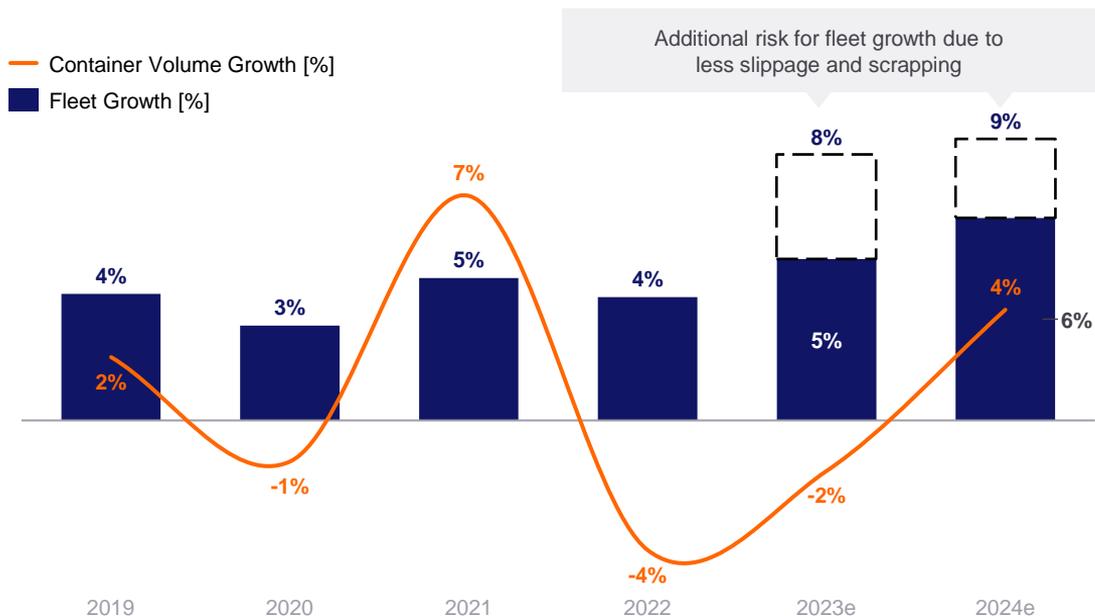
INACTIVE FLEET



Source: Alphaliner

Global supply will likely outpace demand in the next quarters

GLOBAL DEVELOPMENTS OF SUPPLY AND DEMAND



Only slow recovery of demand expected in the next quarters



Strong inflow of new capacity



Scrapping, slippage and slow steaming will offset high newbuild supply partly



Supply will likely outpace demand in 2023 & 2024 making active cost management inevitable

Outlook 2023



Outlook confirmed: Gradual normalisation of earnings set to continue in H2 2023

	FY 2022	Outlook 2023
 Transport volume	11,843 TTEU	Increasing slightly
 Bunker consumption price	753 USD/mt	Decreasing clearly
 Freight rate	2,863 USD/TEU	Decreasing clearly
 EBITDA	20,474 USD m	USD 4.3 – 6.5 bn EUR 4.0 – 6.0 bn
 EBIT	18,467 USD m	USD 2.1 – 4.3 bn EUR 2.0 – 4.0 bn

Note: Our earnings perspective is based on the assumption of an average exchange rate of USD 1.09 USD / EUR.



Priorities for 2023

Focus on service quality and customer satisfaction

Continue with a prudent financial policy

Integrate recent terminal acquisitions

Strengthen sustainability and decarbonisation efforts

Adapt to evolving market conditions

Maintain a competitive cost base

Invest in our teams

Develop new medium-term strategy



Appendix

Hapag-Lloyd's group profit came in at USD 3.1 bn in H1 2023

INCOME STATEMENT [USD M]

million USD	Q2 2023	Q1 2023	Q2 2022	QoQ Change	YoY change	H1 2023	H1 2022	Change
Revenue	4,819.0	6,028.1	9,605.7	-20.1%	-49.8%	10,847.1	18,561.8	-41.6%
Transport expenses	-3,070.2	-3,259.4	-3,663.3	-5.8%	-16.2%	-6,329.7	-6,976.4	-9.3%
Personnel expenses	-255.2	-259.0	-231.3	-1.5%	10.3%	-514.2	-467.0	10.1%
Depreciation, amortisation and impairment	-508.8	-504.7	-507.1	0.8%	0.3%	-1,013.5	-1,023.1	-0.9%
Other operating result	-105.4	-147.6	-143.1	-28.6%	-26.3%	-253.0	-256.5	-1.3%
Operating result	879.3	1,857.3	5,060.9	-52.7%	-82.6%	2,736.7	9,838.9	-72.2%
Share of profit of equity-accounted investees	5.8	16.7	62.6	-64.9%	-90.7%	22.5	75.5	-70.2%
Result from investments	2.4	-0.0	4.1	n.m.	-40.9%	2.4	4.2	-41.5%
Earnings before interest and tax (EBIT)	887.6	1,874.0	5,127.7	-52.6%	-82.7%	2,761.6	9,918.5	-72.2%
Interest result	110.5	162.8	-39.1	-32.1%	n.m.	273.2	-92.9	n.m.
Other financial items	102.1	62.5	-284.2	63.4%	n.m.	164.6	-319.0	n.m.
Income taxes	1.4	-68.3	-22.2	n.m.	n.m.	-66.9	-40.9	63.5%
Group profit / loss	1,101.6	2,031.0	4,782.2	-45.8%	-77.0%	3,132.6	9,465.7	-66.9%

Hapag-Lloyd with an equity ratio of 66% and a net liquidity of USD 3.9 bn at the end of H1 2023

BALANCE SHEET [USD M]

million USD	30.6.2023	31.12.2022
Assets		
Non-current assets	19,066.1	18,034.8
of which fixed assets	18,943.6	17,876.5
Current assets	12,392.8	23,263.7
of which cash and cash equivalents	7,371.6	16,264.5
Total assets	31,458.8	41,298.5
Equity and liabilities		
Equity	20,672.6	29,795.1
Borrowed capital	10,786.2	11,503.4
of which non-current liabilities	4,470.1	4,674.6
of which current liabilities	6,316.2	6,828.7
of which financial debt and lease liabilities	5,492.6	5,803.8
of which non-current financial debt and lease liabilities	4,096.1	4,317.9
of which current financial debt and lease liabilities	1,396.5	1,485.9
Total equity and liabilities	31,458.8	41,298.5

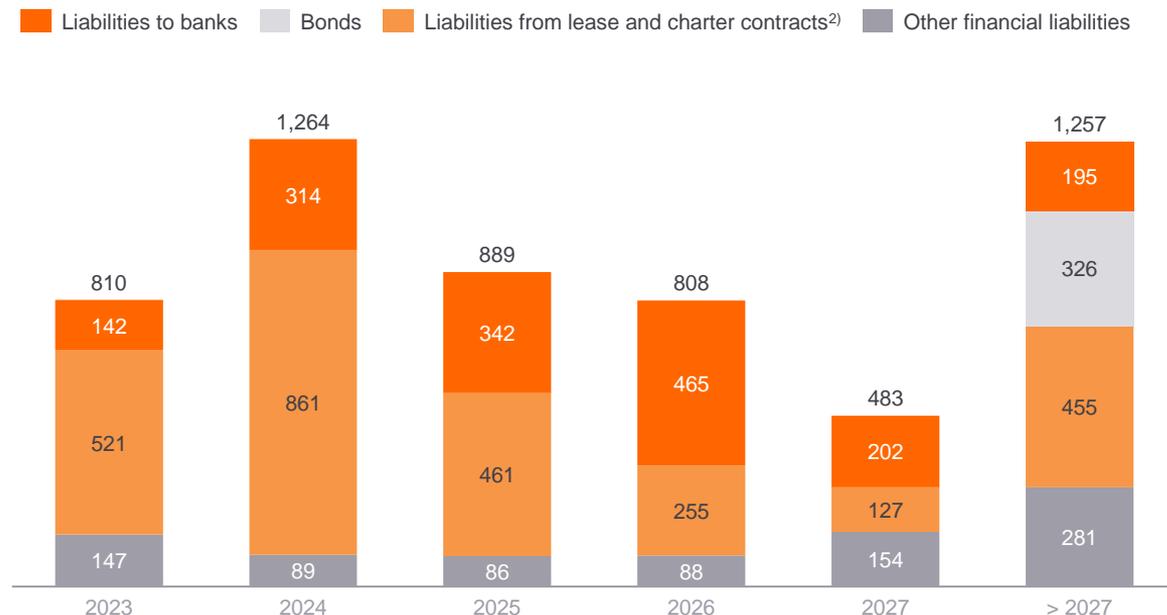
FINANCIAL POSITION [USD M]

million USD	30.6.2023	31.12.2022
Financial debt and lease liabilities	5,492.6	5,803.8
Cash and cash equivalents	7,371.6	16,264.5
Money market transactions & funds / fixed income investments (other financial assets)	1,975.1	2,976.0
Net liquidity	3,854.1	13,436.7
Unused credit lines	725.0	725.0
Liquidity reserve¹	10,071.7	19,965.5
Equity	20,672.6	29,795.1
Assets	31,458.8	41,298.5
Equity ratio (%)	65.7	72.1

Well balanced maturity structure of financial liabilities

FINANCIAL DEBT PROFILE AS PER 30 JUNE 2023¹, [USD M]

Facility	30 June 2023 [USD m]
Vessel Financings	1,702
Container Financings	723
Total Vessel & Container	2,425
EUR Bond 2024	326
Total Bonds	326
Corporate secured	72
Corporate unsecured	8
Total corporate	80
Pre IFRS 16 Leases	10
New IFRS 16 Leases	2,670
Total Finance Leases	2,680
Total financial liabilities	5,510²⁾



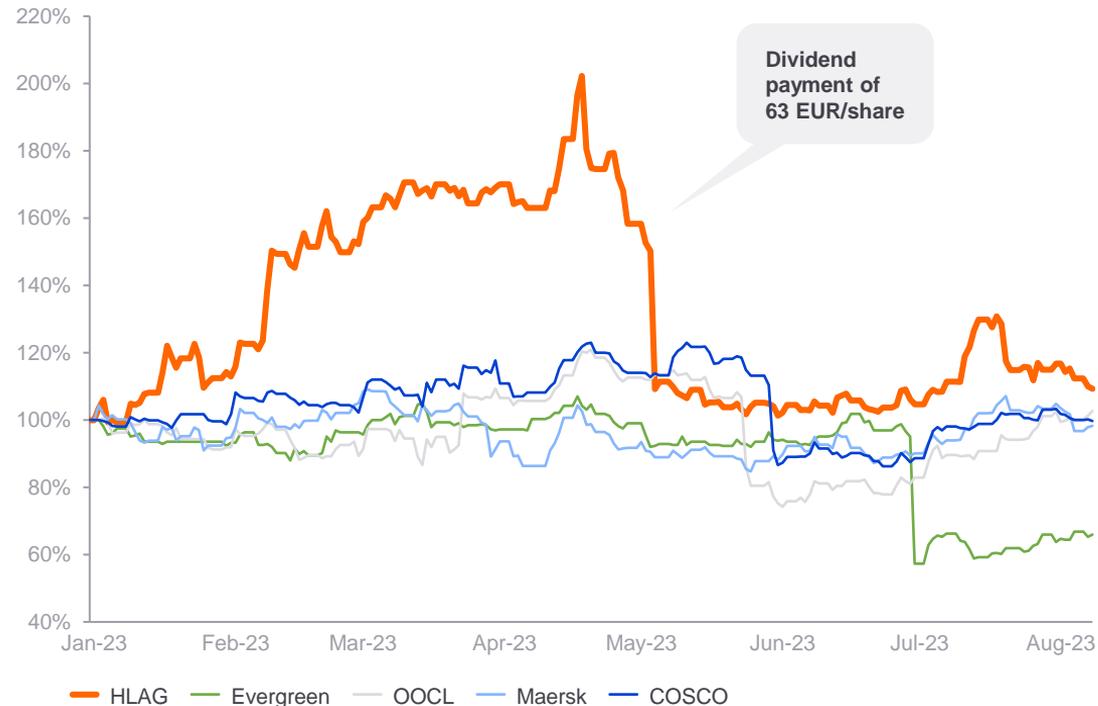
Note: Rounding differences may occur

1) Repayment amounts based on contractual debt as per 30 June 2023 2) Liabilities from lease and charter contracts consist of USD 10 million liabilities from former finance lease contracts and USD 2,670 million from lease contracts presented as on-balance financial liability due to first-time application of IFRS 16

Share price development

PERFORMANCE SINCE 1 JANUARY 2023

Indexed Price



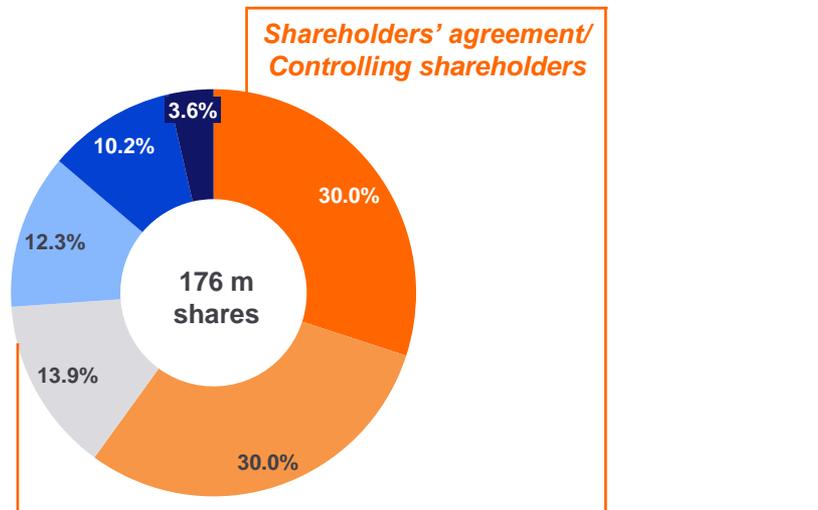
Stock Exchange	Frankfurt Stock Exchange / Hamburg Stock Exchange
Market segment	Regulated market (Prime Standard)
ISIN / WKN	DE000HLAG475 / HLAG47
Ticker Symbol	HLAG
Primary listing	6 November 2015
Number of shares	175,760,293

Bond trading

	EUR Bond 2028
Listing	Open market of the Luxembourg Stock Exchange (Euro MTF)
Volume	EUR 300 m
ISIN / WKN	XS2326548562
Maturity Date	April 15, 2028
Redemption Price	as of 15 April 2024: 101.375% as of 15 April 2025: 100.688% as of 15 April 2026: 100%
Coupon	2.500%



Our shareholder base is long-term oriented



- Kühne Maritime GmbH / Kühne Holding AG
- CSAV Germany Container Holding GmbH
- HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH
- Qatar Holding Germany GmbH
- The Public Investment Fund on behalf of the Kingdom of Saudi Arabia
- Free Float

- **Kühne:** majority owner of Kühne + Nagel, shareholder since 2009
- **CSAV:** Chilean stock listed company, majority owned by Luksic Group, shareholder since merger with CSAV in 2014
- **HGV Hamburg:** City of Hamburg, shareholder since 2009
- Kühne, CSAV and HGV agreed to uniformly exercise their voting rights
- Sovereign wealth funds of **Qatar** and **Saudi Arabia** became shareholders after the merger with UASC in 2017

Financial Calendar 2023

- | | | |
|---|------------------------|------------------------------------|
|  | 31 January | Preliminary Financials 2022 |
|  | 2 March | Annual Report FY 2022 |
|  | 3 May | Annual General Meeting 2023 |
|  | 11 May | Quarterly Financial Report Q1 2023 |
|  | 10 August 2023 | Half-year Financial Report 2023 |
| | 9 November 2023 | Quarterly Financial Report 9M 2023 |

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<https://www.hapag-lloyd.com/en/ir.html>