

Q2 | H1 2024

Hapag-Lloyd AG

Investor Report

1 January to
30 June 2024



SUMMARY OF HAPAG-LLOYD KEY FIGURES

		Q2 2024	Q2 2023	H1 2024	H1 2023	Change
Liner Shipping segment						
Total vessels ¹		287	258	287	258	11%
Aggregate capacity of vessels ¹	TTEU	2,184	1,865	2,184	1,865	17%
Aggregate container capacity ¹	TTEU	3,232	2,876	3,232	2,876	12%
Freight rate	USD/TTEU	1,422	1,533	1,391	1,761	-21%
Transport volume	TTEU	3,060	2,965	6,097	5,807	5%
Revenue	million USD	4,794	4,814	9,320	10,837	-14%
EBITDA	million USD	991	1,390	1,898	3,749	-49%
EBIT	million USD	468	881	846	2,736	-69%
Terminal & Infrastructure segment						
Revenue	million USD	111	6	217	12	n.m.
EBITDA	million USD	36	7	71	26	176%
EBIT	million USD	17	6	33	25	31%
Group financial figures						
Revenue	million USD	4,892	4,819	9,516	10,847	-12%
EBITDA	million USD	1,028	1,396	1,969	3,775	-48%
EBIT	million USD	485	888	879	2,762	-68%
Group profit/loss	million USD	467	1,102	791	3,133	-75%
Earnings per share	USD	2.64	6.25	4.45	17.79	-75%
Cash flow from operating activities	million USD	764	1,389	1,373	4,143	-67%
Group return figures						
EBITDA margin	%	21.0	29.0	20.7	34.8	-14.1 ppt
EBIT margin	%	9.9	18.4	9.2	25.5	-16.2 ppt
ROIC	%	9.7	21.0	9.0	32.8	-23.8 ppt
Group balance sheet figures²						
Equity	million USD	19,794	20,782	19,794	20,782	-5%
Equity ratio	%	62.1	64.7	62.1	64.7	-2.6 ppt
Financial debt and lease liabilities	million USD	6,191	5,609	6,191	5,609	10%
Cash and cash equivalents	million USD	4,543	6,435	4,543	6,435	-29%
Net liquidity ³	million USD	405	2,870	405	2,870	-86%

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

¹ Reporting date values at the end of the respective quarter.

² The comparison of key balance sheet figures refers to the reporting date 31 December 2023. The comparative information is adjusted. For further information, refer to section "Corrections in the measurement period" in the notes of the condensed interim consolidated financial statements of the H1 2024 Financial Report.

³ Including the financial investments recognised in other financial assets (strategic liquidity reserve)

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 14 August 2024.

MAIN DEVELOPMENTS IN H1 2024

- The first half of 2024 was characterised by an upturn in demand and renewed disruptions in global supply chains due to the tense security situation in the Red Sea.
- Group revenue in the first half of the 2024 financial year fell by 12% to USD 9.5 billion (H1 2023: USD 10.8 billion), which is mainly due to a significantly lower average freight rate in the Liner Shipping segment.
- Against the backdrop of declining revenues and higher operating expenses, Group EBITDA fell to USD 2.0 billion (H1 2023: USD 3.8 billion) and Group EBIT to USD 0.9 billion (H1 2023: USD 2.8 billion).
- The Liner Shipping segment recorded a 5% year-on-year increase in transport volumes to 6.1 million TEU (H1 2023: 5.8 million TEU). However, the 21% decline in the average freight rate in particular led to a decrease in EBITDA in the first half of 2024 to USD 1.9 billion (H1 2023: USD 3.7 billion). Segment EBIT fell accordingly from USD 2.7 billion to USD 0.8 billion.
- The Terminal & Infrastructure segment generated an EBITDA of USD 71.5 million and an EBIT of USD 33.2 million in the first half of 2024.
- Due to the declining operating performance, earnings per share dropped to USD 4.45 from USD 17.79 in the prior year period.
- Free cash flow was once again positive at USD 0.5 billion (H1 2023: USD 4.0 billion).
- As at 30 June 2024, the Group maintained a net liquidity position of USD 0.4 billion (31 December 2023: USD 2.9 billion).
- Due to stronger than expected demand and freight rates, the Executive Board of Hapag-Lloyd AG raised its earnings outlook for the financial year 2024 on 9 July. Group EBITDA is now expected to be in the range of USD 3.5 to 4.6 billion (previously: USD 2.2 to 3.3 billion) and Group EBIT in the range of USD 1.3 to 2.4 billion (previously: USD 0.0 to 1.1 billion).
- Against the backdrop of very volatile freight rates and major geopolitical challenges, the outlook is subject to a high degree of uncertainty.

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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 terminal services.

According to the International Monetary Fund (IMF), the global economy recorded robust growth in the first half of 2024 despite the numerous geopolitical crises and persistently high inflation (IMF World Economic Outlook, July 2024).

The economy of the People's Republic of China grew by 5.0% year-on-year in the first half year of 2024, despite the negative impact of the real estate crisis. Exports of goods rose by 6.9%, while imports increased by 5.2% compared to the first half year of 2023 (National Bureau of Statistics of China, July 2024). The main recipients of Chinese goods are the USA and Europe. The US economy grew by 3.1% in the second quarter of 2024 compared to the second quarter of 2023. In the first quarter of 2023, the US economy had already grown by 2.9% compared with the previous year. Growth was driven by investments and rising government spending. In the first five months of 2024, imports of goods rose by 2.5% compared to the same period of the previous year, while exports increased by 1.0% (U.S. Department of Commerce, July 2024). The EU economy grew by 0.7% in the second quarter of 2024 compared to Q2 2023. In the first quarter of 2024, the EU economy grew by 0.6% year-on-year. Exports of goods from the EU increased slightly by 0.7% in the first five months of 2024 compared to the prior year period. In contrast, imports of goods fell significantly by 9.3% (Eurostat, July 2024).

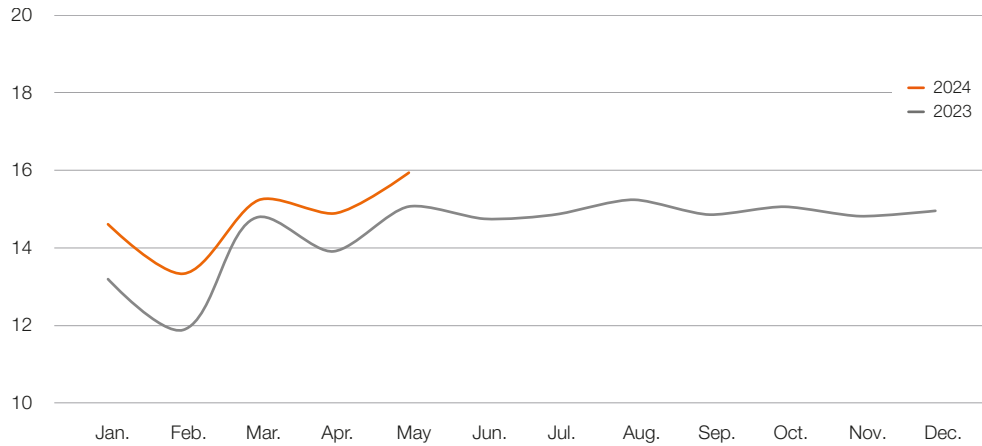
Crude oil and bunker prices rose in the first half of 2024 due to tensions in the Middle East. Brent crude oil rose by 12.2% and was quoted at USD 86.41 per barrel as at 30 June 2024 (end of 2023: USD 77.04 per barrel). Low sulphur bunker (MFO 0.5%, FOB Rotterdam) was quoted at USD 562/t as of June 30, 2024, up 7.4% on the 2023 year-end price of USD 523/t (S&P Global Commodity Insights, Bloomberg).

1.2. SECTOR-SPECIFIC CONDITIONS

The Liner Shipping and Terminal & Infrastructure segments are both fundamentally affected by the same sector-specific developments, in particular international trade.

Global container transport volumes recovered by 7.5% year-on-year in the period from January to May 2024 (CTS, July 2024). Almost all trades recorded significant growth. The transport volume in the major trades from the Far East to North America rose by 16.9% and from the Far East to Europe by 6.5%.

Monthly global container transport volumes (in million TEU)

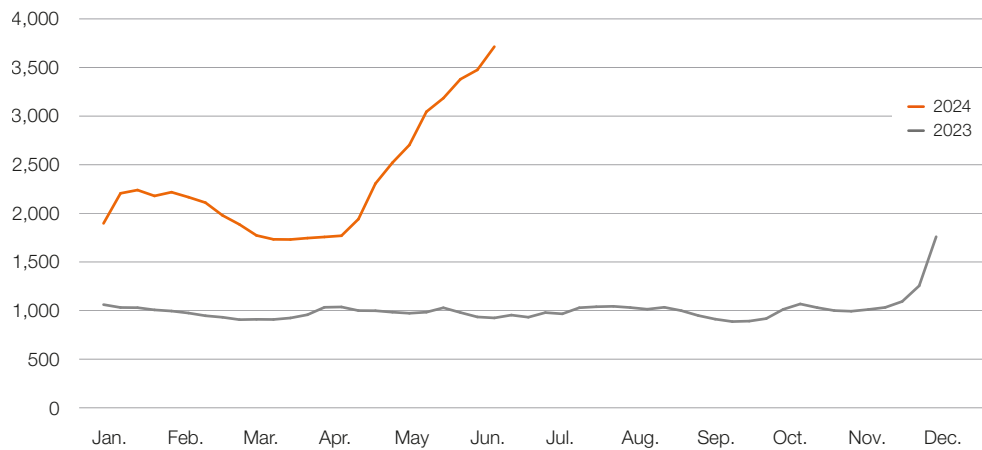


Source: CTS, July 2024

Liner Shipping segment

The Shanghai Containerized Freight Index (SCFI), which tracks spot freight rate trends on Shanghai’s most important trade routes, was significantly higher in the first half of 2024 than in the same period of the previous year. At the end of June 2024, the index stood at USD 3,714/TEU (previous year: USD 954/TEU). Due to the tense security situation in the Red Sea, many container shipping companies have been rerouting their ships around the Cape of Good Hope since mid-December 2023. The longer voyage times are leading to a shortage of shipping capacity and rising transport costs.

Development of the Shanghai Containerized Freight Index (in USD/TEU)



Source: Shanghai Shipping Exchange, July 2024

At the end of June 2024, the proportion of laid-up, i.e. idle ships, was 0.22 million TEU or 0.7% of the global fleet, down on the previous year's level (30 June 2023: 0.27 million TEU; 1.0%, Alphaliner Weekly, June 2024). The reason for this is the increased demand for ship capacity due to the longer routes around the Cape of Good Hope.

According to MDS Transmodal, a total of 260 container ships with a transport capacity of around 1.7 million TEU were put into service in the first half of 2024 (prior year period: 143 ships, transport capacity: around 1.1 million TEU). According to Clarksons, only 25 small container ships with a total of 40 TTEU were scrapped in the same period (previous year period: 38 ships, 56 TTEU).

In the first half of 2024, orders were placed for the construction of 97 container ships with a total transport capacity of 0.9 million TEU (prior year period: 93 ships with a capacity of 0.9 million TEU, Clarksons Research, July 2024).

According to MDS Transmodal, the tonnage of container ships on order fell to around 5.3 million TEU at the end of June 2024, compared to around 7.0 million TEU at the end of June 2023. The ratio of order backlog to global container fleet capacity was at 18.2% (as at 30 June 2023: 26.5%) and thus well below the peak of around 61% reached in 2007.

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

Fleet and capacity development

As at 30 June 2024, Hapag-Lloyd's fleet consisted of a total of 287 ships (30 June 2023: 258 ships). 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 2024 amounted to 2,184 TTEU, an increase of 17.1% compared with 30 June 2023 (1,865 TTEU). Based on TEU capacity, 60% of the fleet was owned as at 30 June 2024 (30 June 2023: 62%). In the first half of the 2024 financial year, six newbuilds (five ships owned and one as a long-term charter) with a total capacity of around 111 TTEU were put into service.

As at 30 June 2024, Hapag-Lloyd's order book comprised six newbuilds, each with a slot capacity of 23,664 TEU. The total capacity of the newbuilds is approximately 142 TTEU. Two vessels will be delivered in 2024, the other four in 2025.

The average age of Hapag-Lloyd's entire fleet as at 30 June 2024 (capacity-weighted) was 11.0 years (30 June 2023: 11.2 years) and was therefore slightly above the average level of the ten largest container liner shipping companies worldwide of 10.7 years (30 June 2023: 10.9 years). At 7.6 TTEU (30 June 2023: 7.2 TTEU), the average ship size of the Hapag-Lloyd Group's fleet was around 11% above the comparable average of 6.9 TTEU for the world's ten largest container liner shipping companies (30 June 2023: 6.5 TTEU; source: MDS Transmodal) and around 65% above the average ship size of the global fleet of 4.6 TTEU (30 June 2023: 4.4 TTEU; source: MDS Transmodal).

As at 30 June 2024, Hapag-Lloyd had 1.9 million (30 June 2023: 1.7 million) owned and leased containers at its disposal to transport cargo with a capacity of 3.2 million TEU (30 June 2023: 2.9 million TEU). The capacity-weighted share of containers owned as at 30 June 2024 was approximately 61% (30 June 2023: approximately 59%). In the first half of the 2024 financial year, around 149,000 new containers were ordered, including 6.850 reefer containers, with a total capacity of around 260,000 TEU.

Hapag-Lloyd's service network comprised 114 services as at 30 June 2024 (30 June 2023: 115 services).

Structure of Hapag-Lloyd's container ship fleet

	30.6.2024	31.12.2023	30.6.2023
Number of vessels	287	266	258
thereof			
Own vessels ¹	127	123	124
Chartered vessels	160	143	134
Aggregate capacity of vessels (TTEU)	2,184	1,972	1,865
Aggregate container capacity (TTEU)	3,232	2,975	2,876
Number of services	114	113	115

¹ Including lease agreements with purchase option/obligation at maturity

3. GROUP EARNINGS POSITION

3.1. GROUP EARNINGS

The first half of the 2024 financial year continued to be characterised by a significantly lower average freight rate compared to the same period of the previous year. In contrast, the transport volume increased, driven primarily by an upturn in demand. As a result of these developments, the Hapag-Lloyd Group generated a lower Group net result in the first half of 2024 compared to the same period of the previous year.

With an amount of USD 1,969.1 million, consolidated earnings before interest, taxes, depreciation, and amortisation (EBITDA) were significantly lower in the first half of the 2024 financial year than the previous year's figure of USD 3,775.2 million. The Hapag-Lloyd Group's earnings before interest and taxes (EBIT) also fell significantly to USD 878.8 million (prior year period: USD 2,761.6 million). The Group result totalled USD 790.8 million (prior year period: USD 3,132.6 million).

Consolidated income statement

million USD	Q2 2024	Q1 2024*	Q2 2023	QoQ Change	YoY change	H1 2024	H1 2023	Change
Revenue	4,892.5	4,623.4	4,819.0	5.8%	1.5%	9,515.8	10,847.1	-12.3%
Transport and terminal expenses	-3,412.6	-3,299.6	-3,070.2	3.4%	11.2%	-6,712.2	-6,329.7	6.0%
Personnel expenses	-331.2	-260.3	-255.2	27.3%	29.8%	-591.5	-514.2	15.0%
Depreciation, amortisation and impairment	-542.9	-547.4	-508.8	-0.8%	6.7%	-1,090.3	-1,013.5	7.6%
Other operating result	-113.5	-115.7	-105.4	-1.9%	7.7%	-229.2	-253.0	-9.4%
Operating result	492.3	400.4	879.3	23.0%	-44.0%	892.6	2,736.7	-67.4%
Share of profit of equity-accounted investees	-7.5	-6.3	5.8	19.8%	n.m.	-13.8	22.5	n.m.
Earnings before interest and tax (EBIT)	484.7	394.1	887.6	23.0%	-45.4%	878.8	2,761.6	-68.2%
Interest result and other financial result	11.7	40.4	110.5	-71.1%	-89.4%	52.0	273.2	-81.0%
Other financial items	0.4	-11.5	102.1	n.m.	-99.6%	-11.0	164.6	n.m.
Income taxes	-29.4	-99.6	1.4	-70.5%	n.m.	-129.0	-66.9	92.9%
Group profit/loss	467.4	323.4	1,101.6	44.5%	-57.6%	790.8	3,132.6	-74.8%
Basic/diluted earnings per share (in USD)	2.64	1.81	6.25	45.9%	-57.8%	4.45	17.79	-75.0%
EBITDA	1,027.6	941.5	1,396.5	9.1%	-26.4%	1,969.1	3,775.2	-47.8%
EBITDA margin (%)	21.0	20.4	29.0	0.6 ppt	-8.0 ppt	20.7	34.8	-14.1 ppt
EBIT	484.7	394.1	887.6	23.0%	-45.4%	878.8	2,761.6	-68.2%
EBIT margin (%)	9.9	8.5	18.4	1.4 ppt	-8.5 ppt	9.2	25.5	-16.2 ppt

* The comparative information is adjusted. For further information, refer to section "Corrections in the measurement period" in the notes of the condensed interim consolidated financial statements of the H1 2024 Financial Report.

Revenue in the Group

In the first half of the 2024 financial year, the Hapag-Lloyd Group's revenue fell by USD 1,331.3 million to USD 9,515.8 million (prior year period: USD 10,847.1 million), which corresponds to a decrease of 12.3%. This development was mainly due to the lower average freight rates. This was offset by a 5.0% increase in transport volume compared with the prior year period.

Operating expenses in the Group

Transport and terminal expenses increased by USD 382.6 million to USD 6,712.2 million in the first half of the 2024 financial year (prior year period: USD 6,329.7 million). This corresponds to an increase of 6.0%.

Personnel expenses increased by USD 77.3 million to USD 591.5 million in the first half of the 2024 financial year (prior year period: USD 514.2 million). The increase is mainly due to the higher costs for the employees taken over as a result of the acquisition of the SAAM Terminals companies in the third quarter of the previous year. Salary increases also contributed to the rise.

In the first half of the 2024 financial year, depreciation and amortisation increased by USD 76.8 million to USD 1,090.3 million (prior year period: USD 1,013.5 million). The increase was mainly due to higher depreciation and amortisation for new vessels and containers as well as the addition of depreciation and amortisation from the acquisition of SAAM Terminals. The scheduled amortisation of right-of-use assets (primarily vessels and containers) led to depreciation and amortisation of USD 563.3 million (prior year period: USD 562.6 million).

Other operating result

The other operating result of USD –229.2 million (prior year period: USD –253.0 million) comprised the net balance of other operating income and expenses. Other operating expenses totalled USD 298.2 million for the first half of the 2024 financial year (prior year period: USD 313.2 million). This mainly included IT and communication expenses (USD 139.5 million; prior year period: USD 141.6 million), office and administrative expenses (USD 33.0 million; prior year period: USD 23.4 million), expenses for training and other personnel expenses (USD 28.8 million; prior year period: USD 19.9 million) and fees for consultancy and other professional services (USD 28.7 million; prior year period: USD 52.6 million).

Interest result and other financial result

In the first half of the 2024 financial year, the interest result and other financial result amounted to USD 52.0 million (prior year period: USD 273.2 million). The decrease in interest income and other financial income to USD 210.6 million (prior year period: USD 394.1 million) was mainly due to the lower volume of money market transactions, which were reduced in the context of the dividend payment. Money market funds and money market transactions yielded income totalling USD 153.2 million (prior year period: USD 374.5 million). Interest income from the securities of the special fund “HLAG Performance Express” totalled USD 36.6 million (prior year period: USD 11.1 million).

Other financial items

In the first half of the 2024 financial year, the result for other financial items amounted to USD –11.0 million (prior year period: USD 164.6 million). The main reasons for this change were the realised losses (prior year period: gains) from the currency forward contracts for the dividend distribution in euros in May 2024 respectively May 2023 and the realised foreign currency losses (prior year period: foreign currency losses) from the corresponding dividend payment.

Income taxes

The increase in income taxes in the first half of the 2024 financial year by USD 62.1 million to USD 129.0 million (prior year period: USD 66.9 million) is mainly due to the development of deferred taxes in the Hapag-Lloyd Group. While current income taxes fell by USD 36.4 million to USD 30.7 million (prior year period: USD 67.1 million), there was a significant increase in expenses for deferred taxes to USD 98.3 million (prior year period: USD 0.2 million). The increase is mainly the result of the recognition of deferred tax liabilities on temporary differences in the area of exchange rate effects on investments and the recognition of deferred tax liabilities on valuation differences of a special fund held.

3.2. LINER SHIPPING EARNINGS

In the first half of the 2024 financial year, the Liner Shipping segment recorded a sharp decline in earnings due to a significant drop in the average freight rate. Revenue fell by 14.0% to USD 9,320.2 million (prior year period: USD 10,837.2 million). Operating earnings before interest, taxes, depreciation, and amortisation (EBITDA) in Liner Shipping amounted to USD 1,897.8 million, compared to USD 3,749.2 million in the prior year period, while operating earnings before interest and taxes (EBIT) stood at USD 845.7 million (prior year period: USD 2,736.3 million).

Income statement Liner Shipping

million USD	Q2 2024	Q1 2024	Q2 2023	QoQ Change	YoY change	H1 2024	H1 2023	Change
Revenue	4,793.6	4,526.6	4,813.9	5.9%	-0.4%	9,320.2	10,837.2	-14.0%
Transport expenses	-3,397.1	-3,286.2	-3,071.3	3.4%	10.6%	-6,683.3	-6,331.8	5.6%
thereof								
Transport expenses for completed voyages	-3,364.4	-3,358.1	-3,089.9	0.2%	8.9%	-6,722.5	-6,388.9	5.2%
Bunker and emissions	-714.5	-708.9	-566.4	0.8%	26.1%	-1,423.4	-1,234.2	15.3%
Handling and haulage	-1,619.7	-1,606.2	-1,475.1	0.8%	9.8%	-3,225.9	-3,082.3	4.7%
Equipment and repositioning ¹	-426.4	-434.5	-391.7	-1.9%	8.9%	-860.9	-812.0	6.0%
Vessels and voyages (excluding bunker) ¹	-603.8	-608.5	-656.8	-0.8%	-8.1%	-1,212.3	-1,260.3	-3.8%
Transport expenses for pending voyages ²	-32.8	71.9	18.6	n.m.	n.m.	39.2	57.0	-31.3%
Amortisation and depreciation	-523.7	-528.4	-508.5	-0.9%	3.0%	-1,052.0	-1,012.9	3.9%
Other income and expenses	-405.1	-334.0	-352.8	21.3%	14.8%	-739.1	-756.1	-2.2%
EBITDA	991.4	906.4	1,389.9	9.4%	-28.7%	1,897.8	3,749.2	-49.4%
EBITDA margin (%)	20.7	20.0	28.9	0.7 ppt	-8.2 ppt	20.4	34.6	-14.2 ppt
EBIT	467.7	378.0	881.4	23.7%	-46.9%	845.7	2,736.3	-69.1%
EBIT margin (%)	9.8	8.4	18.3	1.4 ppt	-8.6 ppt	9.1	25.2	-16.2 ppt

¹ Including lease expenses for short-term leases

² 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.

Transport volume per trade

At 6,097 TTEU (prior year period: 5,807 TTEU), the transport volume in the first half of the 2024 financial year was up on the previous year (+5.0%). The increase in transport volumes in the Transpacific, Far East and Intra-Asia trades is in particular due to increased transport capacity. By contrast, transport volumes in the Middle East trade fell, primarily due to the ongoing conflict in the Red Sea and the associated longer transit times and proportionate suspension of services.

Transport volume per trade

TTEU	Q2 2024	Q1 2024	Q2 2023	QoQ change	YoY change	H1 2024	H1 2023	Change
Atlantic	555	531	511	4.6%	8.6%	1,086	1,038	4.6%
Transpacific	523	539	433	-3.1%	20.6%	1,062	853	24.4%
Far East	565	559	573	1.1%	-1.4%	1,124	1,055	6.5%
Middle East	294	276	356	6.7%	-17.3%	570	725	-21.4%
Intra-Asia	192	185	188	4.0%	2.5%	378	350	7.8%
Latin America	756	763	726	-1.0%	4.1%	1,519	1,437	5.7%
Africa	175	184	178	-4.9%	-1.6%	359	348	3.1%
Total	3,060	3,037	2,965	0.8%	3.2%	6,097	5,807	5.0%

Freight rate per trade

In the first half of 2024, the average freight rate was USD 1,391/TEU, which was USD 370/TEU or 21.0% lower than in the same period of the previous year (USD 1,761/TEU). The lower average freight rate is mainly the result of fewer disruptions to global supply chains compared to the previous year and the associated release of transport capacity.

Freight rate per trade

USD/TEU	Q2 2024	Q1 2024	Q2 2023	QoQ change	YoY change	H1 2024	H1 2023	Change
Atlantic	1,379	1,390	1,997	-0.8%	-30.9%	1,384	2,328	-40.5%
Transpacific	1,731	1,600	1,714	8.2%	1.0%	1,665	1,941	-14.2%
Far East	1,516	1,343	1,321	12.9%	14.7%	1,430	1,568	-8.8%
Middle East	1,391	1,127	1,010	23.4%	37.7%	1,263	1,137	11.1%
Intra-Asia	756	790	800	-4.3%	-5.5%	773	891	-13.3%
Latin America	1,327	1,356	1,700	-2.1%	-21.9%	1,342	1,913	-29.9%
Africa	1,521	1,550	1,574	-1.9%	-3.4%	1,536	1,760	-12.8%
Total (weighted average)	1,422	1,359	1,533	4.6%	-7.3%	1,391	1,761	-21.0%

Revenue per trade

In the first half of the 2024 financial year, revenue in the Liner Shipping segment fell by USD 1,516.9 million to USD 9,320.2 million (prior year period: USD 10,837.2 million), which corresponds to a decrease of 14.0%. This was mainly due to a 21.0% decline in the average freight rate compared to the same period in the previous year. The 5.0% increase in transport volumes compared to the same period in the previous year had a slightly offsetting effect.

Revenue not assigned to trades mainly includes income from demurrage and detention charges for containers as well as compensation payments for shipping space. Furthermore, realised revenue from pending voyages are included in revenue not assigned to trades.

Revenue per trade

million USD	Q2 2024	Q1 2024	Q2 2023	QoQ Change	YoY change	H1 2024	H1 2023	Change
Atlantic	765.8	737.6	1,020.9	3.8%	-25.0%	1,503.5	2,415.8	-37.8%
Transpacific	904.8	862.9	742.5	4.9%	21.9%	1,767.7	1,656.5	6.7%
Far East	856.4	750.3	756.9	14.1%	13.1%	1,606.7	1,654.5	-2.9%
Middle East	409.0	310.7	359.1	31.6%	13.9%	719.7	824.7	-12.7%
Intra-Asia	145.5	146.3	150.2	-0.5%	-3.1%	291.7	312.1	-6.5%
Latin America	1,003.1	1,034.7	1,234.8	-3.1%	-18.8%	2,037.7	2,747.9	-25.8%
Africa	266.1	285.2	279.7	-6.7%	-4.9%	551.3	613.0	-10.1%
Revenue not assigned to trades	442.9	399.0	269.9	11.0%	64.1%	842.0	612.8	37.4%
Total	4,793.6	4,526.6	4,813.9	5.9%	-0.4%	9,320.2	10,837.2	-14.0%

Transport expenses

Transport expenses increased by USD 351.5 million to USD 6,683.3 million in the first half of the 2024 financial year (prior year period: USD 6,331.8 million). This corresponds to an increase of 5.6%.

The increase in expenses for bunker and emissions is mainly due to higher bunker consumption compared to the prior year period, whereby expenses for bunker increased by USD 189.2 million to USD 1,423.4 million (prior year period: USD 1,234.2 million). At USD 601/t, the average bunker consumption price for Hapag-Lloyd in the first half of the 2024 financial year was USD 24/t lower than the figure of USD 625/t in the same period of the previous year. However, the increased bunker consumption, particularly due to the rerouting of ships around the Cape of Good Hope, contributed to an increase in fuel expenses. In addition, the first-time recognition of expenses for CO₂ emission certificates totalling USD 46.4 million (prior year period: USD 0.0 million) contributed to the increase in bunker and emissions. With the inclusion of shipping emissions in the EU Emissions Trading System, Hapag-Lloyd has been obliged to purchase and submit EU allowances (EUAs) for CO₂ emissions since the 2024 financial year.

Expenses for container handling rose by USD 143.6 million to USD 3,225.9 million in the first half of the reporting year (prior year period: USD 3,082.3 million). This increase is due in particular to higher demurrage and detention fees for containers.

Expenses for containers and repositioning increased compared to the prior year period, mainly due to the additional handling activities in connection with the conflict in the Red Sea.

The decrease in expenses for vessels and voyages (excluding bunker) is mainly due to lower canal costs in connection with the avoidance of the Suez Canal. By contrast, expenses for short-term chartered ships and container slot charter costs on third-party vessels in particular increased compared to the same period of the previous year.

Depreciation, amortisation and impairments

In the first half of the 2024 financial year, depreciation and amortisation increased by USD 39.1 million year-on-year to USD 1,052.0 million (prior year period: USD 1,012.9 million). This was mainly due to the scheduled depreciation and amortisation of ships and containers totalling USD 978.7 million (prior year period: USD 950.1 million).

Unit cost

In total, transport expenses per unit (incl. D&A) in the first half of 2024 increased by 0.3% to USD 1,269/TEU as compared to the prior year period. “Bunker and emissions” expenses increased by 9.8% or USD 21/TEU because of higher bunker consumption due to the rerouting of ships around the Cape of Good Hope. In addition, the first-time recognition of expenses for CO₂ emission certificates contributed to the increase. “Handling and Haulage” expenses fell by 0.3% or USD 2/TEU due to lower demurrage and storage fees for containers. “Equipment and Repositioning” expenses increased by 1.2% or USD 2/TEU due to additional handling activities in connection with the conflict in the Red Sea. “Vessel and voyage” expenses decreased by 8.4% or USD 18/TEU. This mainly results from lower expenses for canal cost in connection with the avoidance of the Suez Canal. By contrast, vessels on short-term charter and container slot charter costs on third-party vessels increased compared to the same period of the previous year. “Depreciation and amortisation” unit costs decreased by 1.1% (USD 2/TEU).

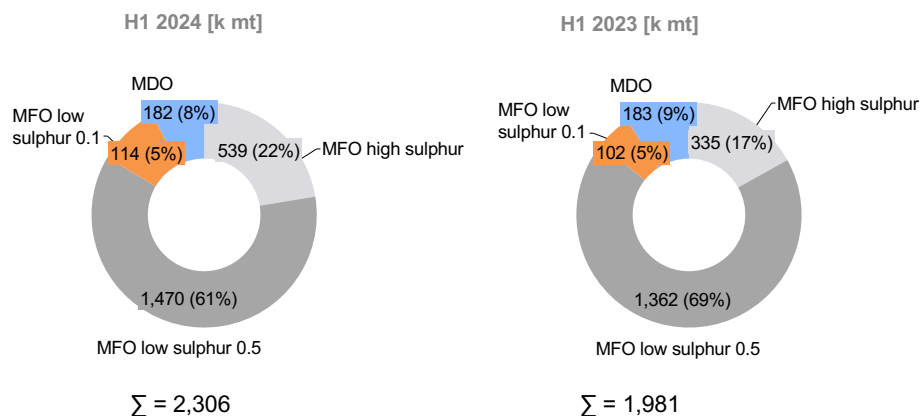
Unit cost

USD/TEU	Q2 2024	Q1 2024	Q2 2023	QoQ Change	YoY change	H1 2024	H1 2023	Change
Transport expenses	-1,110	-1,082	-1,036	2.6%	7.2%	-1,096	-1,090	0.6%
thereof								
Bunker & emissions	-233	-233	-191	0.0%	22.2%	-233	-213	9.8%
Handling and haulage	-529	-529	-498	0.1%	6.4%	-529	-531	-0.3%
Equipment and repositioning	-139	-143	-132	-2.6%	5.8%	-141	-139	1.2%
Vessel and voyage (excl. bunker)	-197	-200	-222	-1.5%	-10.9%	-199	-217	-8.4%
Pending transport expenses	-11	24	6	n.m.	n.m.	6	10	-34.5%
Depreciation, amortisation and impairment (D&A)	-171	-174	-172	-1.6%	-0.3%	-173	-175	-1.1%
Transport expenses incl. D&A	-1,281	-1,256	-1,207	2.0%	6.1%	-1,269	-1,265	0.3%

Bunker consumption development

In the first half of the financial year 2024, bunker consumption totalled 2.3 million tonnes, up 16.4% on the previous year (prior year period: 2.0 million tonnes). The increase in bunker consumption is due in particular to the tense security situation in the Red Sea and the resulting need to divert ships around the Cape of Good Hope. Bunker consumption per slot (measured in terms of average container slot capacity, annualised) was 2.22 tonnes in the first half of the 2024 financial year, up 1.7% on the same period of the previous year (H1 2023: 2.18 tonnes). Bunker consumption per TEU transported increased accordingly by 10.8% from 0.34 tonnes per TEU in H1 2023 to 0.38 tonnes in H1 2024.

The percentage of low-sulphur bunker (MFO low sulphur 0.1% and 0.5%, MDO) and liquefied natural gas (LNG) decreased from 83% in H1 2023 to 77% in H1 2024 due to the fitting of more vessels with scrubbers.



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

3.3. TERMINAL & INFRASTRUCTURE EARNINGS

The figures in the results of operations for the Terminal & Infrastructure segment for the first half of the 2024 financial year are only comparable with the figures for the same period of the previous year to a limited extent, as the activities reclassified in this segment as part of the new segmentation were very small in the same period of the previous year. For this reason, the operating performance of the Terminal & Infrastructure segment is not presented.

At USD 71.5 million, earnings before interest, taxes, depreciation and amortisation (EBITDA) in the Terminal & Infrastructure segment in the first half of the reporting year were higher than the figure of USD 25.9 million in the same period of the previous year. At USD 33.2 million, earnings before interest and taxes (EBIT) remained at the previous year's level (prior year period: USD 25.3 million).

Income statement Terminal & Infrastructure

million USD	Q2 2024	Q1 2024*	Q2 2023	QoQ change	H1 2024	H1 2023
Revenue	110.7	106.6	6.1	3.9%	217.3	12.1
Transport expenses	-26.0	-24.6	-	5.5%	-50.6	-
thereof						
Material expenses	-6.2	-5.5	-	13.4%	-11.7	-
Container terminal expenses	-13.1	-11.8	-	11.3%	-24.9	-
Terminal equipment expenses	-6.6	-7.2	-	-9.4%	-13.8	-
Personnel expenses	-32.0	-31.0	-1.8	3.1%	-63.0	-3.7
Share of profit of equity-accounted investees	1.4	4.3	7.1	-68.0%	5.6	23.9
Other income and expenses	-37.1	-39.2	-5.1	-5.2%	-76.3	-7.1
EBITDA	36.3	35.2	6.6	3.1%	71.5	25.9
EBITDA margin (%)	32.8	33.0	107.8	-0.3 ppt	32.9	214.0
Depreciation, amortisation and impairment	-19.2	-19.1	-0.3	0.7%	-38.3	-0.7
EBIT	17.1	16.1	6.3	5.9%	33.2	25.3
EBIT margin (%)	15.4	15.1	102.5	0.3 ppt	15.3	208.7

* The comparative information is adjusted. For further information, refer to section "Corrections in the measurement period" in the notes of the condensed interim consolidated financial statements of the H1 2024 Financial Report.

Revenue

In the first half of the 2024 financial year, revenue of USD 217.3 million (prior year period: USD 12.1 million) was generated in particular from the handling of containers and other freight and was mainly attributable to the SAAM Terminals companies, which have been included in the group of consolidated companies since August 2023.

Operating expenses

Operating expenses in the Terminal & Infrastructure segment in the first half of the reporting year were totalling USD 50.6 million (prior year period: USD 0.0 million) and personnel expenses were at USD 63.0 million (prior year period: USD 3.7 million).

Other income and expenses

Other income and expenses in the first half of the 2024 financial year mainly resulted from the other operating result of USD -38.0 million (same period of the previous year: USD -8.8 million) and related in particular to administrative expenses. There was also depreciation and amortisation of property, plant and equipment and intangible assets in the amount of USD 38.3 million (prior year period: USD 0.7 million).

Operating result

In the first half of the 2024 financial year, the Terminal & Infrastructure segment generated earnings before interest and taxes (EBIT) of USD 32.2 million (prior year period: USD 25.3 million).

4. GROUP NET ASSET POSITION

As at 30 June 2024, the Group's total assets amounted to USD 31,858.1 million and were only slightly higher than at year-end 2023 (31 December 2023*: USD 32,115.0 million). The change was mainly due to investments in newly built vessels and newly received and extended rights of use for lease assets as well as a corresponding increase in financial liabilities and lease liabilities.

Within non-current assets, the carrying amounts of fixed assets increased by a total of USD 989.4 million to USD 21,472.9 million (31 December 2023*: USD 20,483.5 million), in particular due to newly received and extended rights of use for lease assets of USD 1,082.5 million as well as the investments in vessels, vessel equipment and containers including payments on accounts and assets under construction in the amount of USD 981.7 million. Scheduled depreciation and amortisation amounting to USD 1,090.3 million had an offsetting effect. This includes an amount of USD 563.3 million for the amortisation of capitalised rights of use relating to lease assets.

The decrease in deferred tax assets to USD 132.3 million compared to the prior year (31 December 2023: USD 206.2 million) resulted from the reduction in temporary differences relating to exchange rate effects on investments from the prior year in the amount of USD 68.9 million. Deferred tax assets of USD 10.7 million on domestic tax losses from realised exchange rate effects from the prior year partially offset this decrease.

Cash and cash equivalents decreased to USD 4,542.8 million compared to year-end 2023 (USD 6,435.2 million) mainly due to the dividend payment for the 2023 financial year in the amount of USD 1,751.5 million.

On the liabilities side, equity (including non-controlling interests) decreased by USD 988.3 million to USD 19,794.2 million, despite the Group profit of USD 790.8 million (prior period: USD 3,132.6 million). The dividend paid from the previous year's retained earnings in the amount of EUR 9.25 (prior year: EUR 63.0) per dividend-eligible individual share, i.e. a total of USD 1,751.5 million (prior year: USD 12,217.8 million), led to a decrease.

The Group's borrowed capital rose by USD 731.4 million in comparison to the 2023 consolidated financial statements. This results from the increase in financial liabilities and lease liabilities primarily due to newly acquired or extended charter and leasing contracts of USD 1,071.4 million and to construction instalments of USD 295.2 million drawn down under existing financing commitments in the form of Chinese leases (sale-and-leaseback transactions) in connection with the delivery of three newly built vessels. In addition, increased contract liabilities of USD 392.0 million, particularly because of higher freight rates for transport orders on pending voyages as at the reporting date with slightly higher transport volume contributed to this increase. This was offset by redemption payments totalling USD 886.5 million.

The increase in deferred tax liabilities to USD 193.7 million compared to the prior year (31 December 2023*: USD 169.9 million) is mostly an effect of the recognition of deferred tax liabilities on the increased valuation difference of the special fund in the amount of USD 26.6 million and on unrealised exchange rate effects on investments of the first half year of the financial year 2024 in the amount of USD 15.2 million.

As at 30 June 2024, net liquidity, including cash and cash equivalents and assets of the special fund included in the item of other financial assets, as well as financial liabilities and lease liabilities, amounted to USD 405.4 million (31 December 2023*: USD 2,870.5 million).

Group net asset position

million USD	30.6.2024	31.12.2023*
Assets		
Non-current assets	21,683.3	20,780.9
of which fixed assets	21,472.9	20,483.5
Current assets	10,174.8	11,334.1
of which cash and cash equivalents	4,542.8	6,435.2
Total assets	31,858.1	32,115.0
Equity and liabilities		
Equity	19,794.2	20,782.5
Borrowed capital	12,064.0	11,332.5
of which non-current liabilities	5,309.0	4,796.7
of which current liabilities	6,755.0	6,535.8
of which financial debt and lease liabilities	6,190.5	5,608.9
of which non-current financial debt and lease liabilities	4,735.5	4,217.9
of which current financial debt and lease liabilities	1,455.0	1,390.9
Total equity and liabilities	31,858.1	32,115.0

* The comparative information is adjusted. For further information, refer to section "Corrections in the measurement period" in the notes of the condensed interim consolidated financial statements of the H1 2024 Financial Report.

5. GROUP FINANCIAL POSITION

5.1. DEVELOPMENTS IN CASH AND CASH EQUIVALENTS

Cash flow from operating activities

In the first half of the 2024 financial year, Hapag-Lloyd generated an operating cash flow of USD 1,372.9 million (prior year period: USD 4,143.4 million). The lower cash flow from operating activities compared to the prior year period is due to the lower result in the current financial year.

Cash flow from investing activities

Cash outflows from investing activities totalled USD 871.5 million in the first half of the 2024 financial year (prior year period: USD 163.5 million). This includes cash outflow payments for investments, mainly for vessels, vessel equipment and for the construction of new containers of USD 1,023.0 million (prior year period: USD 736.5 million) and cash outflows for share acquisitions and payments for capital contributions in existing equity-accounted investees of USD 96.5 million (prior year period: USD 913.0 million). This was mainly offset by cash inflows from interest received of USD 194.5 million (prior year period: USD 409.3 million). The cash inflows in the prior year period mainly resulted from the change in cash and cash equivalents for money market transactions and money market funds with a term of more than three months.

Cash flow from financing activities

Financing activities resulted in a net cash outflow of USD 2,392.1 million in the first half of the financial year (prior year period: USD 12,870.9 million). The cash outflow essentially resulted from the dividend payment to the shareholders of Hapag-Lloyd AG of USD 1,751.5 million (prior year period: USD 12,217.8 million). The interest and redemption payments from lease liabilities in accordance with IFRS 16 totalled USD 617.6 million (prior year period: USD 590.0 million). In the first half of the financial year, USD 268.9 million was paid for interest and redemption payments for vessel and container financing (prior year period: USD 320.6 million). This was offset by cash inflows from loans taken out to finance vessels amounting to USD 295.2 million (prior year period: USD 155.3 million).

Development of liquidity reserve

million USD	Q2 2024	Q2 2023	H1 2024	H1 2023
Cash and cash equivalents beginning of the period	6,289.1	19,231.1	6,435.3	16,264.6
EBITDA	1,027.6	1,396.5	1,969.1	3,775.2
Working capital	-237.9	64.7	-543.7	500.9
Others	-25.3	-72.0	-52.5	-132.7
Operating cash flow	764.3	1,389.2	1,372.9	4,143.4
Investments	-535.1	-501.8	-1,023.0	-736.4
thereof vessel	-331.5	-297.7	-595.7	-480.4
thereof container	-185.7	-187.3	-397.2	-225.4
thereof other	-17.9	-16.9	-30.1	-30.7
Net Cash received (+)/made (-) from acquisitions	-	-	-25.2	5.7
Disinvestments	20.7	31.8	43.0	58.4
Dividends received	13.0	16.4	13.0	16.4
Payments received (+) for the redemption of issued loans	-	-	3.1	0.7
Payments made for the issuing of loans	-1.8	-	-1.8	-
Change of financial assets and financial assets held for sale	-17.3	25.2	-3.8	1,001.2
Payments made for the acquisition of shares in joint ventures	-50.7	-632.9	-71.4	-918.7
Payments received for interests	85.1	189.4	194.5	409.3
Investing cash flow	-486.0	-871.9	-871.5	-163.5
Debt intake	195.7	155.4	298.0	155.4
Debt repayment	-108.0	-183.1	-224.7	-313.7
Repayment of Lease liabilities	-275.3	-271.8	-543.1	-533.5
Dividends paid	-1,751.5	-12,229.1	-1,765.9	-12,229.1
Payments made for leasehold improvements	-	-	-	-
Interest	-75.5	-63.9	-143.3	-119.4
Payments made from hedges for financial debts	-8.0	215.8	-13.0	169.4
Financing cash flow	-2,022.6	-12,376.6	-2,392.1	-12,870.9
Changes due to exchange rate fluctuations and impairments	-1.9	-	-1.7	-1.9
Cash and cash equivalents end of the period	4,542.8	7,371.7	4,542.8	7,371.6

5.2. FINANCIAL SOLIDITY

As at 30 June 2024, the Group's net liquidity amounted to USD 405.4 million. This represents a fall of USD 2,465.1 million compared to net liquidity as at 31 December 2023*. The decrease was mainly due to the dividend payment and the increase of financial debt and lease liabilities.

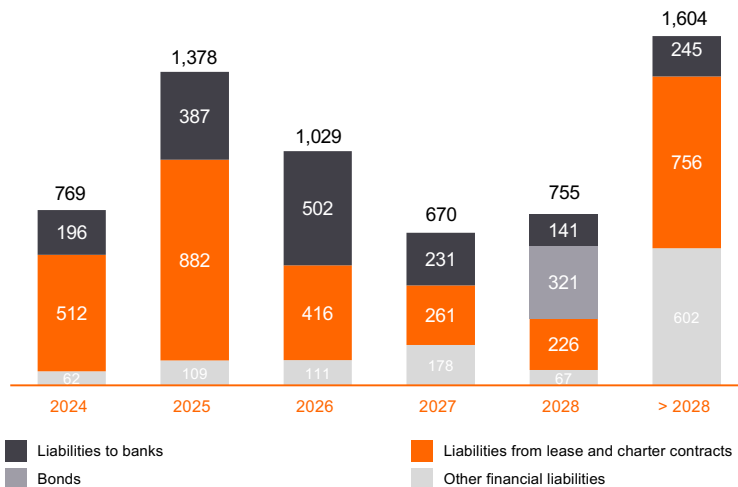
Equity decreased by USD 988.3 million compared to 31 December 2023 and amounted to USD 19,794.2 million as at 30 June 2024. The equity ratio was 62.1% (31 December 2023*: 64.7%).

Financial solidity

million USD	30.6.2024	31.12.2023*	30.6.2023
Financial debt and lease liabilities	6,190.5	5,608.9	5,492.6
Cash and cash equivalents	4,542.8	6,435.2	7,371.6
Special fund securities (other financial assets)	2,053.1	2,044.2	1,975.1
Net Liquidity	405.4	2,870.5	3,854.1
Unused credit lines	725.0	725.0	725.0
Liquidity reserve	7,320.9	9,204.4	10,071.7
Equity	19,794.2	20,782.5	20,672.6
Assets	31,858.1	32,115.0	31,458.8
Equity ratio (%)	62.1	64.7	65.7

* The comparative information is adjusted. For further information, refer to section "Corrections in the measurement period" in the notes of the condensed interim consolidated financial statements of the H1 2024 Financial Report.

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 June 2024 consists of transaction costs and accrued interest.

The total repayment amount of USD 6,205 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

For 2024, the International Monetary Fund expects global economic growth of 3.2%, similar to the previous year's figure. The forecast thus remains below the historical average from 2000 to 2019 of 3.8%. This prediction is based in particular on the continued restrictive monetary policy, the withdrawal of fiscal support and lower productivity growth.

Global trade is expected to grow by 3.1% in 2024, which is below the historical average of 4.9%. Increasing trade distortions and geo-economic fragmentation are likely to continue to weigh on the level of global trade (IMF World Economic Outlook, July 2024).

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

in %	2025e	2024e	2023	2022	2021
Global economic growth	3.3	3.2	3.3	3.5	6.5
Industrialised countries	1.8	1.7	1.7	2.6	5.7
Developing and newly industrialised countries	4.3	4.3	4.4	4.1	7.0
World trade volume (goods and services)	3.4	3.1	0.8	5.6	11.0

Source: IMF World Economic Outlook, July 2024

Sector-specific outlook

The Liner Shipping and Terminal & Infrastructure segments are both fundamentally affected by the same sector-specific developments, in particular international trade.

The maritime industry consulting firm Accenture Cargo expects global container transport volumes to increase by 4.0% in 2024, compared to 0.5% in the previous year. According to the forecast, all submarkets will grow.

Development of container transport volume

in %	2025e	2024e	2023	2022	2021
Growth rate	3.1	4.0	0.5	-4.1	6.7

Sources: CTS (May 2024: 2021 – 2023), Accenture Cargo (June 2024: 2024 – 2025)

According to MDS Transmodal, the tonnage of container ships on order fell to around 5.3 million TEU at the end of June 2024, compared to around 7.0 million TEU at the end of June 2023. Accordingly, the ratio of order book to current global container fleet capacity remained at a high level of 18.2% (as at 30 June 2023: 26.5%), albeit well below the peak of around 61% reached in 2007. As in 2023, a very high number of deliveries of vessels is anticipated again in 2024. Drewry assumes that the globally available container ship fleet will grow by 3.1 million TEU or 11.1% compared to the previous year after postponed deliveries and scrapping.

Expected development of global container fleet capacity

million TEU	2025e	2024e	2023	2022	2021
Existing fleet (beginning of the year)	30.9	27.8	25.8	24.7	23.6
Planned deliveries	1.9	3.2	2.5	1.0	1.2
Expected scrappings	0.4	0.1	0.2	–	–
Postponed deliveries and other changes	0.3	–	0.3	–0.1	0.1
Net capacity growth	1.2	3.1	2.1	1.0	1.1
Net capacity growth (in %)	4.0	11.1	8.1	4.2	4.5

Source: Drewry Container Forecaster Q2 2024. Expected nominal capacity based on planned deliveries. Based on existing orders and current predictions for scrapping and postponed deliveries. Figures rounded.

Expected business development of Hapag-Lloyd

Hapag-Lloyd recorded a positive business performance in the first half of the 2024 financial year due to a recovery in demand and freight rates. Demand for container transport continued to rise at the end of the first half of the year, with the result that earnings momentum for the second half of the year is expected to exceed previous expectations. The Executive Board of Hapag-Lloyd AG therefore raised its earnings forecast for the 2024 financial year on 9 July 2024. Group EBITDA is now expected to be in the range of EUR 3.2 to 4.2 billion (previously: EUR 2.0 to 3.0 billion) and Group EBIT in the range of EUR 1.2 to 2.2 billion (previously: EUR 0.0 to 1.0 billion). In US dollars, this corresponds to an expected Group EBITDA of USD 3.5 to 4.6 billion (previously: USD 2.2 to 3.3 billion) and Group EBIT of USD 1.3 to 2.4 billion (previously: USD 0.0 to 1.1 billion).

The earnings expectation for the 2024 financial year is based in particular on the assumption that the transport volume can be increased moderately (previously: increasing slightly), while the average freight rate is likely to decrease slightly (previously: decreasing moderately) compared to the previous year. The bunker consumption price is expected to be slightly below the previous year's level (previously: at previous year's level). Continuous active cost management in areas such as procurement and the service network is expected to reduce transport costs sustainably. However, it is expected that increased transport expenses in connection with longer voyages around the Cape of Good Hope and the first-time inclusion of shipping in the European Emissions Trading System (ETS) will more than offset these measures in the current financial year. The earnings forecast is also based on the assumption of an average exchange rate of 1.09 USD/EUR (financial year 2023: 1.08 USD/EUR).

Against the backdrop of very volatile freight rates and major geopolitical challenges, the forecast is subject to a high degree of uncertainty.

The earnings forecast does not take into account impairments on goodwill, other intangible assets and property, plant and equipment in the course of the 2024 financial year, which are currently not expected but cannot be ruled out.

Key benchmark figures for the 2024 outlook

	Actual 2023	Forecast 2024 (from 14 March 2024)	Forecast 2024 (from 15 May 2024)	Forecast 2024 (from 9 July 2024)
Global economic growth (IMF, Jan./Apr./Jul. 2024)	3.3%	3.1%	3.2%	3.2%
Increase in global trade (IMF, Jan./Apr./Jul. 2024)	0.8%	3.3%	3.0%	3.1%
Increase in global container transport volume (CTS, Jul. 2024; Accenture Cargo, Dec. 2023/Apr./Jun. 2024)	0.5%	3.8%	3.8%	4.0%
Transport volume ¹	11.9 million TEU	Increasing slightly	Increasing slightly	Increasing moderately
Average freight rate ¹	USD 1,500/TEU	Decreasing clearly	Decreasing moderately	Decreasing slightly
Average bunker consumption price ¹	USD 614/t	At previous year's level	At previous year's level	Decreasing slightly
Group EBITDA	EUR 4.5 billion	EUR 1.0 to 3.0 billion	EUR 2.0 to 3.0 billion	EUR 3.2 to 4.2 billion
Group EBIT	EUR 2.5 billion	EUR –1.0 to 1.0 billion	EUR 0.0 to 1.0 billion	EUR 1.2 to 2.2 billion

¹ Liner Shipping segment

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 are described in detail in the risk and opportunity report in the combined management report of the 2023 annual report. Significant changes compared to this description 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 2024 please find below the respective exchange rates:

Exchange rates

per EUR	Closing rate			Average rate		
	30.6.2024	31.3.2024	30.6.2023	H1 2024	Q1 2024	H1 2023
US dollars	1.0714	1.0790	1.0854	1.0809	1.0853	1.0808

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.

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

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