

H1 2022

Hapag-Lloyd AG

Investor Report

1 January to
30 June 2022



SUMMARY OF HAPAG-LLOYD KEY FIGURES

		Q2 2022	Q2 2021	H1 2022	H1 2021	Change
Key operating figures						
Total vessels, of which		253	250	253	250	1%
Own vessels ¹		119	116	119	116	3%
Chartered vessels		134	134	134	134	–
Aggregate capacity of vessels	TTEU	1,771	1,761	1,771	1,761	1%
Aggregate container capacity	TTEU	3,030	2,822	3,030	2,822	7%
Bunker price (average for the period)	USD/t	793	458	703	421	67%
Freight rate (average for the period)	USD/TEU	2,935	1,714	2,855	1,612	77%
Transport volume	TTEU	3,024	3,029	6,012	6,004	0%
Revenue	million USD	9,606	5,648	18,562	10,551	76%
Transport expenses	million USD	–3,663	–2,999	–6,976	–5,736	22%
EBITDA	million USD	5,635	2,330	10,942	4,240	158%
EBIT	million USD	5,128	1,948	9,919	3,487	184%
Group profit/loss	million USD	4,782	1,833	9,466	3,284	188%
Cash flow from operating activities	million USD	5,174	2,268	10,216	3,915	161%
Investment in property, plant and equipment ²	million USD	790	1,106	1,204	1,617	–26%
Key return figures						
EBITDA margin (EBITDA/revenue)	%	58.7	41.3	58.9	40.2	18.8 ppt
EBIT margin (EBIT/revenue)	%	53.4	34.5	53.4	33.1	20.4 ppt
Key balance sheet figures³						
Balance sheet total	million USD	33,040	30,236	33,040	30,236	9%
Equity	million USD	21,350	18,292	21,350	18,292	17%
Equity ratio (equity/balance sheet total)	%	64.6	60.5	64.6	60.5	4.1 ppt
Borrowed capital	million USD	11,690	11,943	11,690	11,943	–2%
Key financial figures³						
Financial debt and lease liabilities	million USD	5,927	6,222	5,927	6,222	–5%
Cash and cash equivalents	million USD	10,394	8,741	10,394	8,741	19%
Net debt (financial debt – cash and cash equivalents)	million USD	–4,467	–2,520	–4,467	–2,520	77%
Gearing (net debt/equity)	%	–20.9	–13.8	–20.9	–13.8	–7.2 ppt
Liquidity reserve	million USD	11,119	9,326	11,119	9,326	19%
Number of employees						
Marine personnel		1,966	2,089	1,966	2,089	–6%
Shore-based personnel		12,355	11,315	12,355	11,315	9%
Hapag-Lloyd total		14,321	13,404	14,321	13,404	7%

In individual cases, rounding differences may occur in the tables and charts of this investor report for computational reasons.

¹ Including lease agreements with purchase option/obligation at maturity.

² As of 2019, investments in property, plant and equipment include additions to the Rights of Use according to IFRS 16.

³ The comparison refers to the balance sheet date 31 December 2021.

This report intends to focus on the presentation of the main financial highlights and calculated USD figures of the reporting period. It makes no claim to completeness and does not deal with all aspects and details regarding Hapag-Lloyd. For the full half-year financial report, please visit our website: <https://www.hapag-lloyd.com/en/ir/publications/financial-report.html>

This investor report was published on 11 August 2022.

MAIN DEVELOPMENTS IN H1 2022

- The first six months of the 2022 financial year were dominated by ongoing disruption to global supply chains. This was reflected in longer round voyage times for vessels and containers, which in turn had a negative impact on available transport capacity.
- As a result, the transport volume in the first half of the 2022 financial year was on previous year's level at 6,012 TTEU despite good demand (H1 2021: 6,004 TTEU).
- The average freight rate rose in the first half of 2022 by 77% year-on-year to USD 2,855/TEU (prior year period: USD 1,612/TEU) due to the shortage of transport capacity.
- Revenue increased in the first six months of 2022 by 76% to USD 18,562 million (prior year period: USD 10,551 million) as a result of significantly higher freight rates.
- Transport expenses rose by 22% in the first half of 2022 to USD 6,976 million (prior year period: USD 5,736 million), primarily due to higher fuel expenses.
- EBITDA increased sharply to USD 10,942 million (prior year period: USD 4,240 million). The EBITDA margin was 58.9% (prior year period: 40.2%).
- EBIT for the first six months of 2022 was also very significantly above the previous year's level of USD 3,487 million at USD 9,919 million.
- Earnings per share jumped to USD 53.81 from USD 18.65 in the prior year period.
- Free cash flow was again clearly positive at USD 9,486 million and significantly higher than in the first half of 2021 (USD 3,371 million).
- Despite the payment of a dividend of EUR 35 per share in May 2022, net liquidity increased by USD 1.9 billion compared with 31 December 2021 to USD 4.5 billion.
- Hapag-Lloyd posted a strong financial performance in the first half year of 2022. Based on current business performance, the second half year should also exceed previous expectations. Against this background, the Executive Board of Hapag-Lloyd AG has raised again its earnings outlook for the current financial year on 28 July 2022. For 2022, Group EBITDA is now expected to be in the range of USD 19.5 to 21.5 billion (previously: USD 14.5 to 16.5 billion) and Group EBIT in the range of USD 17.5 to 19.5 billion (previously: USD 12.5 to 14.5 billion).
- In view of the war in Ukraine, the continuing disruptions to global supply chains and the effects of the COVID-19 pandemic, the forecast is subject to considerable uncertainty.

CONTENTS

3	1.	MAIN VALUE DRIVERS OF THE CONTAINER SHIPPING SECTOR
3	1.1.	General economic conditions
4	1.2.	Sector-specific conditions
5	2.	STRUCTURE OF HAPAG-LLOYD'S VESSEL AND CONTAINER FLEET
6	3.	GROUP EARNINGS POSITION
6	3.1.	Consolidated income statement
7	3.2.	Transport volume per trade
8	3.3.	Freight rate per trade
8	3.4.	Revenue per trade
9	3.5.	Operating expenses
11	3.6.	Unit costs
12	3.7.	Operating profit
12	3.8.	Other expenses
13	4.	GROUP NET ASSET POSITION
14	5.	GROUP FINANCIAL POSITION
14	5.1.	Developments in cash and cash equivalents
16	5.2.	Financial solidity
17	6.	SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE
17	7.	OUTLOOK
20		IMPORTANT NOTICE
21		DISCLAIMER
22		IMPRINT

1. MAIN VALUE DRIVERS OF THE CONTAINER SHIPPING SECTOR

1.1. GENERAL ECONOMIC CONDITIONS

The pace at which the global economy grows and, by extension, at which global trade develops is a significant factor that influences demand for container shipping services and thus the development of the container shipping companies' transport volumes.

Despite the rapid spread of the Omicron variant of COVID-19, the global economy got off to a good start in 2022 before the situation deteriorated due to Russia's invasion of Ukraine at the end of February. A sharp rise in energy and commodity prices and an increase in supply shortages, due in part to suspended production in Ukraine and sanctions against Russia, have further increased inflationary pressure, with correspondingly negative effects on the global economy.

Following a surprisingly strong first quarter in 2022 with economic growth of 4.8%, economic growth in China slowed significantly in the second quarter of 2022 as a result of the lockdowns in April and May caused by COVID-19. It was only the incipient recovery in June that enabled slight year-on-year growth of 0.4% in the quarter as a whole. Overall, the People's Republic of China recorded economic growth of 2.5% in the first half of the year (H1 2021: +12.7%). Imports of goods increased by 4.8% and exports by 13.2% (National Bureau of Statistics of China, July 2022). The main recipients of Chinese goods are the USA and Europe. The US economy grew by 1.6% in the second quarter of 2022 compared to the same quarter of the previous year. Compared to the first quarter of 2022, however, economic output declined by 0.9%, after growth in the first quarter of 2022 had already fallen by 1.6% compared to the strong fourth quarter of 2021. The decline in the second quarter of 2022 was largely due to a fall in private investment and lower government spending due to the expiry of COVID-19 pandemic related aid programmes. Economic growth was supported by increased exports and higher defence spending. Imports and exports in the first five months of 2022 were significantly higher than in the prior year period, primarily as a result of the sharp rise in energy and commodity prices. Imports of goods from January to May 2022 increased by 22.5% compared with the previous year and exports by 20.4% (U.S. Department of Commerce, July 2022). The EU recorded economic growth of 4.0% year-on-year in Q2 2022 and slight growth of 0.6% compared to Q1 2022. Exports of goods from the EU rose by 17.6% in the period January to May 2022 compared with the prior year period. Imports of goods increased even more significantly by 48.5%, although this was primarily due to a rise in energy imports of 147.9%, which in turn was caused by the jump in energy prices (Eurostat, July 2022).

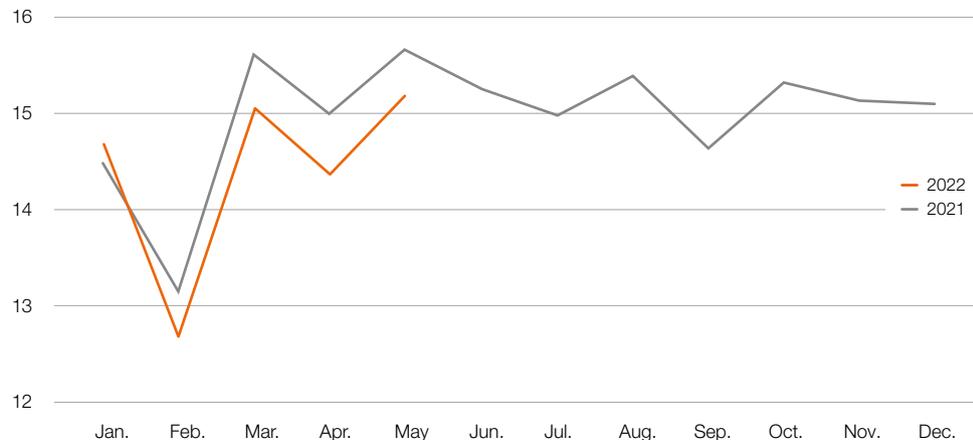
The war in Ukraine and the resulting uncertainty on the international energy markets also drove oil prices up substantially. At the end of June 2022, the price of Brent Crude stood at USD 114.81 per barrel, a significant increase of 52.8% compared with USD 75.13 per barrel on 30 June 2021 (Platts Bunkerwire, Bloomberg, June 2022).

1.2. SECTOR-SPECIFIC CONDITIONS

Following the outbreak of the COVID-19 pandemic at the beginning of 2020, there was a brief but significant decline in global container transport volumes, followed by a strong recovery. As a result, in conjunction with regional COVID-19 restrictions, there has been a noticeable disruption in global supply chains since the fourth quarter of 2020 at the latest. In the first half of 2022, port and hinterland infrastructure in North America continued to be congested. Lockdown measures in China, port strikes and infrastructural problems have also led to worsening port congestion in Europe.

Global container transport volumes decreased by 2.5% in the period January to May 2022 compared with the prior year period (CTS, July 2022). This was due to the high figure in the previous year, the ongoing disruption to global supply chains and weaker demand. Transport volumes on the Intra-Asia trade and from the Far East to North America increased marginally. By contrast, the transport volume on the Far East to Europe trade decreased by 3.6%, while volumes from North America and Europe to the Far East fell sharply by -14.5% and -14.6%, respectively.

Monthly global container transport volumes (in million TEU)



Source: CTS, July 2022

The Shanghai Containerized Freight Index (SCFI), which tracks spot freight rates on the major trade routes from Shanghai, declined gradually in the first half of 2022. With a value of USD 4,216/TEU at the end of June 2022, however, it was still higher than the previous year's figure of USD 3,785/TEU. At the end of 2021, the index stood at USD 5,047/TEU, just short of its all-time high.

The continued high level of demand is also reflected in the low share of idle vessels. As in the previous year, they accounted for 0.2 million TEU at the end of H1 2022, or 0.8% of the global fleet (Alphaliner Weekly, June 2022 and June 2021). By comparison, the figure totalled around 2.7 million TEU (Alphaliner Weekly, June 2020) at the end of May 2020, which corresponded to 12% of the global fleet. This was due to the collapse in demand caused by the outbreak of the COVID-19 pandemic.

Based on figures from MDS Transmodal, a total of 69 container vessels with a transport capacity of approximately 413 TTEU were placed into service in the first half of 2022 (prior year period: 87 vessels with a transport capacity of approximately 590 TTEU). According to Clarksons, no container vessels were scrapped in the same period (prior year period: approximately 10 TTEU).

In the first half of 2022, orders were placed for the construction of 245 container vessels with a transport capacity totalling 1.7 million TEU, significantly less than the 3.1 million TEU in the prior year period (Clarksons Research, July 2022). Compared with previous years, however, the volume of new orders remains at a high level. According to MDS Transmodal, the tonnage of the commissioned container vessels rose to around 6.7 million TEU at the end of June 2022 as a result, up from 4.0 million TEU as at 30 June 2021. This means that, although the order volume in proportion to the current global container fleet capacity is 26.6% and therefore at its highest level since 2011, it is still significantly below the peak of around 61% recorded in 2007.

The bunker price increased significantly once again in the first half of 2022 due primarily to the war between Russia and Ukraine. At the end of June 2022, low-sulphur bunker fuel cost USD 869/t, up from USD 550/t at the end of 2021 (MFO 0.5%, FOB Rotterdam).

2. STRUCTURE OF HAPAG-LLOYD'S VESSEL AND CONTAINER FLEET

As at 30 June 2022, Hapag-Lloyd's fleet comprised a total of 253 container vessels (30 June 2021: 250 vessels). All of the vessels are certified in accordance with the ISM (International Safety Management) Code and have a valid ISSC (ISPS) certificate. The majority of the vessels are also certified as per ISO 9001 (quality management) and ISO 14001 (environmental management).

The TEU capacity of the Hapag-Lloyd fleet as at 30 June 2022 was 1,771.4 TTEU, thus 0.6% higher than as per 30 June 2021 (1,760.8 TTEU). Based on the TEU capacities, 61% of the fleet was owned by the Group as at 30 June 2022 (30 June 2021: 61%). At present, three vessels with a capacity of 15.4 TTEU are subchartered to other shipping companies. In the first half of 2022, five second-hand vessels with a total capacity of 19,329 TEU were acquired. As part of the acquisition of the container liner business of Deutsche Afrika-Linien GmbH & Co. KG (DAL), a 6,589 TEU vessel owned by the company was taken over.

As at 30 June 2022, the average age of Hapag-Lloyd's total fleet (capacity-weighted) was 11.0 years (30 June 2021: 10.0 years) and thus slightly above the average of the world's ten largest container liner shipping companies of 10.5 years (30 June 2022: 9.9 years). The average vessel size within the Hapag-Lloyd Group fleet was 7.0 TTEU (30 June 2021: 7.0 TTEU), which is approximately 10% above the comparable average figure for the ten largest container liner shipping companies worldwide of 6.4 TTEU (30 June 2021: 6.3 TTEU; Source: MDS Transmodal) and around 58% above the average vessel size in the global fleet of 4.4 TTEU (30 June 2021: 4.4 TTEU; Source: MDS Transmodal).

As at 30 June 2022, Hapag-Lloyd owned or rented 1.8 million (30 June 2021: 1.7 million) containers with a capacity of 3,030.1 TTEU for shipping cargo (30 June 2021: 2,822.4 TTEU). The capacity-weighted share of leased containers was around 43% as at 30 June 2022 (30 June 2021: 44%). In the second quarter, 5,200 TEU of special containers and 11,800 TEU of reefer containers were ordered.

Hapag-Lloyd's service network comprised 126 services as at 30 June 2022 (30 June 2021: 121 services).

Structure of Hapag-Lloyd's container ship fleet

	30.6.2022	31.12.2021	30.6.2021
Number of vessels	253	253	250
thereof			
Own vessels ¹	119	113	116
Chartered vessels	134	140	134
Aggregate capacity of vessels (TTEU)	1,771	1,769	1,761
Aggregate container capacity (TTEU)	3,030	3,058	2,822
Number of services	126	126	121

¹ Including lease agreements with purchase option/obligation at maturity

Hapag-Lloyd's order book as at 30 June 2022 comprised twelve newbuilds with a size of 23,660 TEU and five newbuilds of different sizes of about 13,000 TEU. The total capacity of the newbuilds is around 350 TTEU. While two of the 13,000 TEU vessels are expected to be delivered at the end of the current financial year, the other vessels are scheduled for completion and delivery in 2023 and 2024.

In addition to the newbuilds owned by the Company, Hapag-Lloyd will add five new vessels of different sizes of about 13,000 TEU to its fleet as long-term charters. Two of these newbuilds will be received in the current financial year.

3. GROUP EARNINGS POSITION

3.1. CONSOLIDATED INCOME STATEMENT

In the first half of the 2022 financial year, continuing good demand for container transport was the main reason for the positive development of the sector. However, a difficult market environment prompted in particular by ongoing disruption to global supply chains resulted in operational challenges that were reflected in longer round voyage times for vessels and containers.

Compared with the first half of 2021, the rise in the average freight rate of 77.1% resulted in revenue growth of 75.9%, while the transport volume remained at the previous year's level. By contrast, an increase in the average bunker consumption price (+67.0%) and higher container handling expenses (+12.8%) adversely affected the operating result.

Hapag-Lloyd generated earnings before interest, taxes, depreciation and amortisation (EBITDA) of USD 10,941.6 million in the reporting period (prior year period: USD 4,239.7 million) and earnings before interest and taxes (EBIT) of USD 9,918.5 million (prior year period: USD 3,487.3 million). The Group profit came to USD 9,465.7 million (prior year period: USD 3,284.0 million).

Consolidated income statement

million USD	Q2 2022	Q1 2022	Q2 2021	QoQ Change	YoY change	H1 2022	H1 2021	Change
Revenue	9,605.7	8,956.1	5,648.1	7.3%	70.1%	18,561.8	10,551.3	75.9%
Transport expenses	-3,663.3	-3,313.1	-2,999.4	10.6%	22.1%	-6,976.4	-5,736.4	21.6%
Personnel expenses	-231.3	-235.7	-232.6	-1.9%	-0.6%	-467.0	-430.7	8.4%
Depreciation, amortisation and impairment	-507.1	-516.0	-382.4	-1.7%	32.6%	-1,023.1	-752.4	36.0%
Other operating result	-143.1	-113.3	-98.6	26.3%	45.2%	-256.5	-158.7	61.6%
Operating result	5,060.9	4,778.0	1,935.1	5.9%	161.5%	9,838.9	3,473.1	183.3%
Share of profit of equity-accounted investees	62.6	12.9	12.8	387.0%	390.5%	75.5	14.3	428.6%
Result from investments	4.1	-	-	n.m.	n.m.	4.2	-	n.m.
Earnings before interest and tax (EBIT)	5,127.7	4,790.9	1,947.9	7.0%	163.2%	9,918.5	3,487.3	184.4%
Interest result	-39.1	-53.9	-95.0	-27.5%	-58.8%	-92.9	-172.5	-46.1%
Other financial items	-284.2	-34.8	-4.4	n.m.	n.m.	-319.0	-2.2	n.m.
Income taxes	-22.2	-18.7	-15.3	19.1%	45.2%	-40.9	-28.6	43.0%
Group profit/loss	4,782.2	4,683.5	1,833.2	2.1%	160.9%	9,465.7	3,284.0	188.2%

3.2. TRANSPORT VOLUME PER TRADE

The transport volume of 6,012 TTEU in the first half of 2022 remained at the previous year's level (prior year period: 6,004 TTEU) (+0.1%).

The increase in the transport volume on the Africa trade was primarily due to the integration of NileDutch into the Hapag-Lloyd Group in the third quarter of 2021. The continuing strong demand for container transport contributed to an increase in the transport volume on the Middle East trade in particular compared with the prior year period.

The lower transport volume on the Intra-Asia and Latin America trade was essentially due to the optimised repositioning of containers to other trades. On the Transpacific trade, a difficult market environment characterised by the congestion of local port infrastructure and the resulting delays and suspension of container handling led to a decline in the transport volume, despite high demand for container transport.

Transport volume per trade

TTEU	Q2 2022	Q1 2022	Q2 2021	QoQ change	YoY change	H1 2022	H1 2021	Change
Atlantic ¹	563	489	532	15.2%	5.9%	1,052	1,048	0.4%
Transpacific	430	432	462	-0.5%	-7.1%	861	899	-4.2%
Far East	573	601	596	-4.7%	-3.9%	1,174	1,181	-0.6%
Middle East	388	414	395	-6.2%	-1.6%	802	784	2.3%
Intra-Asia	154	157	159	-1.7%	-3.0%	311	330	-5.7%
Latin America	751	735	766	2.1%	-2.0%	1,486	1,535	-3.2%
Africa ¹	166	160	120	3.9%	38.5%	326	227	44.0%
Total	3,024	2,987	3,029	1.2%	-0.2%	6,012	6,004	0.1%

¹ As part of the integration of NileDutch in the third quarter of 2021, the EMA trade (Europe – Mediterranean – Africa) was renamed to Africa trade. Transport volumes within Europe are now added to the Atlantic trade. The previous year's values have been adjusted accordingly.

3.3. FREIGHT RATE PER TRADE

The average freight rate in the first half of the 2022 financial year was USD 2,855/TEU, which was USD 1,243/TEU, or 77.1%, up on the prior year period (USD 1,612/TEU).

The continuing increase in the freight rate was primarily due to ongoing good demand for container transport alongside a simultaneous scarcity of transport capacity in an overstrained market environment.

Freight rate per trade

USD/TEU	Q2 2022	Q1 2022	Q2 2021	QoQ change	YoY change	H1 2022	H1 2021	Change
Atlantic ¹	2,893	2,439	1,578	18.6%	83.4%	2,682	1,445	85.7%
Transpacific	4,001	3,788	2,256	5.6%	77.3%	3,894	2,101	85.4%
Far East	3,242	3,265	2,117	-0.7%	53.1%	3,254	2,043	59.3%
Middle East	2,357	2,047	1,352	15.2%	74.4%	2,197	1,233	78.1%
Intra-Asia	1,939	2,055	1,131	-5.6%	71.5%	1,998	1,073	86.1%
Latin America	2,710	2,616	1,473	3.6%	83.9%	2,663	1,416	88.0%
Africa ¹	2,559	2,530	1,725	1.2%	48.4%	2,545	1,629	56.2%
Total	2,935	2,774	1,714	5.8%	71.3%	2,855	1,612	77.1%

¹ As part of the integration of NileDutch in the third quarter of 2021, the EMA trade (Europe – Mediterranean – Africa) was renamed to Africa trade. Transport volumes within Europe are now added to the Atlantic trade. The previous year's values have been adjusted accordingly.

3.4. REVENUE PER TRADE

The Hapag-Lloyd Group's revenue rose by USD 8,010.5 million to USD 18,561.8 million in the first half of the 2022 financial year (prior year period: USD 10,551.3 million), representing an increase of 75.9%. The main reason for this was the rise in the average freight rate of 77.1% compared with the previous year.

The item for revenue not assigned to trades mainly comprises income from demurrage and detention for containers, as well as income from charter rents and compensation payments for shipping space. At the same time, revenue for pending voyages already generated is recognised under revenue not assigned to trades.

Revenue per trade

million USD	Q2 2022	Q1 2022	Q2 2021	QoQ Change	YoY change	H1 2022	H1 2021	Change
Atlantic ¹	1,628.9	1,192.6	838.9	36.6%	94.2%	2,821.5	1,514.0	86.4%
Transpacific	1,718.7	1,635.9	1,042.8	5.1%	64.8%	3,354.6	1,888.4	77.6%
Far East	1,857.0	1,962.3	1,261.8	-5.4%	47.2%	3,819.4	2,413.2	58.3%
Middle East	914.9	846.5	533.2	8.1%	71.6%	1,761.4	966.9	82.2%
Intra-Asia	298.8	322.2	179.7	-7.3%	66.3%	621.1	354.0	75.4%
Latin America	2,033.9	1,923.7	1,128.4	5.7%	80.2%	3,957.6	2,174.6	82.0%
Africa ¹	425.2	404.6	207.0	5.1%	105.5%	829.8	368.9	124.9%
Revenue not assigned to trades	728.3	668.3	456.3	9.0%	59.6%	1,396.5	871.3	60.3%
Total	9,605.7	8,956.1	5,648.1	7.3%	70.1%	18,561.8	10,551.3	75.9%

¹ As part of the integration of NileDutch in the third quarter of 2021, the EMA trade (Europe – Mediteranean – Africa) was renamed to Africa trade. Transport volumes within Europe are now added to the Atlantic trade. The previous year's values have been adjusted accordingly.

3.5. OPERATING EXPENSES

Transport expenses

Transport expenses rose by USD 1,240.0 million in the first half of the 2022 financial year to USD 6,976.4 million (prior year period: USD 5,736.4 million). This represents an increase of 21.6%, which was primarily due to the higher average bunker consumption price compared with the previous year and the rise in container handling expenses.

In the first half of the 2022 financial year, the average bunker consumption price for Hapag-Lloyd was USD 703/t, up USD 282/t (+67.0%) on the figure of USD 421/t for the prior year period. This led to an increase in fuel expenses of USD 621.4 million to USD 1,495.7 million (prior year period: USD 874.3 million).

Container handling expenses rose by USD 394.4 million in the first half of the reporting year to USD 3,471.2 million (prior year period: USD 3,076.8 million). This essentially resulted from increased demurrage and detention for containers due to partial congestion of port and hinterland infrastructure. In addition, a rise in expenses for hinterland transport of containers, mainly by feeder vessels and trucks, contributed to the increase.

Container and repositioning expenses increased year-on-year due to higher expenses for demurrage and detention for empty containers at port terminals and for repositioning them.

The increase in expenses for vessels and voyages (excluding fuel) resulted primarily from the rise in the percentage of vessels chartered in on a medium-term basis and the resulting operating expenses (non-leasing components) as well as from the increased expenses for container slot charter costs on third-party vessels.

Personnel expenses

Personnel expenses rose by USD 36.3 million to USD 467.0 million in the first half of the 2022 financial year (prior year period: USD 430.7 million). The increase was mainly attributable to the structural adjustment to the bonus system at the end of the 2021 financial year and the higher number of employees within the Hapag-Lloyd Group.

Depreciation and amortisation

In the first half of the 2022 financial year, there was a year-on-year rise in depreciation and amortisation of USD 270.7 million to USD 1,023.1 million (prior year period: USD 752.4 million). This increase was primarily due to the year-on-year rise in the percentage of vessels chartered in on a medium-term basis at simultaneously higher charter rates and the resulting increase in rights of use. The amortisation of rights of use relating to leased assets (essentially vessels and containers) led to amortisation of USD 514.9 million (prior year period: USD 355.8 million). In addition, the adjustment to the remaining useful life of selected older vessels in the 2021 financial year and the acquisition of vessels during 2022 contributed to the increase in depreciation and amortisation.

Other operating result

The other operating result of USD –256.5 million (prior year period: USD –158.7 million) comprised the net balance of other operating income and expenses. Other operating expenses totalled USD 308.1 million for the first half of the 2022 financial year (prior year period: expenses of USD 192.0 million). This mainly included IT expenses (USD 124.4 million; prior year period: USD 110.8 million), consultancy fees (USD 35.4 million; prior year period USD 15.4 million), office and administrative costs (USD 19.2 million; prior year period: USD 15.0 million) and expenses for allowances for doubtful accounts (USD 15.6 million; prior year period: USD 9.2 million). Other operating income totalled USD 51.6 million for the first half of the 2022 financial year (prior year period: USD 33.3 million).

Operating expenses

million USD	Q2 2022	Q1 2022	Q2 2021	QoQ Change	YoY change	H1 2022	H1 2021	Change
Transport expenses	-3,663.3	-3,313.1	-2,999.4	10.6%	22.1%	-6,976.4	-5,736.4	21.6%
thereof								
Bunker	-842.9	-652.8	-486.3	29.1%	73.3%	-1,495.7	-874.3	71.1%
Handling and haulage	-1,792.5	-1,678.7	-1,614.7	6.8%	11.0%	-3,471.2	-3,076.8	12.8%
Equipment and repositioning	-400.9	-383.8	-346.2	4.4%	15.8%	-784.6	-680.8	15.3%
Vessels and voyages (excluding bunker)	-626.0	-602.2	-555.1	3.9%	12.8%	-1,228.2	-1,094.1	12.3%
Pending transport expenses ¹	-1.1	4.4	2.9	n.m.	n.m.	3.3	-10.5	-131.9%
Personnel expenses	-231.3	-235.7	-232.6	-1.9%	-0.6%	-467.0	-430.7	8.4%
Depreciation, amortisation and impairments	-507.1	-516.0	-382.4	-1.7%	32.6%	-1,023.1	-752.4	36.0%
Other operating result	-143.1	-113.3	-98.6	26.3%	45.2%	-256.5	-158.7	-61.6%
Total operating expenses	-4,544.8	-4,178.1	-3,713.0	8.8%	22.4%	-8,722.9	-7,078.2	23.2%

¹ The amounts presented as transport expenses for pending voyages represent the difference between the transport expenses for pending voyages for the current period and the transport expenses for pending voyages for the previous period. The transport expenses for pending voyages recognised in the previous periods are presented in the current period as transport expenses for completed voyages.

3.6. UNIT COSTS

In total, transport expenses per unit (incl. D&A) in the first six months of the financial year 2022 increased by 23.1% to USD 1,331/TEU as compared to the prior year period. “Bunker” expenses increased by 70.9% or USD 103/TEU because of higher bunker prices. “Handling and Haulage” expenses increased by 12.7% or USD 65/TEU due to partial congestion of port and hinterland infrastructure leading to increased storage costs for containers. In addition, rising expenses for hinterland transport of containers, mainly by feeder ships and trucks, contributed to the increase. “Equipment and Repositioning” expenses increased by 15.1% or USD 17/TEU due to higher expenses for repositioning of empty containers. “Vessel and voyage” expenses increased by 12.1% or USD 22/TEU. This was primarily related to the rise in the percentage of ships chartered in on a medium-term basis and the resulting operating expenses (non-leasing components) as well as from the increased expenses for container slot charter costs on third-party vessels. “Depreciation and amortisation” unit cost increased by 35.8% (USD 45/TEU) due to the rise in the percentage of ships chartered in on a medium-term basis at simultaneously higher charter rates and the resulting increase in rights of use.

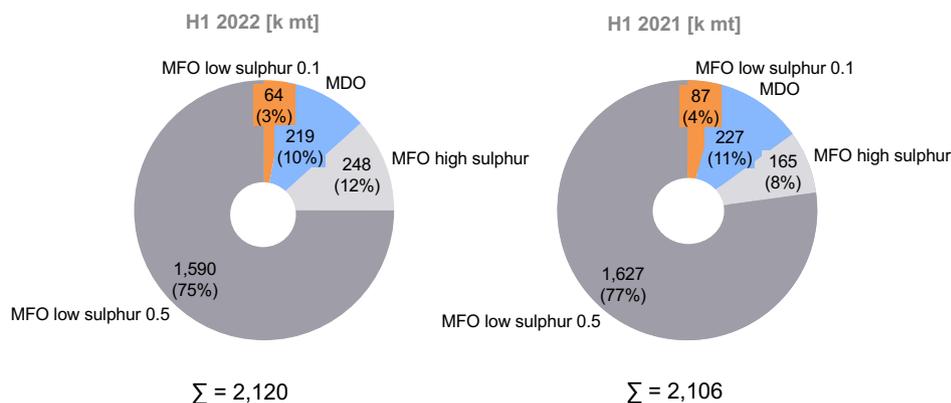
Unit cost

USD/TEU	Q2 2022	Q1 2022	Q2 2021	QoQ Change	YoY change	H1 2022	H1 2021	Change
Transport expenses	-1,211	-1,109	-990	9.2%	22.3%	-1,160	-955	21.5%
thereof								
Bunker	-279	-219	-161	27.6%	73.6%	-249	-146	70.9%
Handling and haulage	-593	-562	-533	5.5%	11.2%	-577	-512	12.7%
Equipment and repositioning	-133	-128	-114	3.2%	16.0%	-131	-113	15.1%
Vessel and voyage (excl. bunker)	-207	-202	-183	2.7%	13.0%	-204	-182	12.1%
Pending transport expenses	-	1	1	n.m.	n.m.	1	-2	n.m.
Depreciation, amortisation and impairment (D&A)	-168	-173	-126	-2.9%	32.8%	-170	-125	35.8%
Transport expenses incl. D&A	-1,379	-1,282	-1,116	7.6%	23.5%	-1,331	-1,081	23.1%

Bunker consumption development

Bunker consumption totalled 2.12 million tonnes in the first half of 2022 and therefore increased slightly by 0.7% compared with the previous year (H1 2021: approximately 2.11 million tonnes). This increase was essentially caused by a rise in vessel capacity compared with the prior year period.

The percentage of low-sulphur bunker (MFO low sulphur 0.1% and 0.5%, MDO) and liquefied natural gas (LNG) fell slightly from 92% in H1 2021 to 88% in the first six months of 2022 as a result of scrubbers being fitted on additional vessels. Bunker consumption per slot (as measured by the average container storage capacity, annualised) increased very slightly to 2.42 tonnes in H1 2022 (H1 2021: 2.41 tonnes). In terms of transported TEU, bunker consumption of 0.35 tonnes per TEU in H1 2022 was at the same level as in the first half of 2021.



MFO = Marine Fuel Oil
MDO = Marine Diesel Oil
MFO low sulphur 0.1 including LNG

3.7. OPERATING PROFIT

Hapag-Lloyd generated earnings before interest, taxes, depreciation and amortisation (EBITDA) of USD 10,941.6 million in the reporting period (prior year period: USD 4,239.7 million) and earnings before interest and taxes (EBIT) of USD 9,918.5 million (prior year period: USD 3,487.3 million).

EBIT and EBITDA margin

million USD	Q2 2022	Q1 2022	Q2 2021	QoQ change	YoY change	H1 2022	H1 2021	Change
Revenue	9,605.7	8,956.1	5,648.1	7.3%	70.1%	18,561.8	10,551.3	75.9%
EBIT	5,127.7	4,790.9	1,947.9	7.0%	163.2%	9,918.5	3,487.3	184.4%
EBITDA	5,634.8	5,306.8	2,330.2	6.2%	141.8%	10,941.6	4,239.7	158.1%
EBIT margin	53.4%	53.5%	34.5%	-0.1 ppt	18.9 ppt	53.4%	33.1%	20.4 ppt
EBITDA margin	58.7%	59.3%	41.3%	-0.6 ppt	17.4 ppt	58.9%	40.2%	18.8 ppt

3.8. OTHER EXPENSES

Interest result

The interest result in the first half of the 2022 financial year was USD -92.9 million (prior year period: USD -172.5 million). The year-on-year decrease in interest expenses was mainly due to the refinancing of the EUR bond carried out in the 2021 financial year and the early repayments of bank debt. Furthermore, interest income increased primarily due to the significant expansion of money market transactions carried out in the reporting year.

Other financial items

The result for other financial items in the first half of the 2022 financial year was USD –319.0 million (prior year period: USD –2.2 million). The main reasons for this change were the realisation of the currency forward contracts for the euro dividend paid in May 2022 and the realised foreign currency losses from the corresponding dividend payment.

4. GROUP NET ASSET POSITION

As at 30 June 2022, the Group's statement of financial position total was USD 33,039.7 million, which is USD 2,804.2 million higher than the figure at year-end 2021. The reasons for this change primarily included the increase in cash and cash equivalents, the rise in fixed assets, price-related increases in receivables and the higher equity.

Within non-current assets, the carrying amounts of fixed assets increased by a total of USD 170.1 million to USD 17,378.6 million (31 December 2021: USD 17,208.5 million). Investments in vessels, vessel equipment and containers amounted to USD 579.8 million (prior year period: USD 699.9 million) and newly received and extended rights of use for lease assets to USD 651.5 million (prior year period: USD 911.2 million). At the same time, depreciation and amortization was at USD 1,023.1 million (prior year period: USD 752.4 million). This includes an amount of USD 514.9 million (prior year period: USD 355.8 million) for the amortisation of capitalised rights of use relating to lease assets.

Cash and cash equivalents increased by USD 1,652.5 million to USD 10,393.9 million compared to the end of 2021 (USD 8,741.4 million) primarily as a result of the positive operating cash flow.

On the liabilities side, equity (including non-controlling interests) grew by USD 3,057.3 million to a total of USD 21,349.5 million. This increase was mainly due to the Group profit of USD 9,465.7 million (prior year period: USD 3,284.0 million). The dividend paid from the previous year's retained earnings in the amount of EUR 35.00 (previous year: EUR 3.50) per dividend-eligible individual share, i.e. USD 6,555.5 million (previous year: USD 747.7 million) in total, had an offsetting effect. The equity ratio was 64.6% as at 30 June of the current year (31 December 2021: 60.5%).

The Group's borrowed capital fell slightly by USD 253.2 million in comparison to the 2021 consolidated financial statements. Within borrowed capital, financial debt and lease liabilities decreased slightly by a total of USD 294.8 million. The increase in financial debt and lease liabilities due to newly acquired or extended rights of use for lease assets in the amount of USD 593.6 million (prior year period: USD 903.8 million) was more than offset by redemption payments for financial debt and lease liabilities totalling USD 835.2 million (prior year period: USD 1,449.3 million).

While trade accounts payable also contributed to the increase in borrowed capital, long-term pension provisions fell by USD 162.2 million due to the higher discount rate.

Taking cash and cash equivalents, financial debt and lease liabilities into account, net liquidity as at 30 June 2022 was USD 4,467.0 million (31 December 2021: USD 2,519.7 million).

Group net asset position

million USD	30.6.2022	31.12.2021
Assets		
Non-current assets	17,492.3	17,298.4
of which fixed assets	17,378.6	17,208.5
Current assets	15,547.3	12,937.1
of which cash and cash equivalents	10,393.9	8,741.4
Total assets	33,039.7	30,235.5
Equity and liabilities		
Equity	21,349.5	18,292.2
Borrowed capital	11,690.1	11,943.3
of which non-current liabilities	4,712.3	5,199.7
of which current liabilities	6,977.8	6,743.6
of which financial debt and lease liabilities	5,926.9	6,221.7
of which non-current financial debt and lease liabilities	4,387.8	4,684.0
of which current financial debt and lease liabilities	1,539.1	1,537.7
Total equity and liabilities	33,039.7	30,235.5

5. GROUP FINANCIAL POSITION

5.1. DEVELOPMENTS IN CASH AND CASH EQUIVALENTS

Cash flow from operating activities

Hapag-Lloyd generated an operating cash flow of USD 10,215.9 million in the first half of the 2022 financial year (prior year period: USD 3,914.8 million). The increase in the cash flow from operating activities was primarily due to higher earnings in the current financial year.

Cash flow from investing activities

In the first half of the 2022 financial year, the cash outflow from investing activities totalled USD 730.4 million (prior year period: USD 543.9 million). This primarily included payments for investments of USD 647.0 million (prior year period: USD 572.0 million) in vessels, vessel equipment and new containers. The payments for containers acquired in the previous year included in the investment amount were USD 213.0 million. As at 30 June 2022, a total of USD 124.2 million had been paid for the acquisition of the container liner shipping business of Deutsche Afrika-Linien GmbH & Co. KG and the acquisition of shares in the joint venture EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG.

Cash flow from financing activities

Financing activities resulted in a net cash outflow of USD 7,832.8 million in the first half of the financial year (prior year period: USD 1,815.6 million). The cash outflow essentially resulted from the dividend payment to the shareholders of Hapag-Lloyd AG in the amount of USD 6,589.9 million (prior year period: USD 747.7 million). The interest and redemption payments from lease liabilities in accordance with IFRS 16 totalled USD 595.6 million (prior year period: USD 381.9 million). In the first half of the financial year, USD 330.2 million was paid for the interest and redemption payments for vessel and container financing (prior year period: USD 750.7 million). Furthermore, payments were made for hedging transactions of financial debts and dividend payments in the amount of USD 293.5 million.

Development of liquidity reserve

million USD	Q2 2022	Q2 2021	H1 2022	H1 2021
Cash and cash equivalents beginning of the period	12,920.4	1,894.2	8,741.4	836.4
Unused credit lines beginning of the period	725.0	585.0	585.0	585.0
Liquidity reserve beginning of the period	13,645.4	2,479.2	9,326.4	1,421.4
EBITDA	5,634.8	2,330.2	10,941.6	4,239.7
Working capital	-377.5	-48.4	-607.6	-272.4
Others	-83.8	-14.3	-118.1	-52.5
Operating cash flow	5,173.5	2,267.6	10,215.9	3,914.8
Investments	-215.1	-476.7	-647.0	-572.0
thereof vessel	-174.6	-348.8	-397.1	-372.4
thereof container	-10.1	-125.0	-214.0	-190.1
thereof other	-30.4	-2.9	-35.9	-9.5
Net Cash received (+)/made (-) from acquisitions	-177.7	-	-177.7	-
Disinvestments	31.9	13.1	49.6	16.3
Dividends received	-	0.2	-	0.2
Payments made for Investments in financial assets	-8.7	-	-8.7	-1.0
Payments received (+) for the redemption of issued loans	-	12.6	-	12.6
Net cash inflow (+)/outflow (-) from the acquisition of shares in joint ventures	53.5	-	53.5	-
Investing cash flow	-316.1	-450.9	-730.4	-543.9
Debt intake	-0.2	423.0	0.1	566.6
Debt repayment	-153.3	-714.2	-279.8	-1,109.1
Repayment of Lease liabilities	-287.0	-185.5	-555.4	-340.2
Dividends paid	-6,598.2	-755.9	-6,599.4	-763.1
Payments made for leasehold improvements	-	-0.4	-	-0.4
Interest	-54.2	-82.3	-104.8	-151.0
Payments made from hedges for financial debts	-290.9	-4.1	-293.5	-18.4
Financing cash flow	-7,383.7	-1,319.3	-7,832.8	-1,815.6
Changes due to exchange rate fluctuations	-0.1	-	-0.2	-0.1
Liquidity reserve end of the period	11,118.9	2,976.5	11,118.9	2,976.5
Cash and cash equivalents end of the period	10,393.9	2,391.5	10,393.9	2,391.5
Unused credit lines end of the period	725.0	585.0	725.0	585.0

5.2. FINANCIAL SOLIDITY

The Group's net liquidity amounted to USD 4,467.0 million as at 30 June 2022. This was a rise of USD 1,947.4 million compared to net liquidity as at 31 December 2021. The improvement was primarily due to a positive operating cash flow. This contrasted with the dividend payment to the shareholders of HLAG, which was recognised in the cash flow from financing activities.

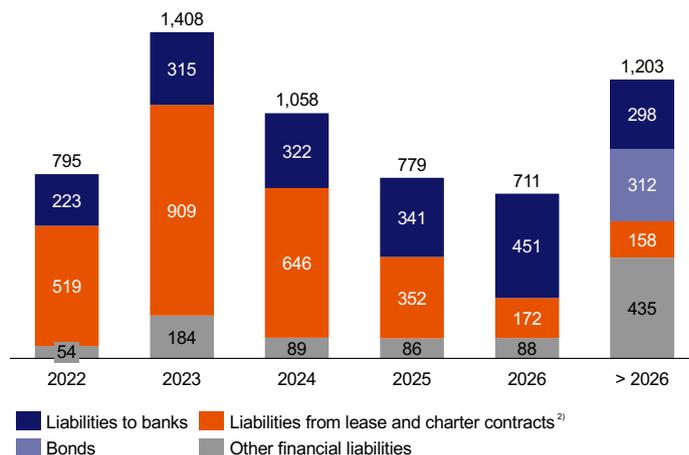
The equity ratio increased by 4.1 percentage points, from 60.5% as at 31 December 2021 to 64.6%. Equity was up by USD 3,057.3 million compared with 31 December 2021 and came to USD 21,349.5 million as at 30 June 2022.

Financial solidity

million USD	30.6.2022	31.12.2021	30.6.2021
Financial debt and lease liabilities	5,926.9	6,221.7	6,296.1
Cash and cash equivalents	10,393.9	8,741.4	2,391.5
Net debt	-4,467.0	-2,519.7	3,904.6
Unused credit lines	725.0	585.0	585.0
Liquidity reserve	11,118.9	9,326.4	2,976.5
Equity	21,349.5	18,292.2	10,805.9
Gearing (net debt/equity) (%)	-20.9	-13.8	36.1
EBITDA	10,941.6	12,841.9	4,239.7
Net debt to EBITDA¹	<0	<0	0.6x
Equity ratio (%)	64.6	60.5	49.3

¹ Based on last twelve months.

Contractual maturity profile of financial debt (USD million)¹



¹ Deviation from the total financial debt as shown in the balance sheet as per 30.06.2022 consists of transaction costs and accrued interest

² Liabilities from lease and charter contracts consist of USD 26 million liabilities from former finance lease contracts and USD 2,730 USD million from lease contracts presented as on-balance financial liability due to first-time application of IFRS 16

The total repayment amount of USD 5,954 million is categorized between (1) liabilities to banks, (2) bonds, (3) liabilities from lease and on-balance charter contracts and (4) other financial liabilities.

6. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

No significant transactions took place after the balance sheet date.

7. OUTLOOK

General economic outlook

Despite the war in Ukraine and its impact on the global economy, the general economic conditions that are important for container shipping remain slightly positive overall, even though the global economy and global trade are likely to grow at a significantly slower rate than forecast at the beginning of the year.

In its July report, the IMF expects the global economy to have contracted in the second quarter of 2022. This was due to the effects of the Ukraine war and the strict lockdowns in China. According to the IMF's July forecast, the global economy will grow by 3.2% in 2022, after a plus of 6.1% in the previous year. This is the second time this year that the IMF has lowered its forecast for 2022: by 0.8 percentage points in April 2022 and again by 0.4 percentage points in July 2022. In addition to the very weak second quarter, the reasons for the significant deterioration in the global economic outlook are the continuing effects of the war in Ukraine, in particular the uncertain gas supply for Europe and the resulting high energy prices, and the persistently high inflation in all parts of the world. High inflation has led most central banks to tighten monetary policy significantly. In turn, higher interest rates are hampering economic activity, while consumer confidence is falling significantly due to declining purchasing power.

International trade in goods and services is expected to grow by 4.1% in 2022 (1.9 percentage points less than expected in January 2022), after 10.1% in the previous year.

Developments in global economic growth (GDP) and world trade volume

in %	2023e	2022e	2021	2020	2019
Global economic growth	2.9	3.2	6.1	-3.1	2.9
Industrialised countries	1.4	2.5	5.2	-4.5	1.7
Developing and newly industrialised countries	3.9	3.6	6.8	-2.0	3.7
World trade volume (goods and services)	3.2	4.1	10.1	-7.9	0.9

Source: IMF World Economic Outlook, July 2022

Sector-specific outlook

The slower growth of the global economy in the 2022 financial year is likely to lead to more moderate growth in container transport volumes. The ongoing disruption to global supply chains will also continue to have a negative effect on the development of volumes. A recovery in supply chains will be further delayed as a result of Russia's attack on Ukraine and the ongoing COVID-19 restrictions in China. Seabury predicts that the global container transport volume will grow by 2.1% this year and by 3.4% in 2023. In 2021, volume grew by 6.6%, due also to a weak base in the previous year as a result of the pandemic (CTS July 2022).

Development of container transport volume

	2023e	2022e	2021	2020	2019
Growth rate in %	3.4	2.1	6.6	-1.1	1.3

Sources: CTS (July 2022) for 2019–2021, Seabury (June 2022) for 2022 and 2023

The strong demand for transport combined with a shortage of available vessels has resulted in a noticeable increase in vessel orders since the fourth quarter of 2020. According to MDS Transmodal (July 2022), the tonnage of the commissioned container vessels rose significantly to around 6.7 million TEU at the end of June 2022, up from around 4.0 million TEU as at 30 June 2021. This means that, although the order volume in proportion to the current global container fleet capacity is 26.6% and therefore at its highest level since 2011, it is still significantly below the peak of around 61% recorded in 2007.

For 2022, Drewry expects the globally available container vessel fleet to grow by 0.9 million TEU, or 3.4%. Although capacity growth is therefore higher than the increase in demand of 2.1%, vessel capacities are expected to be fully utilised in the 2022 financial year due to the current capacity bottlenecks, longer waiting and berthing times outside of and at ports, and a backlog at shipyards. The majority of the vessels ordered will be delivered in 2023 (around 2.5 million TEU) and 2024 (around 3.4 million TEU) (Drewry Container Forecaster Q2 2022).

Expected development of global container fleet capacity

million TEU	2023e	2022e	2021	2020	2019
Existing fleet (beginning of the year)	25.6	24.7	23.6	23.0	22.1
Planned deliveries	2.5	1.0	1.2	1.1	1.1
Expected scrappings	0.3	0.0	0.0	0.2	0.2
Postponed deliveries and other changes	0.4	0.1	0.1	0.3	0.1
Net capacity growth	1.8	0.9	1.1	0.7	0.9
Net capacity growth (in %)	7.1	3.4	4.5	3.0	4.0

Source: Drewry Container Forecaster Q2 2022. Expected nominal capacity based on planned deliveries. Based on existing orders and current predictions for scrapping and postponed deliveries. Figures rounded. Rounding differences may be the result of changes in the databases.

Expected business development of Hapag-Lloyd

Hapag-Lloyd posted strong financial performance in the first half year of 2022. Based on current business performance, the second half year should also exceed previous expectations. Against this background, the Executive Board of Hapag-Lloyd AG has raised again its earnings outlook for the current financial year on 28 July 2022. For 2022, Group EBITDA is now expected to be in the range of USD 19.5 to 21.5 billion (previously: USD 14.5 to 16.5 billion) and Group EBIT in the range of USD 17.5 to 19.5 billion (previously: USD 12.5 to 14.5 billion). In Euro, this corresponds to an expected Group EBITDA of EUR 18.2 to 20.1 billion (previously: EUR 13.6 to 15.5 billion) and Group EBIT in the range of EUR 16.3 to 18.2 billion (previously: EUR 11.7 to 13.6 billion).

The earnings outlook is based on the assumptions that transport volumes will increase slightly (previously: on previous year's level) and that the average freight rate will increase clearly as compared to the previous year. At the same time, a further increase in transport expenses is anticipated. In particular, the average bunker consumption price is expected to increase clearly. The

outlook is based on an average exchange rate of 1.07 USD/EUR. In view of the war in Ukraine, the continuing disruptions to global supply chains and the effects of the COVID-19 pandemic, the forecast is subject to considerable uncertainty.

The earnings forecast does not take into account material impairments on goodwill, other intangible assets and property, plant and equipment in the course of the 2022 financial year, which are currently not expected but cannot be ruled out.

	Actual 2021	Forecast 2022 (from 10 March 2022)	Forecast 2022 (from 28 April 2022)	Forecast 2022 (from 28 July 2022)
Global economic growth (IMF, July 2022)	6.1%	4.4%	3.6%	3.2%
Increase in global trade (IMF, July 2022)	10.1%	6.0%	5.0%	4.1%
Increase in global container transport volume (CTS, July 2022; Seabury, June 2022)	6.6%	3.0%	2.6%	2.6%
Transport volume, Hapag-Lloyd	11.9 million TEU	Increasing slightly	On previous year's level	Increasing slightly
Average bunker consumption prices, Hapag-Lloyd	USD 475/t	Increasing clearly	Increasing clearly	Increasing clearly
Average freight rate, Hapag-Lloyd	USD 2,003/TEU	Increasing moderately	Increasing clearly	Increasing clearly
EBITDA (earnings before interest, taxes, depreciation and amortisation), Hapag-Lloyd	EUR 10.9 billion	EUR 10.7 – 12.4 billion	EUR 13.6 – 15.5 billion	EUR 18.2 – 20.1 billion
EBIT (earnings before interest and taxes), Hapag-Lloyd	EUR 9.4 billion	EUR 8.9 – 10.7 billion	EUR 11.7 – 13.6 billion	EUR 16.3 – 18.2 billion

In an industry environment dominated by volatile freight rates and stiff competition, business developments at Hapag-Lloyd are subject to risks and opportunities that could cause them to differ from the forecast. These and other risks and opportunities that may have an impact on the forecast for business development are also described in detail in the risk and opportunity report in the combined management report of the 2021 annual report. Discrepancies are presented in the risk and opportunity report of the half-year financial report. The occurrence of one or more of these risks could have a substantial negative impact on the industry and, by extension, on the business development of Hapag-Lloyd, which could also lead to impairments on goodwill, other intangible assets, and property, plant and equipment.

IMPORTANT NOTICE

The information provided in this Investor Report is based on a calculation of US dollar figures, derived from the figures published in EUR within the respective Interim or Annual Report of Hapag-Lloyd AG (available via <https://www.hapag-lloyd.com/en/ir/publications/financial-report.html>).

The US dollar figures presented herein have not been reviewed by auditors and are supplemental information to the respective Interim or Annual Report of Hapag-Lloyd AG for capital market participants. The respective Interim and Annual Reports of Hapag-Lloyd AG remain the prevailing and legally binding documents.

Hapag-Lloyd AG conducts its container shipping business in an international business environment in which transactions are invoiced mainly in US dollars and payment procedures are handled in US dollars. This relates not only to operating business transactions, but also to investment activities, an example being the purchase, chartering and rental of vessels and containers, as well as the corresponding financing of investments. Therefore, the functional currency of Hapag-Lloyd AG is the US dollar. However, the reporting currency of Hapag-Lloyd AG is the euro.

For reconciliation to the half-year financial report 2022 please find below the respective exchange rates:

Exchange rates

per EUR	Closing Rate			Average rate		
	30.6.2022	31.3.2022	30.6.2021	H1 2022	Q1 2022	H1 2021
US dollars	1.0394	1.1103	1.1892	1.0938	1.1228	1.2054

DISCLAIMER

This report provides general information about Hapag-Lloyd AG. It consists of summary information based on a calculation of USD figures. It does not purport to be complete and it is not intended to be relied upon as advice to investors.

No representations or warranties, expressed or implied, are made as to, and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in this report.

This report contains forward looking statements within the meaning of the 'safe harbor' provision of the US securities laws. These statements are based on management's current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Actual results may differ from those set forth in the forward-looking statements as a result of various factors (including, but not limited to, future global economic conditions, market conditions affecting the container shipping industry, intense competition in the markets in which we operate, potential environmental liability and capital costs of compliance with applicable laws, regulations and standards in the markets in which we operate, diverse political, legal, economic and other conditions affecting the markets in which we operate, our ability to successfully integrate business acquisitions and our ability to service our debt requirements). Many of these factors are beyond our control.

This report is intended to provide a general overview of Hapag-Lloyd's business and does not purport to deal with all aspects and details regarding Hapag-Lloyd. Accordingly, neither Hapag-Lloyd nor any of its directors, officers, employees or advisers nor any other person makes any representation or warranty, expressed or implied, as to, and accordingly no reliance should be placed on, the fairness, accuracy or completeness of the information contained in the presentation or of the views given or implied. Neither Hapag-Lloyd nor any of its directors, officers, employees or advisers nor any other person shall have any liability whatsoever for any errors or omissions or any loss howsoever arising, directly or indirectly, from any use of this information or its contents or otherwise arising in connection therewith.

Neither the Company nor any of its affiliates, advisers or representatives make any undertaking to update any such information subsequent to the date hereof.

Each investor must conduct and rely on its own evaluation in taking an investment decision.

Recipients of this report are not to construe the contents of this summary as legal, tax or investment advice and recipients should consult their own advisors in this regard.

IMPRINT

Hapag-Lloyd AG
Ballindamm 25
20095 Hamburg
Germany

Investor Relations

Phone: +49 40 3001-2896
E-Mail: IR@hlag.com
www.hapag-lloyd.com/en/ir.html

Layout

Silvester Group, Hamburg
www.silvestergroup.com

www.hapag-lloyd.com

