

Investor Presentation

Q1 2023 Results

Hamburg, 11 May 2023



Opening Remarks

1 | HIGHLIGHTS

- Demand for container transport remained on a low level in Q1 2023 as a result of inventory de-stocking
- We have executed further on our strategic agenda to Simplify, Strengthen and Invest
- We made significant progress in our efforts to build up a robust terminal portfolio

2 | FINANCIAL PERFORMANCE

- Financial KPIs remained on an exceptional level in Q1 2023 despite challenging market environment
- Strong cash generation leading to a very healthy net cash position of USD 15.7 bn at the end of Q1 2023
- Balance sheet figures on exceptional level - excess funds were used to pay EUR 11.1 bn dividends in May

3 | MARKET UPDATE

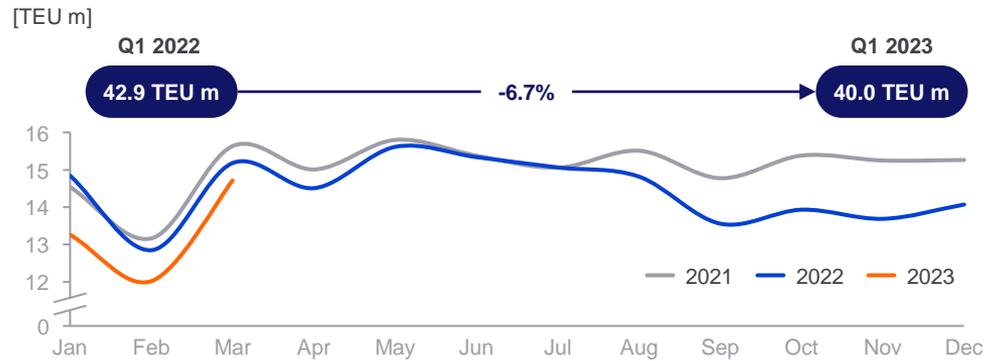
- Demand likely to remain subdued until destocking cycle is completed
- Strong inflow of new capacity will be partly offset by increasing scrapping activities and slow steaming
- Nevertheless, supply will likely outpace demand in 2023 & 2024 making active cost management inevitable

4 | WAY FORWARD

- Outlook 2023 confirmed: Earnings normalisation expected due to fundamentally different market conditions
- We will roll-out the remaining Simplify, Strengthen and Invest measures and
- ... review and update our strategy to set course until 2030

Global demand weakness continued in Q1 2023

GLOBAL CONTAINER VOLUMES



SHANGHAI CONTAINERIZED FREIGHT INDEX



MARKET DEVELOPMENT



Global demand for container transport remained on a low level in Q1 2023 as a result of inventory de-stocking



Spot rates ex-China bottomed out at the end of Q1 2023 after reaching an unsustainable level



Port congestion has dissipated, and supply-chains are in the process of normalisation



Inflationary pressure keeps transport cost on elevated levels

By meeting our quality goals, we were able to further improve customer satisfaction

QUALITY PROMISES

Apr 2023 vs.
2019/2021

 **95%** **Timely and correct documentation**
Issuance of final bills of lading within 8 hours
89%

 **100%** **Booked and loaded as agreed**
Compliance with volume agreements
100%

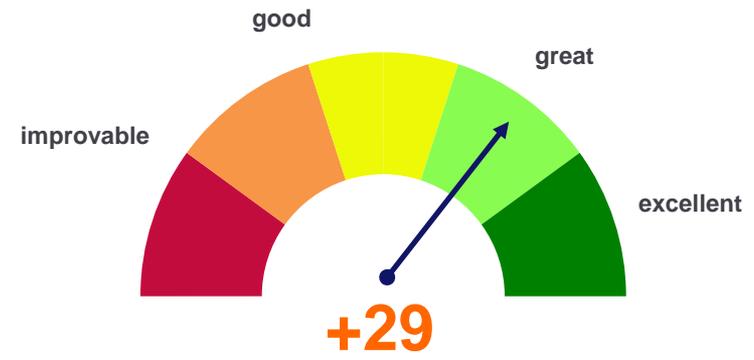
 **97%** **Swift issue resolution**
Processing of inquiries within 24 hours
89%

 **92%** **Responsive service**
Answered calls within 12 seconds
63%

 **55%** **Reliable transport**
On-time arrival
74%

RECOMMENDATION RATE – NPS (Net Promoter Score)

Increase to highest level since survey began in 2018



NET PROMOTER SCORE

Preliminary results of the most recent customer survey indicate a further improvement to >40.

Montevideo Express

13k TEU High Reefer



We are investing to maintain a competitive fleet and further digitise our business

NEWBUILDINGS



High Reefer

10 x 13k TEU

delivery 07/22 – 09/24

Dual-Fuel LNG

12 x 23,5 + k TEU

delivery 06/23 – 04/25

FLEET UPGRADE PROGRAM



6 – 7%
Fuel savings

70 – 100 TTEU
Capacity increase

USD 750 m
Σ Investments in 2022 - 2027

CONTAINER TRACKING



Equipment of **all containers** with **tracking devices** by the end of 2024

DIGITALISATION



More than **20 digital products** available online

Renewal and expansion of **Hapag-Lloyd IT infrastructure** worldwide

SHIP GREEN will make our customers' supply chains more sustainable

LAUNCH OF SHIP GREEN PRODUCT

Emissions Avoidance

- With "**Ship Green**", customers can opt for **up to 100% emission-free sea transport** of their cargo in the future
- By using **biofuel**, CO₂ emissions can be further reduced in a targeted manner

Book Online

- **Easy activation** via the standardised online booking process
- **Global availability** without restriction on the respective route and region

Full transparency

- **Ship Green Tool** provides full transparency on emissions avoided
- Level of emissions avoidance is independently certified through **Ship Green Declaration**





Improving **access to key locations** and build a **robust terminal portfolio**



We continue to make good progress on building our terminal portfolio

INVESTMENTS IN CONTAINER TERMINALS

SPINELLI GROUP



Acquisition of 49% share strengthening our market position in the Mediterranean by gaining access to major Italian gateway terminals with excellent hinterland capabilities

Closing on Jan 12, 2023

J M BAXI PORTS & LOGISTICS



Acquisition of 40% share offers a better access to the fast-growing Indian market

Signing on Jan 25, 2023 & Closing on Apr 19, 2023

SAAM PORTS & LOGISTICS



Takeover reinforces our competitiveness within the Latin American market

Closing expected in Q3 2023

Financial KPIs were still on an exceptional level in Q1 2023 despite challenging market environment

Transport volume

2.8 MTEU

PY: 3.0 MTEU

Revenue

USD 6.0 bn

PY: USD 9.0 bn

EBITDA

USD 2.4 bn

PY: USD 5.3 bn

Free Cash Flow

USD 3.5 bn

PY: USD 4.6 bn

Net Liquidity

USD 15.7 bn

FY 2022: USD 13.4 bn

Equity

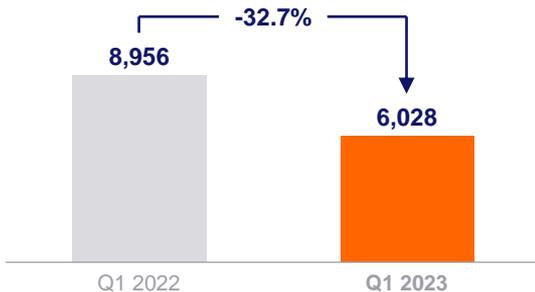
USD 31.8 bn

FY 2022: USD 29.8



Earnings normalisation continued in Q1 2023 – While earnings are clearly below prior year, margins and return on capital remained high

REVENUE [USD m]



EBITDA [USD m]



EBIT [USD m]

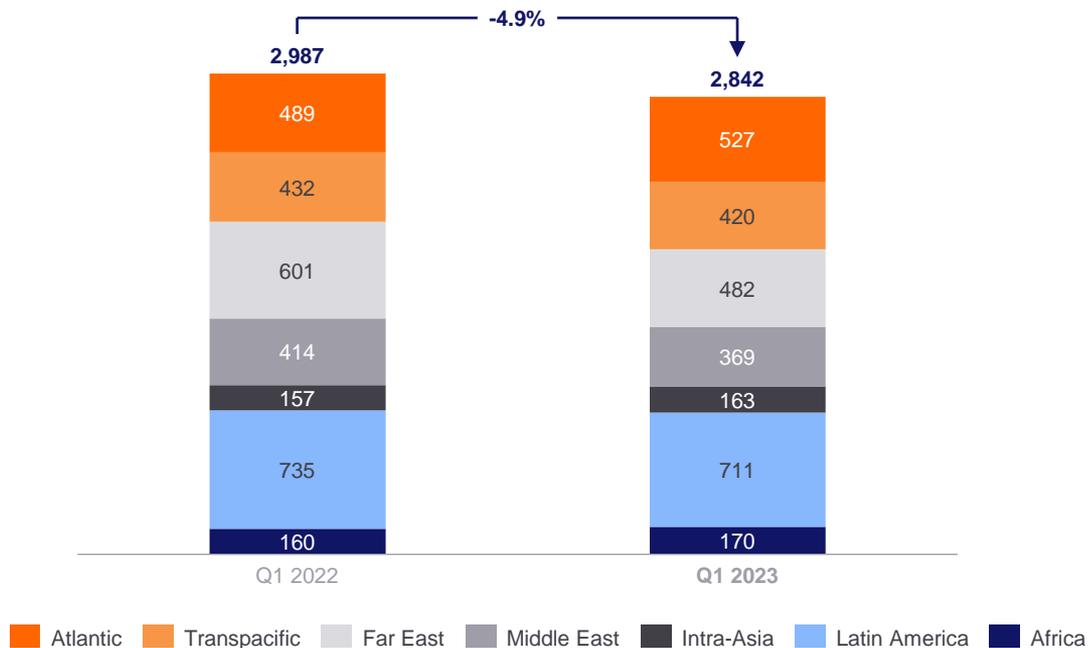


GROUP PROFIT [USD m]



Transport volumes declined by 4.9% due to weaker global demand for container transport

TRANSPORT VOLUME DEVELOPMENT BY TRADE [TTEU]

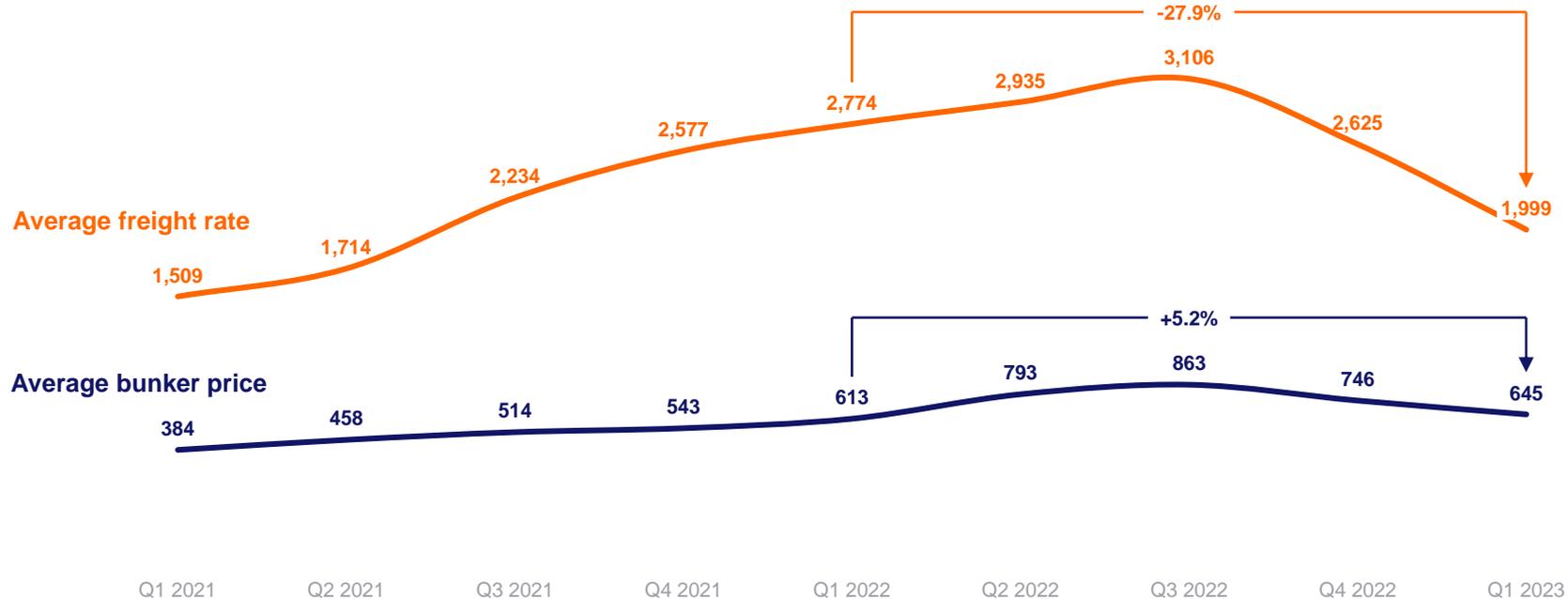


COMMENTS

- The Atlantic trade saw robust demand mainly from industrial costumers and benefitted from the gradual easing of port congestion
- Transport volumes in the Africa trade were up mainly due to the acquisition of the container liner business of Deutsche Afrika-Linien (DAL) in Q2 2022
- All other trades were affected by destocking and weaker global demand, which overcompensated the volume increase in the Atlantic and Africa trades

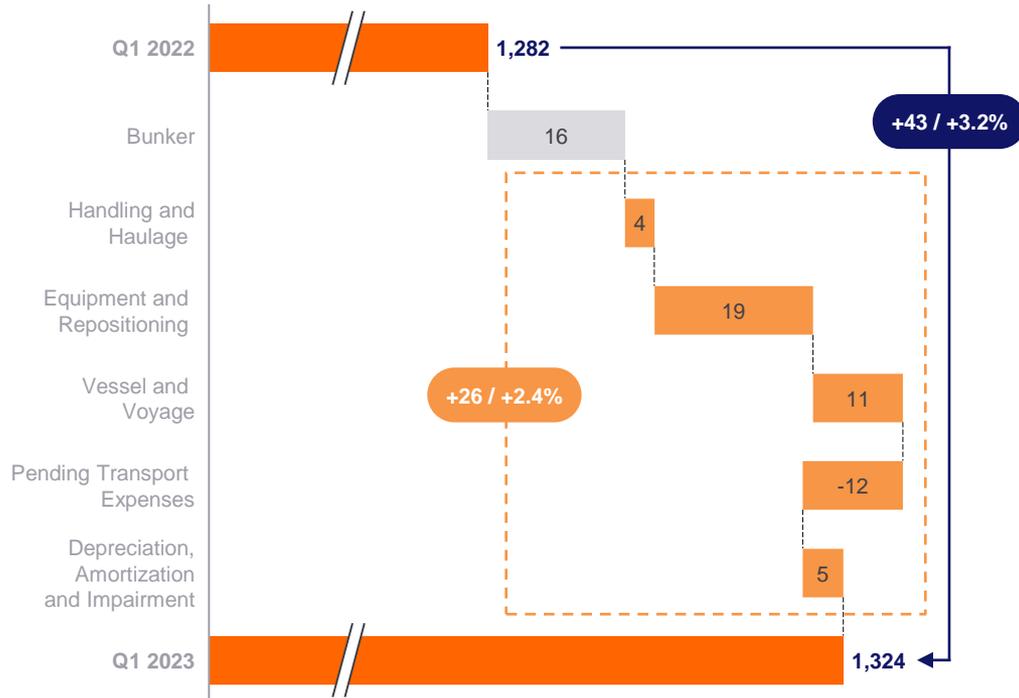
Average freight rate fell further amid lower demand and rapidly declining spot market rates – bunker prices remained elevated

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



Unit costs increased YoY mainly due to higher bunker and repositioning expenses but were clearly below the previous quarter

CHANGE IN TRANSPORT EXPENSES PER UNIT [USD/TEU]

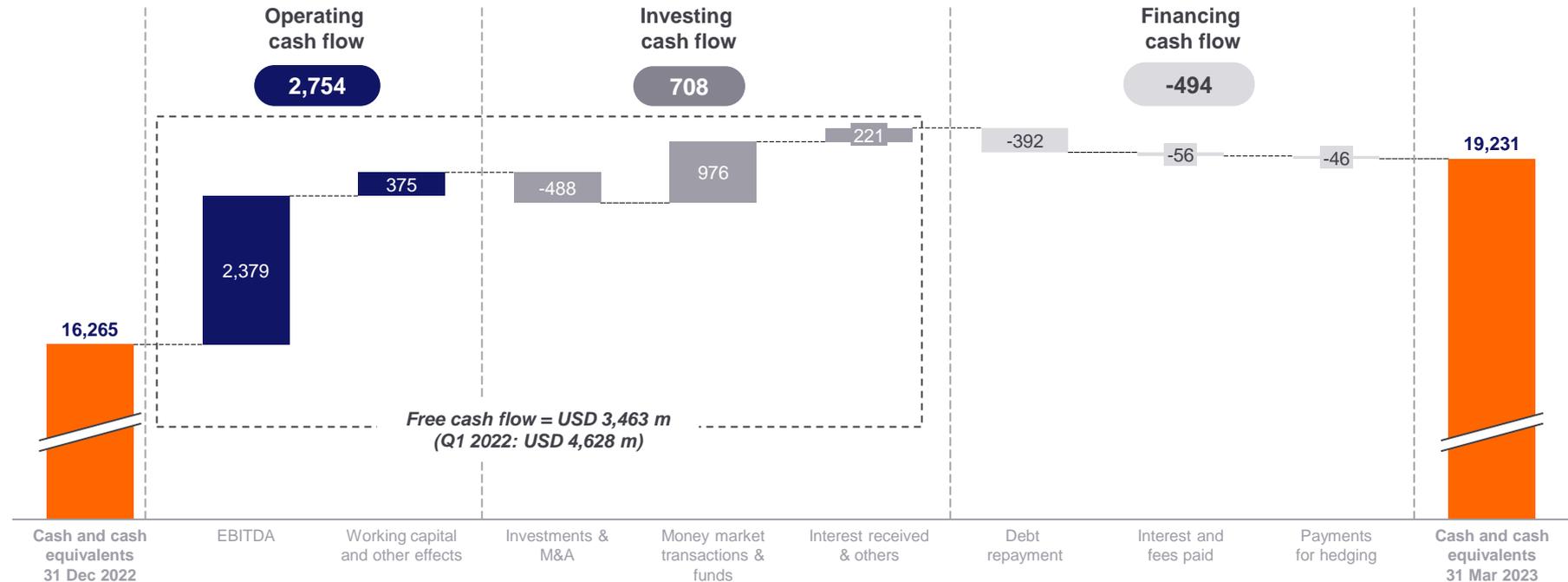


COMMENTS

- “Bunker” expenses increased by 7.5% because of higher bunker prices.
- “Equipment and Repositioning” expenses increased by 14.8% due to higher expenses for repositioning of empty containers.
- “Vessel and voyage” expenses increased by 5.4% as lower container slot rentals on third-party vessels were more than compensated by higher port and canal costs.
- In total, unit cost in Q1 2023 were up 3.2% or 43 USD/TEU as compared to Q1 2022.
- In comparison to Q4 2022, unit cost started to decline due to lower congestion related charges, bunker prices and our cost control measures.

Strong cash generation leading to a very high cash balance of USD 19.2 bn at the end of Q1 2023

CASH FLOW Q1 2023 [USD m]

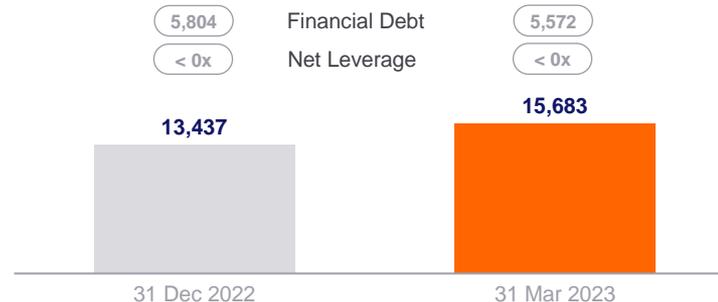


Balance sheet figures on exceptional level – Excess funds were used to distribute EUR 11.1 bn dividends in May

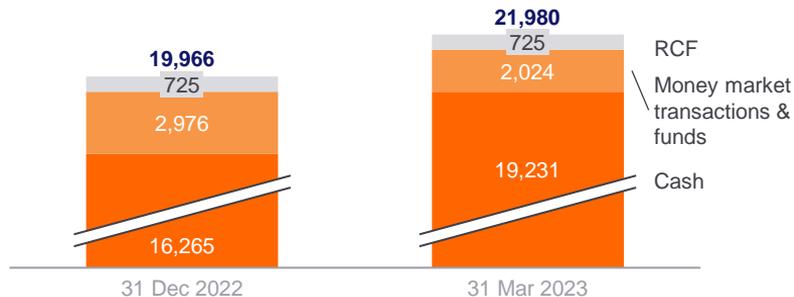
EQUITY [USD m]



NET LIQUIDITY [USD m]



LIQUIDITY RESERVE [USD m]¹



COMMENTS

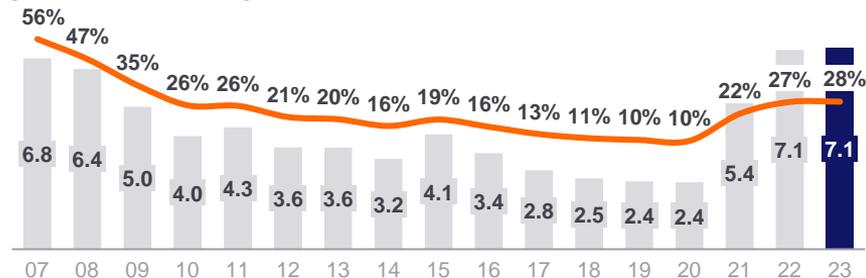
- Equity and liquidity increased further due to high profitability level
- Money market transactions & funds recognised under other financial assets amounted to USD 2.0 bn
- Following the AGM approval on 3 May 2023, we used excess funds for a dividend distribution to our shareholders in the amount of EUR 11.1 bn

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

Orderbook remains on high level – Most new vessels to be delivered in 2023 and 2024

GLOBAL ORDERBOOK

[TEU m; % of world fleet]

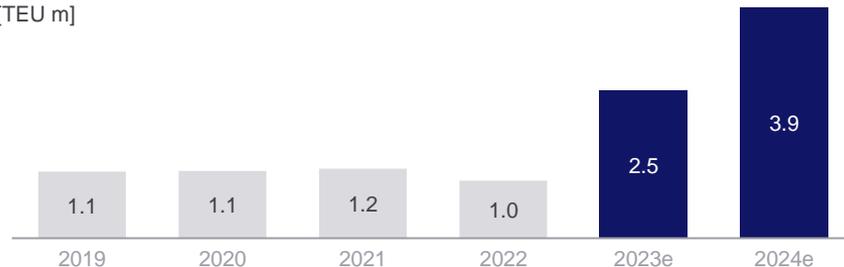


Source: MDS Transmodal

SCHEDULED VESSEL DELIVERIES

[before scrapping and slippage]

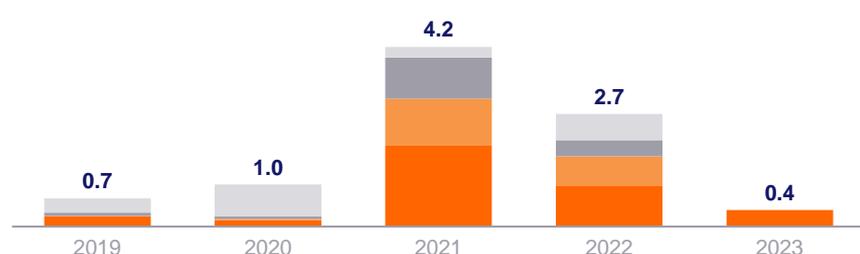
[TEU m]



Source: Drewry (1Q23 Forecaster)

NEWLY PLACED ORDERS

[TEU m]

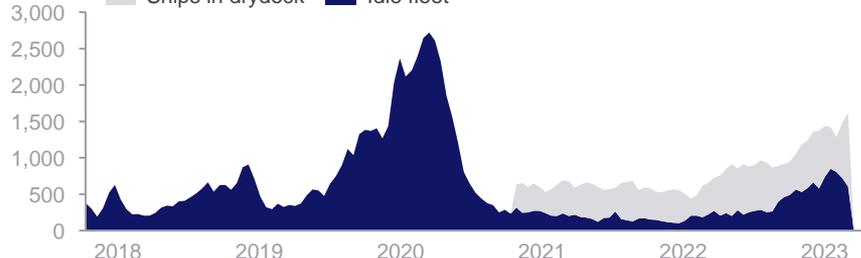


Source: Clarksons

2021 2022 2023

INACTIVE FLEET

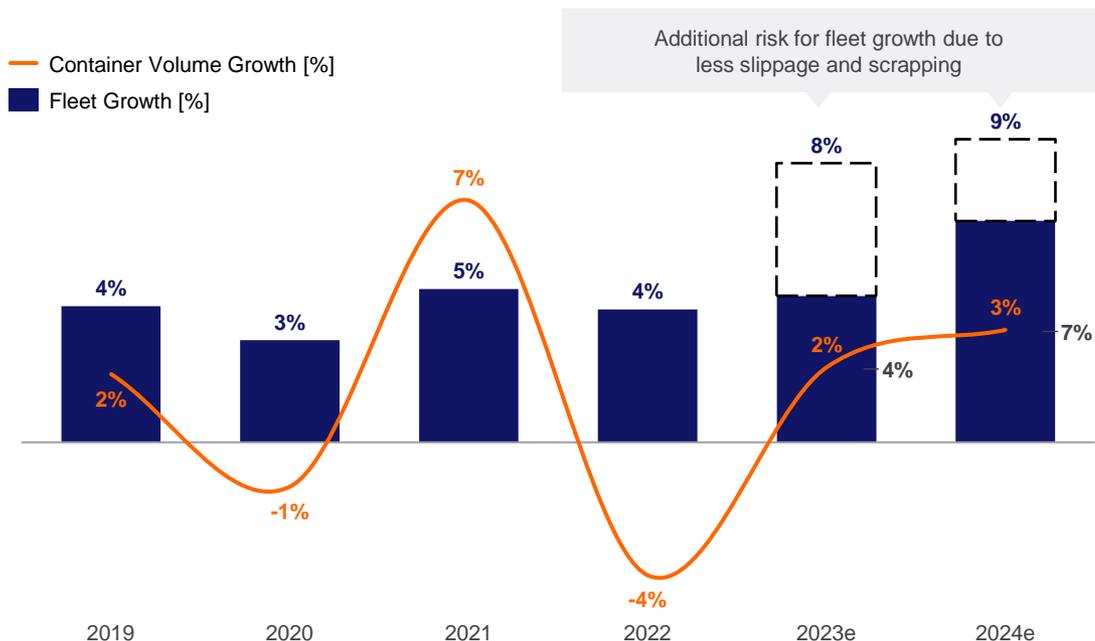
[TTEU]



Source: Alphaliner

Global supply will likely outpace demand in the next two years

GLOBAL DEVELOPMENTS OF SUPPLY AND DEMAND



Demand likely to remain subdued until destocking cycle is completed



Strong inflow of new capacity expected



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



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

Outlook 2023



Outlook confirmed: Gradual normalisation of earnings expected in the course of 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 1.08 USD / EUR.



Priorities for 2023

Focus on service quality and customer satisfaction

Continue with a prudent financial policy

Work further on building our terminal portfolio

Strengthen sustainability and decarbonisation efforts

Adapt to evolving market conditions

Maintain a competitive cost base

Investments in our teams

Development of a new medium-term strategy



Appendix

Hapag-Lloyd with an equity ratio of 74.0% and a net liquidity of USD 15.7 bn at the end of Q1 2023

BALANCE SHEET [USD M]

million USD	31.3.2023	31.12.2022
Assets		
Non-current assets	18,256.2	18,034.8
of which fixed assets	18,105.2	17,876.5
Current assets	24,730.4	23,263.7
of which cash and cash equivalents	19,231.0	16,264.5
Total assets	42,986.6	41,298.5
Equity and liabilities		
Equity	31,820.5	29,795.1
Borrowed capital	11,166.1	11,503.4
of which non-current liabilities	4,427.9	4,674.6
of which current liabilities	6,738.2	6,828.7
of which financial debt and lease liabilities	5,571.7	5,803.8
of which non-current financial debt and lease liabilities	4,057.6	4,317.9
of which current financial debt and lease liabilities	1,514.1	1,485.9
Total equity and liabilities	42,986.6	41,298.5

FINANCIAL POSITION [USD M]

million USD	31.3.2023	31.12.2022
Financial debt and lease liabilities	5,571.7	5,803.8
Cash and cash equivalents	19,231.0	16,264.5
Money market transactions & funds (other assets)	2,024.0	2,976.0
Net liquidity	15,683.3	13,436.7
Unused credit lines	725.0	725.0
Liquidity reserve ¹	21,980.0	19,965.5
Equity	31,820.5	29,795.1
Assets	42,986.6	41,298.5
Equity ratio (%)	74.0	72.1

Hapag-Lloyd's group profit came in at USD 2.0 bn in Q1 2023

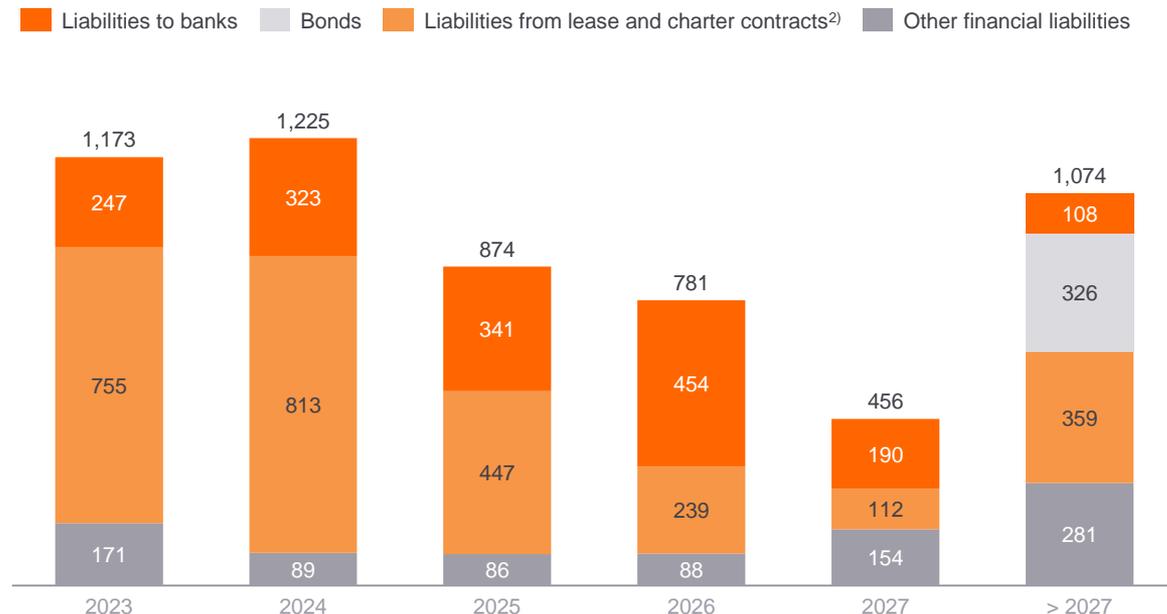
INCOME STATEMENT [USD M]

million USD	Q1 2023	Q4 2022	Q1 2022	QoQ Change	YoY change
Revenue	6,028.1	7,961.7	8,956.1	-24.3%	-32.7%
Transport expenses	-3,259.4	-3,664.7	-3,313.1	-11.1%	-1.6%
Personnel expenses	-259.0	-343.3	-235.7	-24.6%	9.9%
Depreciation, amortisation and impairment	-504.7	-500.4	-516.0	0.9%	-2.2%
Other operating result	-147.6	-137.5	-113.3	7.4%	30.2%
Operating result	1,857.3	3,315.8	4,778.0	-44.0%	-61.1%
Share of profit of equity-accounted investees	16.7	8.5	12.9	96.0%	29.6%
Result from investments	-0.0	-0.1	0.0	n.m.	n.m.
Earnings before interest and tax (EBIT)	1,874.0	3,324.1	4,790.9	-43.6%	-60.9%
Interest result	162.8	105.3	-53.9	54.5%	-402.2%
Other financial items	62.5	-5.4	-34.8	n.m.	n.m.
Income taxes	-68.3	-129.4	-18.7	-47.2%	265.7%
Group profit / loss	2,031.0	3,294.7	4,683.5	-38.4%	-56.6%

Well balanced maturity structure of financial liabilities

FINANCIAL DEBT PROFILE AS PER 31 MARCH 2023¹⁾, [USD M]

Facility	31 March 2023 [USD m]
Vessel Financings	1,659
Container Financings	792
Total Vessel & Container	2,451
EUR Bond 2024	326
Total Bonds	326
Corporate secured	73
Corporate unsecured	9
Total corporate	82
Pre IFRS 16 Leases	12
New IFRS 16 Leases	2,712
Total Finance Leases	2,725
Total financial liabilities	5,583²⁾



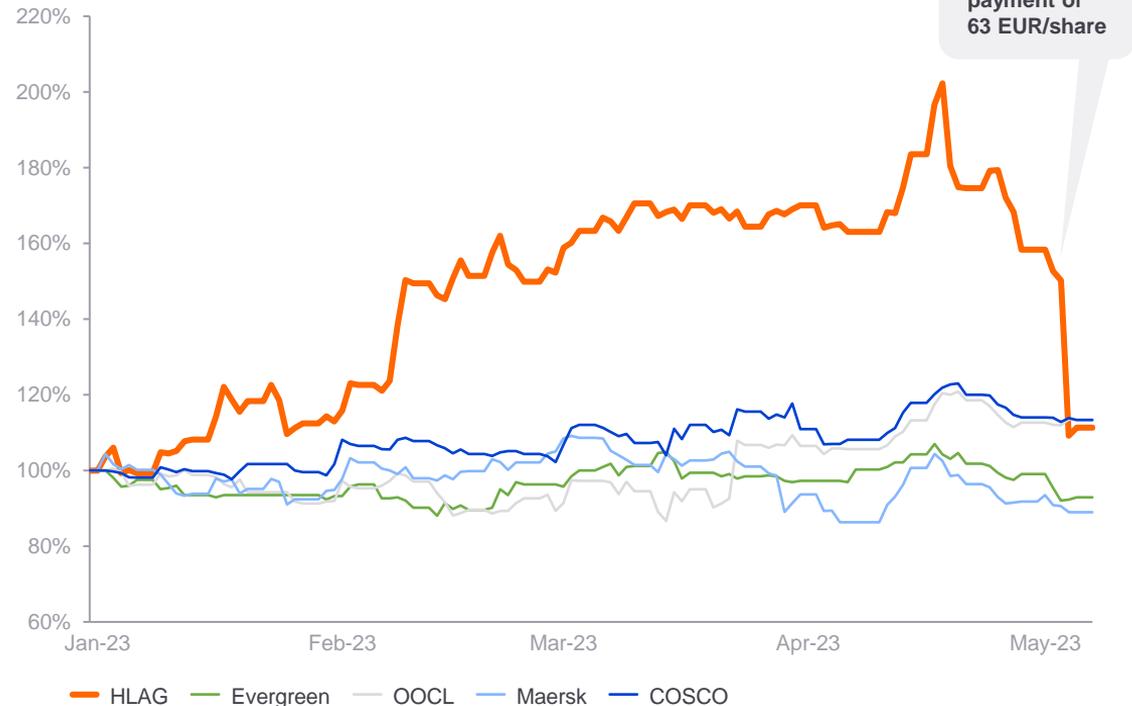
Note: Rounding differences may occur

1) Repayment amounts based on contractual debt as per 31 March 2023 2) Liabilities from lease and charter contracts consist of USD 12 million liabilities from former finance lease contracts and USD 2,712 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

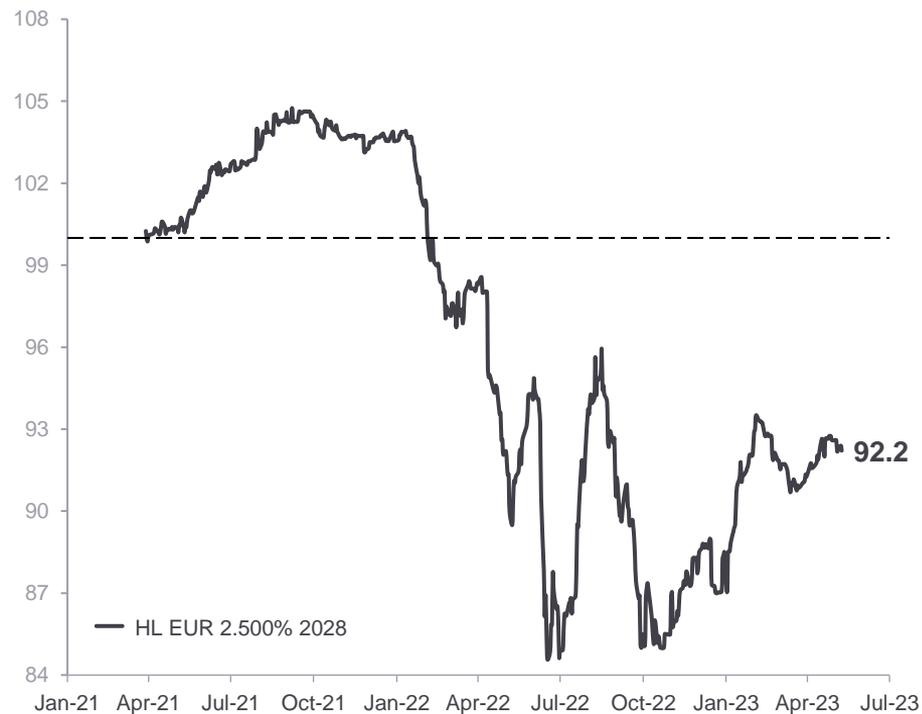


Dividend payment of 63 EUR/share

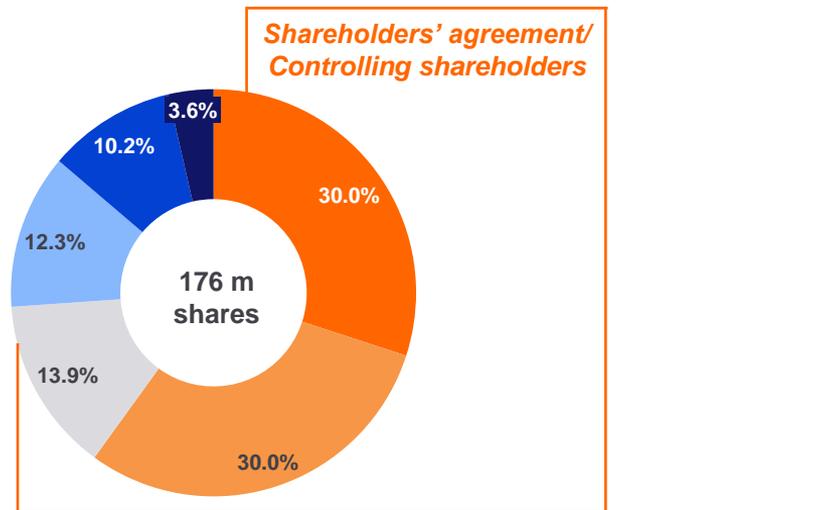
Stock Exchange	Frankfurt Stock Exchange / Hamburg Stock Exchange
Market segment	Regulated market (Prime Standard)
ISIN / WKN	DE000HLAG475 / HLAG47
Ticker Symbol	HLAG
Primary listing	6 November 2015
Number of shares	175,760,293

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

Disclaimer

Forward-looking statements

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