

Investor Presentation

FY 2022 Results

Hamburg, 2 March 2023



Opening Remarks

1 | HIGHLIGHTS

- Initially high transport demand and historically high freight rates were followed by a swift normalisation
- We have executed further on our strategic agenda to Simplify, Strengthen and Invest
- We made significant progress in our efforts to build up a robust terminal portfolio

2 | FINANCIAL PERFORMANCE

- Historically high freight rates boosted our financial performance
- EBITDA increased to USD 20.5 bn and our net cash position improved to USD 13.4 bn
- Based on the strong result in 2022, we propose a dividend of EUR 63 per share to the AGM

3 | MARKET UPDATE

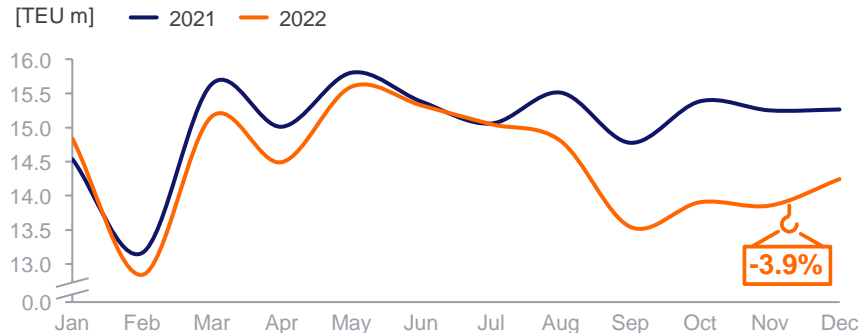
- Demand likely to remain subdued until destocking cycle is completed
- Strong inflow of new capacity will be partly offset by increasing scrapping activities and slow steaming
- Nevertheless, supply will likely outpace demand in 2023 & 2024 making capacity management inevitable

4 | WAY FORWARD

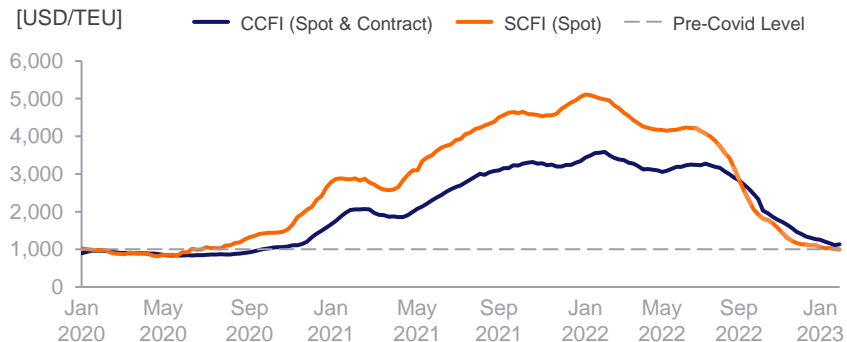
- Due to fundamentally different market conditions, we expect a gradual normalisation of earnings in 2023
- We will roll-out the remaining Simplify, Strengthen and Invest measures and
- ... review and update our strategy to set course until 2030

2022 was initially characterised by high transport demand and historically high freight rates followed by a swift normalisation

GLOBAL CONTAINER VOLUMES



SHANGHAI CONTAINERIZED FREIGHT INDEX



MARKET DEVELOPMENT



Transport volumes remained initially on a good level followed by a rapid decline in second half of 2022



With lower volumes, port congestion mostly dissipated towards the year end



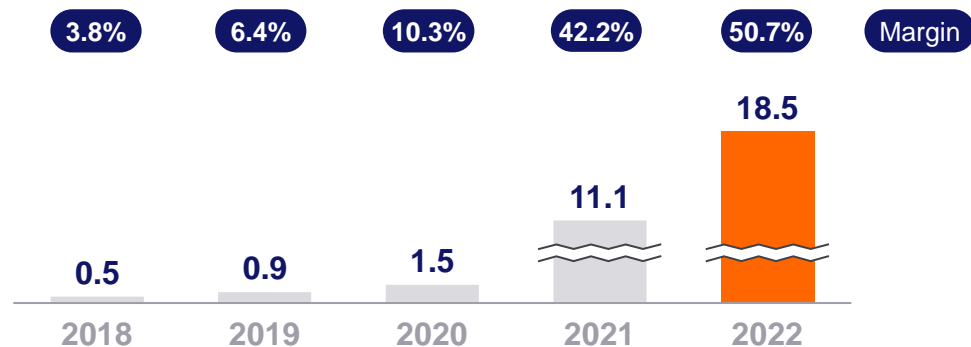
Freight rates remained on an exceptionally high level until Q4

Exceptional
market
environment
boosted our
financial
performance

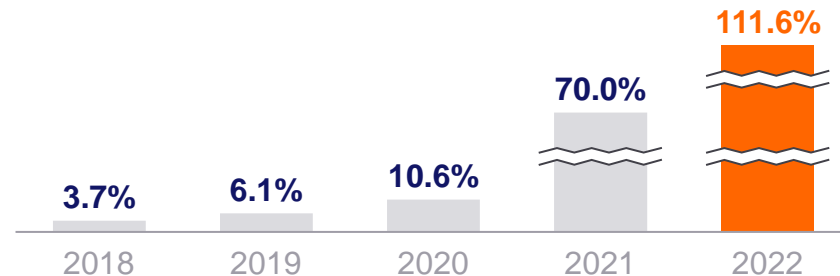


FINANCIAL PERFORMANCE

EBIT [USD m]



RETURN ON INVESTED CAPITAL [%]



STRATEGY 2023

SIMPLIFY

Improve customer experience
and reduce complexity

STRENGTHEN

Double efforts to become
“Number One for Quality”

INVEST

Investment in staff, sustainable assets
and long-term competitiveness

We used the favorable financial position to execute further on our strategic agenda



Delivering Operational Quality

We have **significantly improved customer satisfaction** due to our relentless efforts to become **“Number One for Quality”**



Network, Fleet & Equipment

We have started to **simplify our network** to reduce complexity, while our newly installed **container tracking devices** will enhance supply-chain transparency



Growth in Attractive Markets

We have **expanded into attractive markets** with new services, offices and the acquisition of regional players **NileDutch** and **DAL**



Digitalization and Innovation

We have launched **Quick Quotes Spot** and more than **20 digital products** to improve customer experience and the ease of doing business with us



Sustainability & Decarbonization

We have initiated the **Fleet Upgrade Program** to improve fleet efficiency and increased our **biofuel** procurement as part of our efforts to become **climate neutral by 2045**



Build up infrastructure and adjacent services

Focus topic on next slides ►

We have strengthened our core business with the recent terminal investments in Europe and the Mediterranean

EUROPE & MEDITERRANEAN



Hamburg CTA and Wilhelmshaven

Main North European gateways



Spinelli

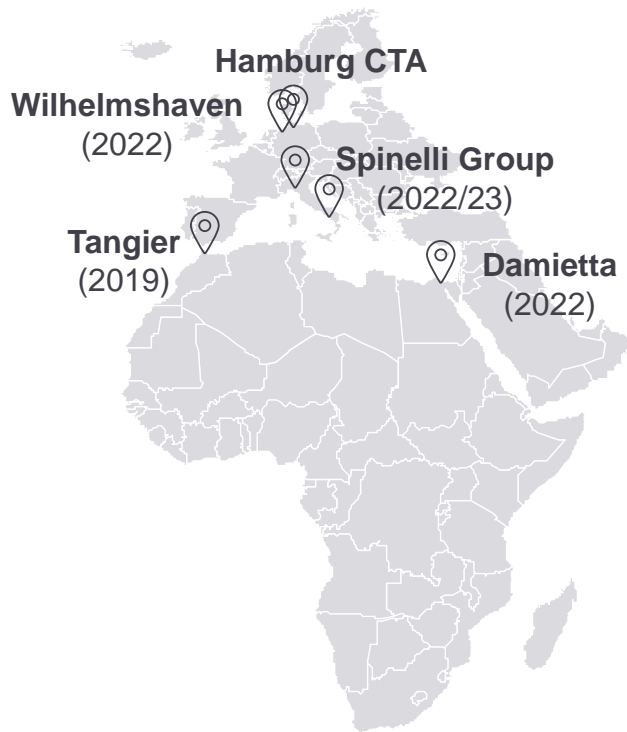
Strengthening our market position in the Mediterranean by gaining access to mayor Italian gateway terminals with excellent hinterland capabilities



Tangier and Damietta

Dedicated strategic transshipment hubs in West and East Mediterranean to support our hub & transshipment strategy

Container terminal investments of Hapag-Lloyd



The takeover of SAAM Ports & Logistics reinforces our competitiveness within the Latin American market

Container terminal portfolio of SAAM Terminal & Logistics



Acquisition is subject to antitrust approval

LATIN AMERICA

SAAM Terminal & Logistics is a Chilean terminal operator and logistics company



Operates portfolio of 10 terminals across the Americas



3.5 MTEU container throughput p.a.



Offers full-service portfolio of an operator from dockage, wharfage to stevedoring, terminal logistics and VAS



Acts as a **nucleus** to build up a robust and attractive **terminal portfolio**

The acquisition of 40% share in J M Baxi offers a better access to the fast-growing Indian market

INDIA

J M Baxi is a leading private terminal and inland transport service provider in India



Operates **5 container terminals** and has recently **won concessions** for terminals in **Nhava Sheva** and **Tuticorin**.



1.4 MTEU container throughput p.a.



Significant **hinterland capabilities** such as train connections, warehousing, cold storage, container depots, etc.



India offers attractive growth opportunities due to its **fast-growing economy** and still **low degree of containerization**

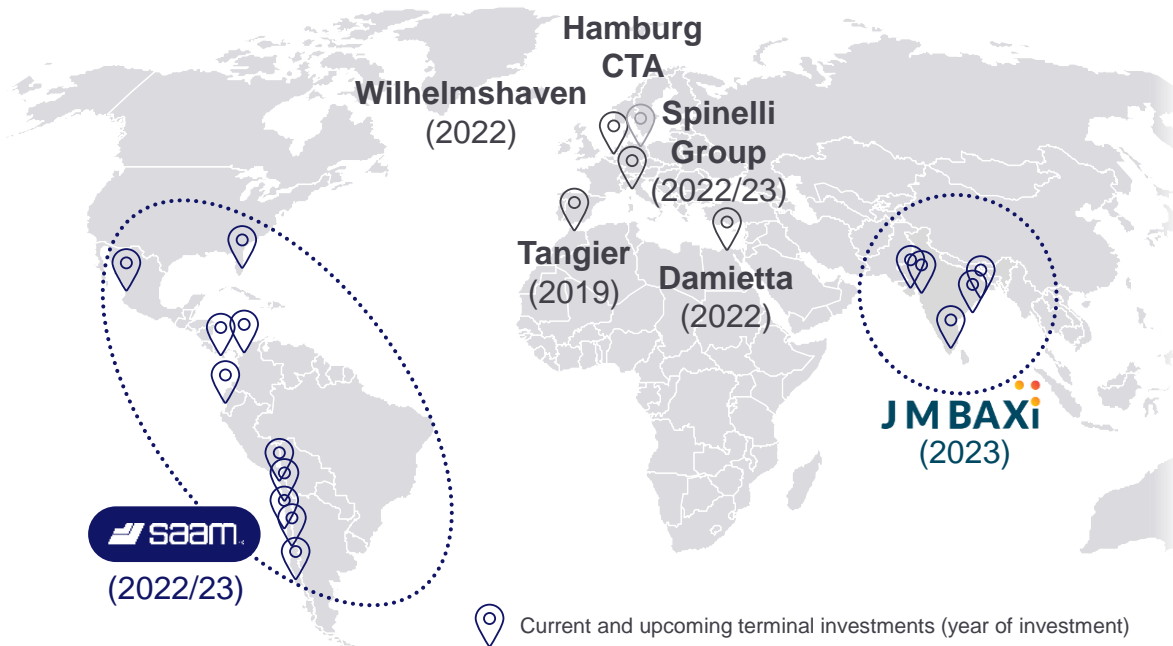
J M Baxi Ports & Logistics container terminals



Investment is subject to antitrust approval


We are making good progress in building our terminal portfolio to enable quality and cost improvements

Global container terminal investments of Hapag-Lloyd




INVESTMENT RATIONALE

We want to **increase our access to key locations** and **build an infrastructure portfolio** following our hub & transshipment strategy to...

 Reduce complexity

 Increase relevance

 Reduce & improve T/S

Exceptional financial result in 2022 further strengthened our financial KPIs

Transport volume

11.8 MTEU

PY: 11.9 MTEU

Transport volume on prior-year level

Revenue

USD 36.4 bn

PY: USD 26.4 bn

Revenue increased significantly in an extraordinary market environment

EBITDA

USD 20.5 bn

PY: USD 12.8 bn

EBITDA increased by USD 7.6 bn

Free Cash Flow

USD 16.3 bn

PY: USD 10.9 bn

FCF generation turned out significantly higher than in 2021

Net Cash

USD 13.4 bn

PY: USD 2.5 bn

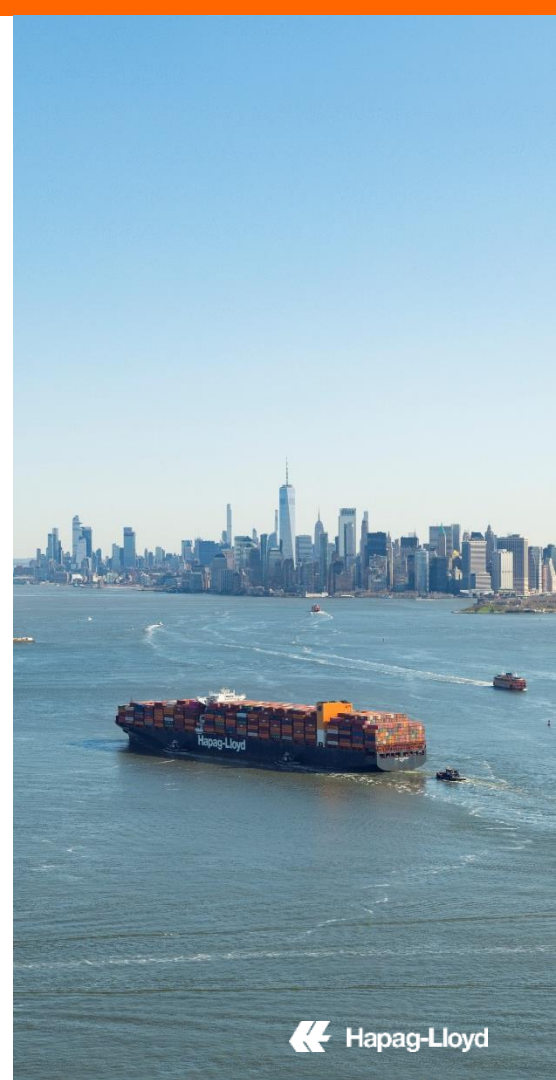
Net Cash position further increased due to strong operating cash flow

Dividend

EUR 63/ share

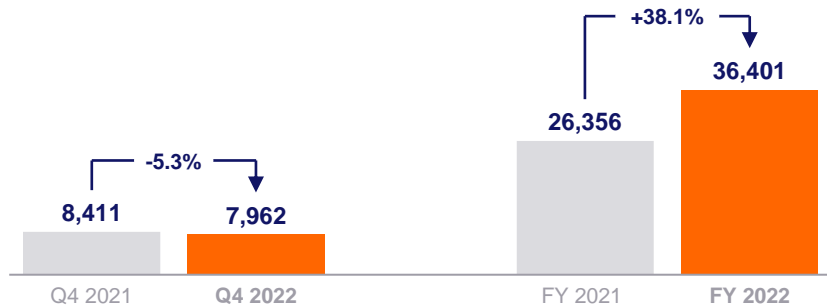
PY: EUR 35/ share

We are committed to shareholder participation

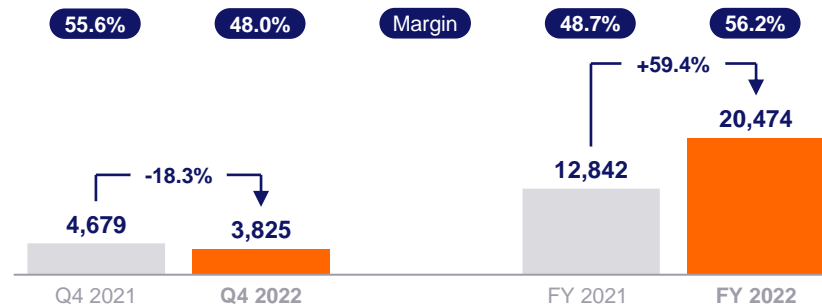


Group profit increased significantly YoY – beginning earnings normalisation visible in Q4 2022

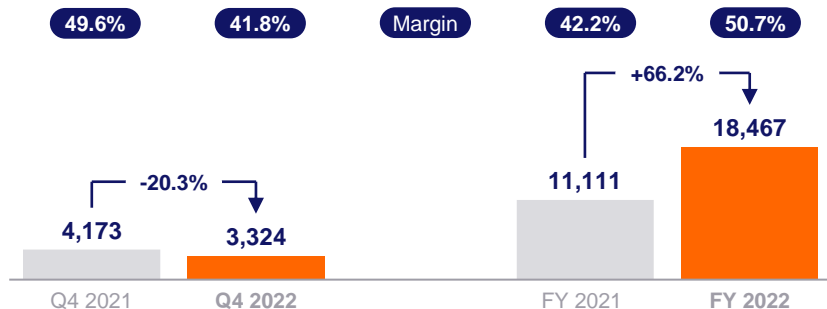
REVENUE [USD m]



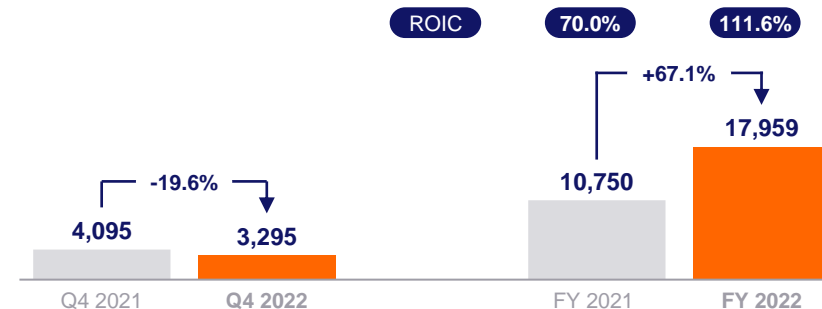
EBITDA [USD m]



EBIT [USD m]

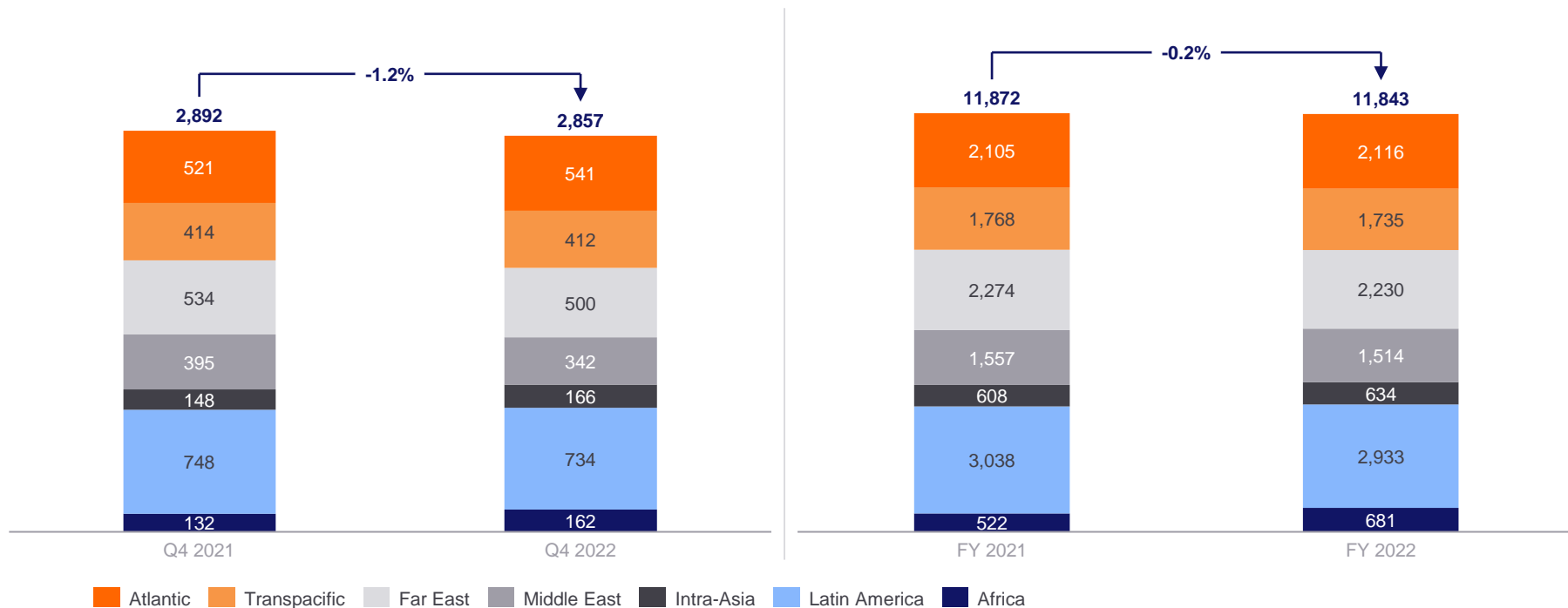


GROUP PROFIT [USD m]



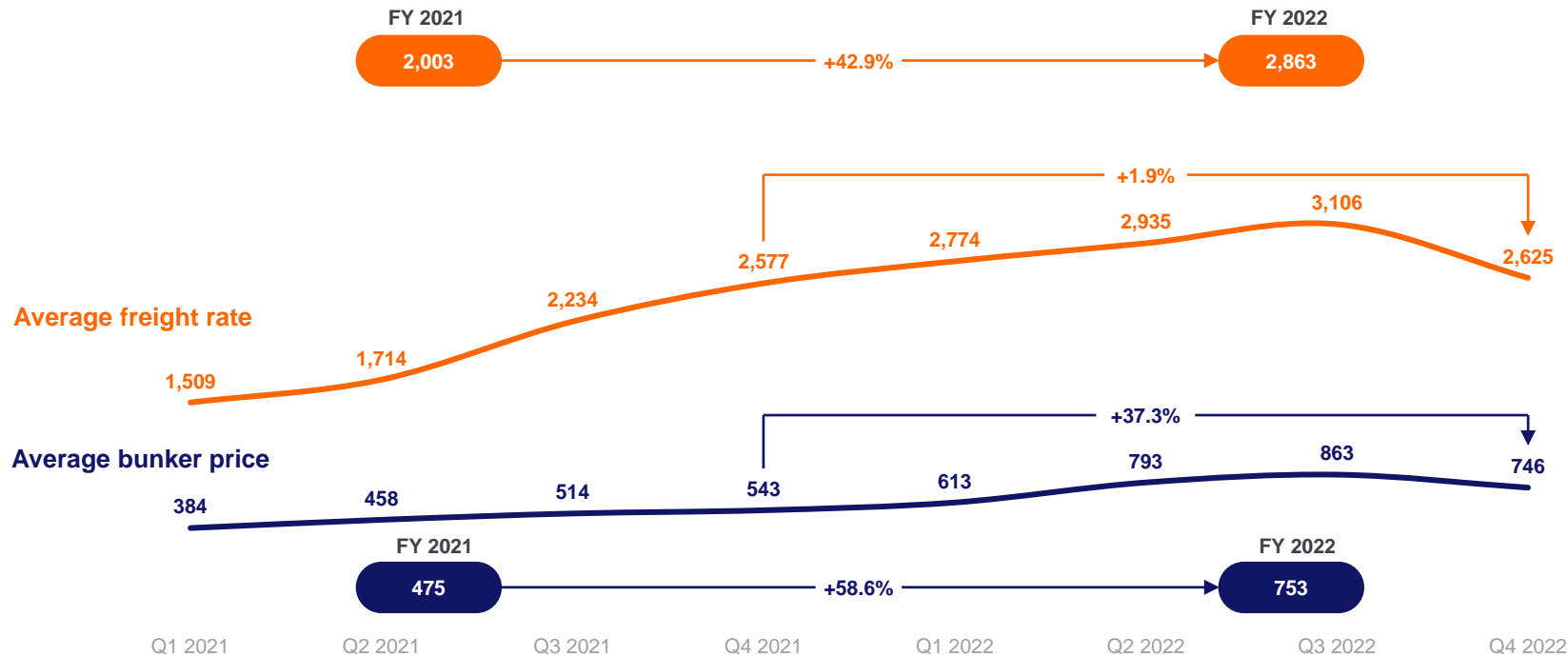
Volumes remained flat YoY mainly due to congestion and slowdown of demand in H2 2022

TRANSPORT VOLUME DEVELOPMENT BY TRADE [TTEU]



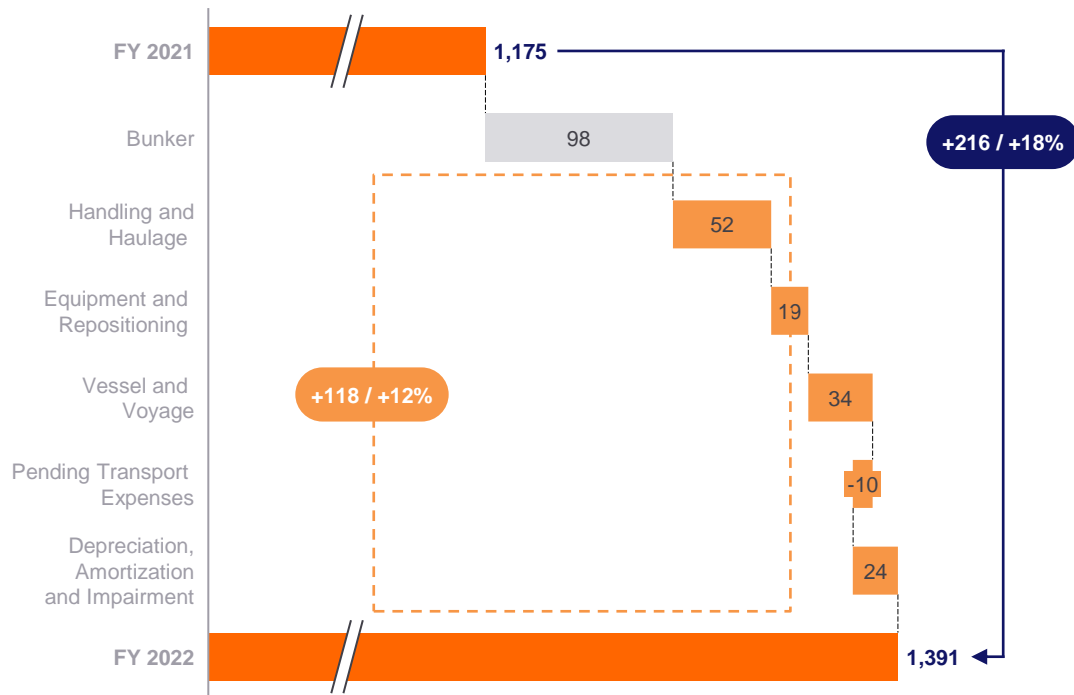
Average freight rate increased strongly, but gradual normalisation started in Q4 2022 – bunker price is up considerably

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



Unit costs increased due to significantly higher bunker prices, congestion and higher vessel charter rates

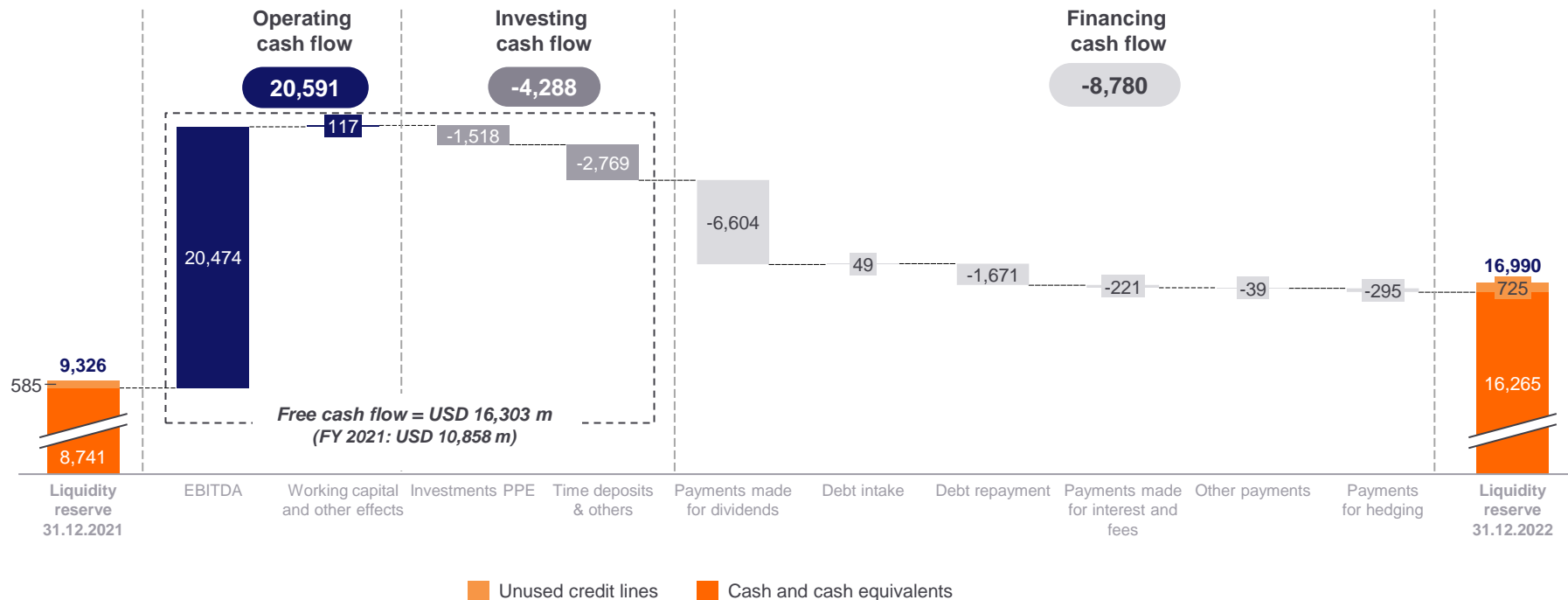
CHANGE IN TRANSPORT EXPENSES PER UNIT [USD/TEU]



- “Bunker” expenses (+59%) increased on the back of higher average bunker consumption prices
- “Handling and Haulage” (+10%) and “Equipment and Repositioning” (+16%) expenses were up due to higher storage and hinterland transportation costs
- “Vessels and voyage” expenses (+17%) increased due to rise in percentage of ships chartered in on a medium-term basis and the resulting operating expenses
- “Depreciation and amortization” expenses (+16%) were up primarily due to the rise in the percentage of vessels chartered in on a medium-term basis at simultaneously higher charter rates and the resulting increase in right of use

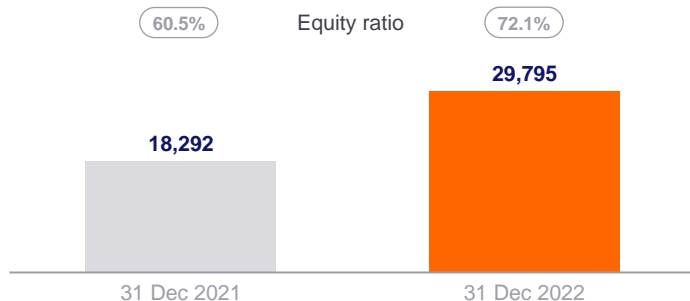
Strong cash generation in FY 2022, leading to a free cash flow of USD 16.3 bn – Liquidity reserve now at USD 17.0 bn

CASH FLOW FY 2022 [USD m]

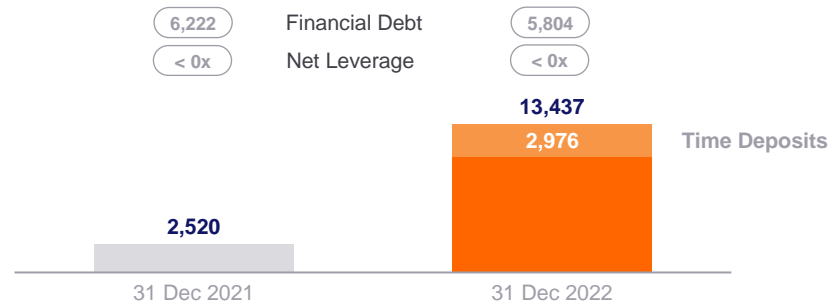


Equity ratio increased to 72% – Net Liquidity stands at USD 13.4 billion

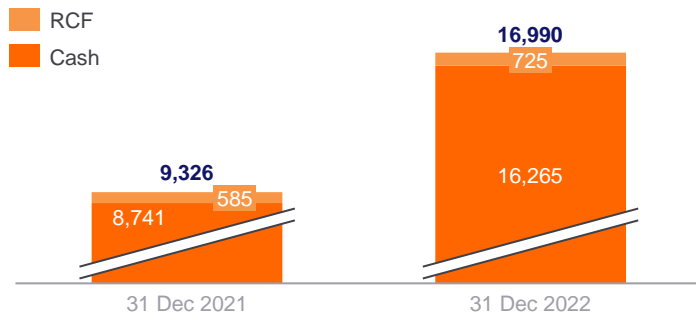
EQUITY [USD m]



NET LIQUIDITY [USD m]



LIQUIDITY RESERVE [USD m]

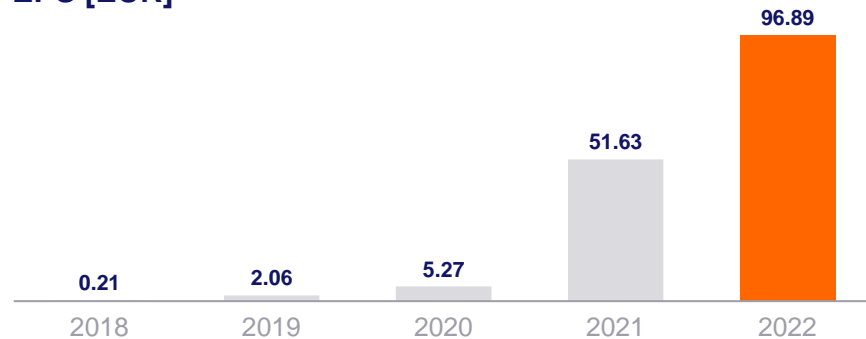


COMMENTS

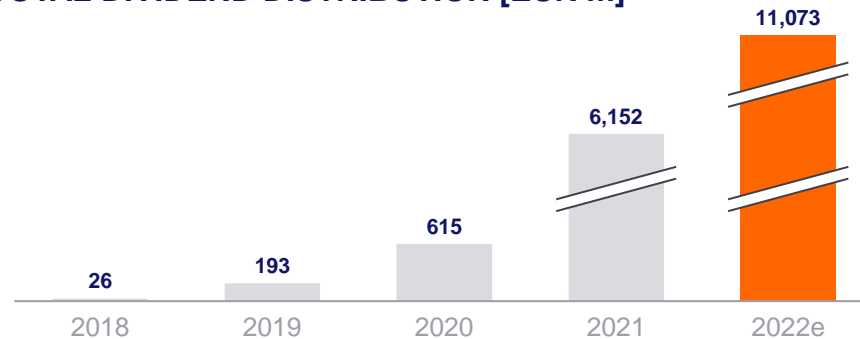
- Equity increased substantially due to high profitability level
- Equity ratio now at ~72%
- Financial debt was slightly reduced while net cash position increased clearly
- Time deposits of USD 2,976 m with a duration above 3 months are recognized under “other financial assets” and hence not included in liquidity reserve

Based on the strong result in 2022, we propose a dividend of EUR 63 per share to the AGM

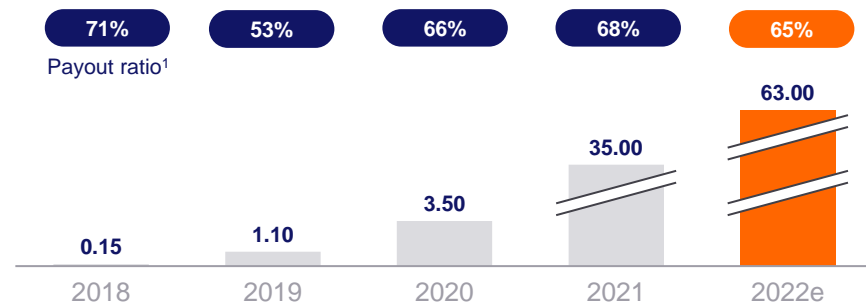
EPS [EUR]



TOTAL DIVIDEND DISTRIBUTION [EUR m]



DPS AND PAYOUT RATIO [EUR]



Dividend yield: **35.5%**²

Financial priorities going forward

Prudent financial policy

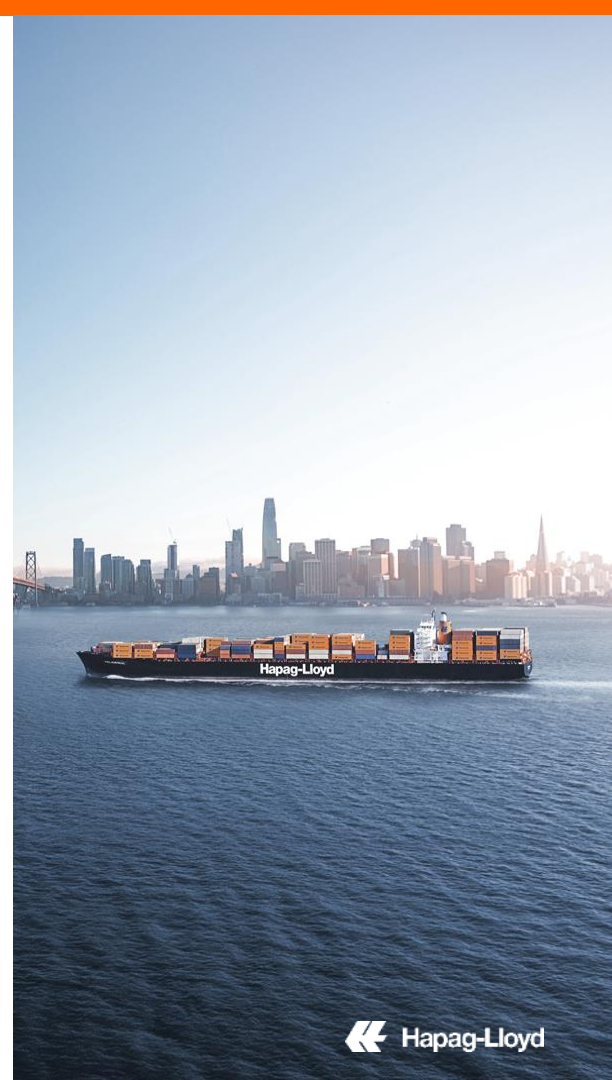
- We have significantly improved our **financial resilience** in recent years
- Going forward, we will **maintain a prudent financial policy** that balances the interest of all stakeholders
- As part of our efforts to **become climate neutral by 2045** all our **future financings** will have a **green component**

Competitive cost base

- In a **normalized freight rate environment**, cost control will once again become a key success driver
- We will therefore step up our efforts to **maintain a competitive** cost base

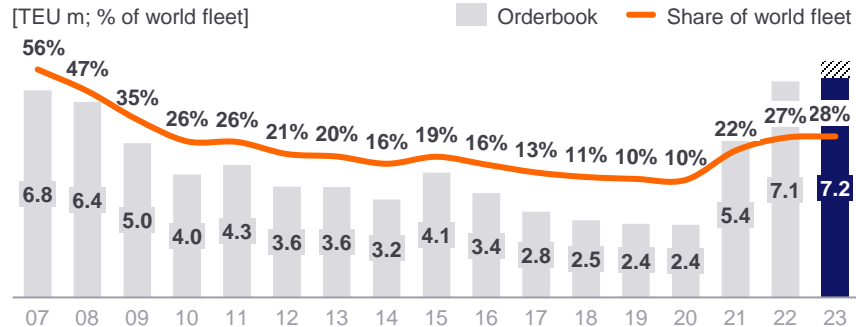
Invest in our future

- We will continue to strengthen our ocean product by **investing in core liner** and **infrastructure business**

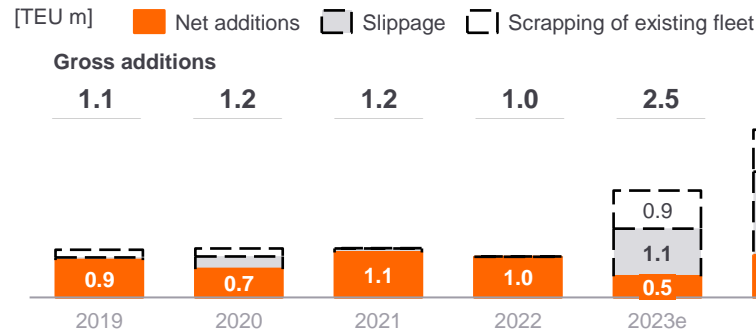


Nominal capacity inflow will likely exceed demand in the next quarters

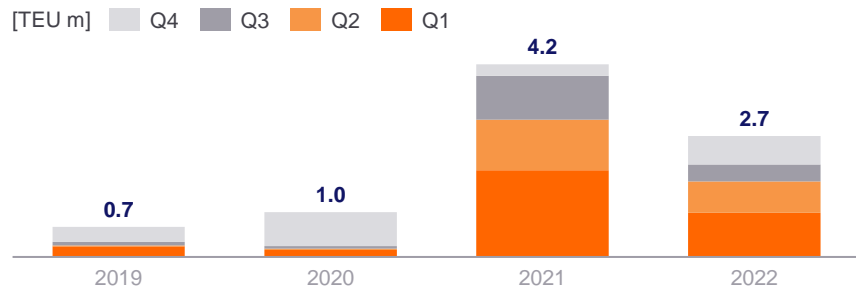
GLOBAL ORDERBOOK



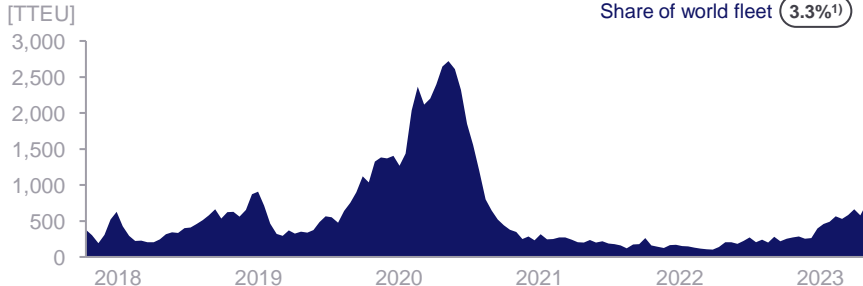
SCHEDULED VESSEL DELIVERIES



NEWLY PLACED ORDERS



IDLE FLEET

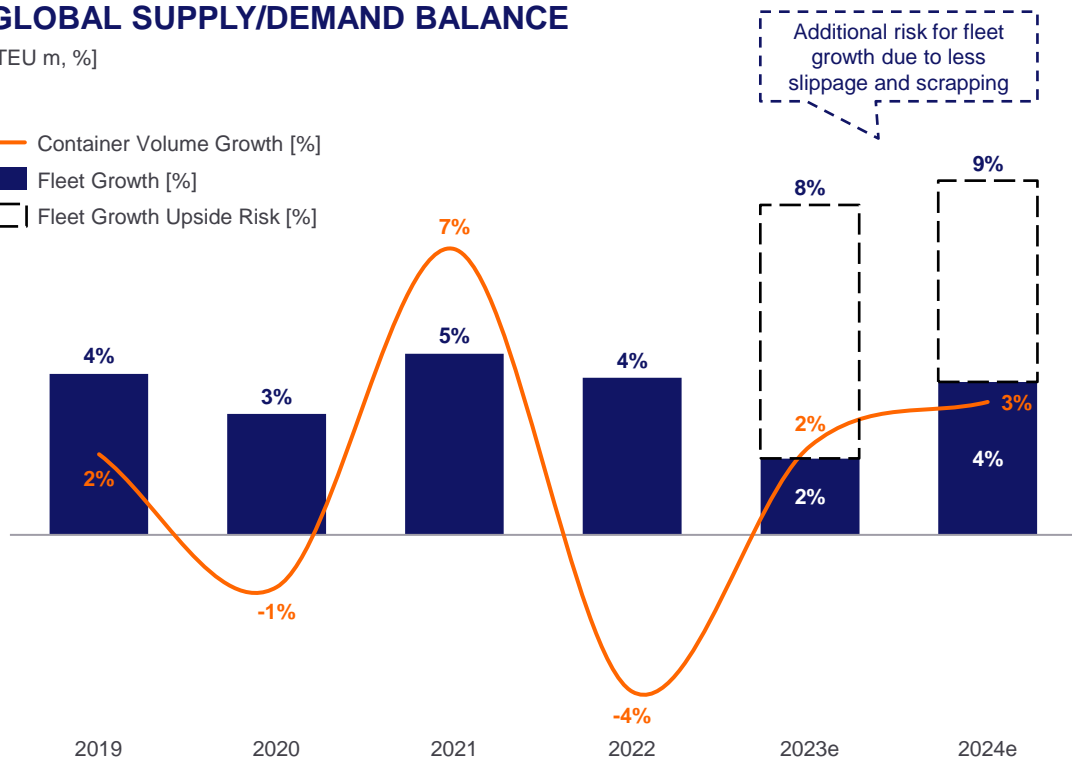


Market fundamentals have changed quickly as demand remains subdued while capacity increases strongly

GLOBAL SUPPLY/DEMAND BALANCE

[TEU m, %]

- Container Volume Growth [%]
- Fleet Growth [%]
- Fleet Growth Upside Risk [%]



Demand likely to remain subdued until destocking cycle is completed



Strong inflow of new capacity expected



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








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



Outlook 2023

Gradual normalisation of earnings expected in the course of 2023

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

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

Our focus going forward

Continuously **adapt to evolving market conditions**

Roll-out of remaining **Simplify, Strengthen and Invest** initiatives

Focus on **service quality** and **customer satisfaction**

Strengthen **sustainability** and **decarbonisation** efforts

Work further on **building our terminal portfolio**

Take care of our people and invest in their capabilities

Update existing strategy to set course until 2030



**Priorities
for 2023**



Appendix

Hapag-Lloyd with an equity ratio of 72.1% and a gearing of below zero

BALANCE SHEET [USD M]

million USD	31.12.2022	31.12.2021
Assets		
Non-current assets	18,034.8	17,298.4
of which fixed assets	17,876.5	17,208.5
Current assets	23,263.7	12,937.1
of which cash and cash equivalents	16,264.5	8,741.4
Total assets	41,298.5	30,235.5
Equity and liabilities		
Equity	29,795.1	18,292.2
Borrowed capital	11,503.4	11,943.3
of which non-current liabilities	4,674.6	5,199.7
of which current liabilities	6,828.7	6,743.6
of which financial debt and lease liabilities	5,803.8	6,221.7
of which non-current financial debt and lease liabilities	4,317.9	4,684.0
of which current financial debt and lease liabilities	1,485.9	1,537.7
Total equity and liabilities	41,298.5	30,235.5

FINANCIAL POSITION [USD M]

million USD	31.12.2022	31.12.2021
Financial debt and lease liabilities	5,803.8	6,221.7
Cash and cash equivalents	16,264.5	8,741.4
Time deposit investments	2,976.0	–
Net liquidity	13,436.7	2,519.7
Unused credit lines	725.0	585.0
Liquidity reserve	16,989.5	9,326.4
Equity	29,795.1	18,292.2
Gearing (net debt / equity) (%)	-45.1	-13.8
EBITDA	20,473.9	12,841.9
Net debt to EBITDA¹	<0	<0
Equity ratio (%)	72.1%	60.5%

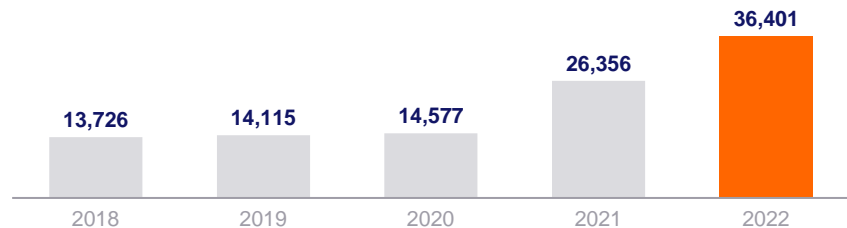
Hapag-Lloyd with strong net profit of USD 18.0 bn in FY 2022

INCOME STATEMENT [USD M]

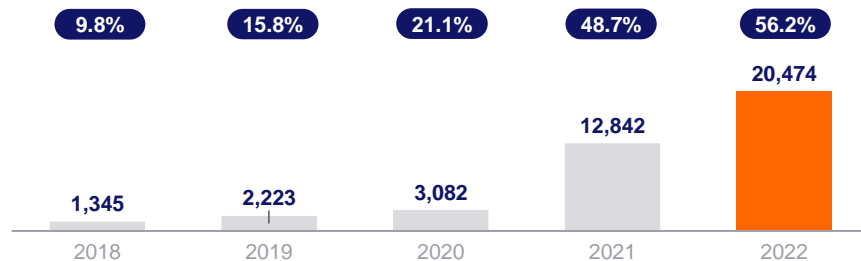
million USD	Q4 2022	Q3 2022	Q4 2021	QoQ Change	YoY change	FY 2022	FY 2021	Change
Revenue	7,961.7	9,877.7	8,411.0	-19.4%	-5.3%	36,401.1	26,356.2	38.1%
Transport expenses	-3,664.7	-3,828.3	-3,320.6	-4.3%	10.4%	-14,469.4	-12,215.6	18.5%
Personnel expenses	-343.3	-224.5	-321.6	53.0%	6.8%	-1,034.8	-958.5	8.0%
Depreciation, amortisation and impairment	-500.4	-483.1	-506.1	3.6%	-1.1%	-2,006.6	-1,730.9	15.9%
Other operating result	-137.5	-123.9	-100.9	-11.0%	-36.3%	-517.8	-372.9	38.9%
Operating result	3,315.8	5,217.9	4,161.9	-36.5%	-20.3%	18,372.6	11,078.3	65.8%
Share of profit of equity-accounted investees	8.5	10.8	12.2	-21.6%	-30.0%	94.8	34.1	178.2%
Result from investments	-0.1	-4.1	-0.9	-96.4%	-84.3%	-0.1	-1.4	-92.3%
Earnings before interest and tax (EBIT)	3,324.1	5,224.6	4,173.1	-36.4%	-20.3%	18,467.3	11,111.0	66.2%
Interest result	105.3	11.4	-54.8	825.4%	n.m.	23.8	-290.2	n.m.
Other financial items	-5.4	4.1	2.7	n.m.	n.m.	-320.3	2.0	n.m.
Income taxes	-129.4	-41.1	-25.6	214.8%	405.6%	-211.4	-72.5	191.4%
Group profit / loss	3,294.7	5,199.0	4,095.5	-36.6%	-19.6%	17,959.4	10,750.3	67.1%

On the back of a sharp rise in revenues, profitability increased strongly in 2021 & 2022, normalisation expected in the years to come

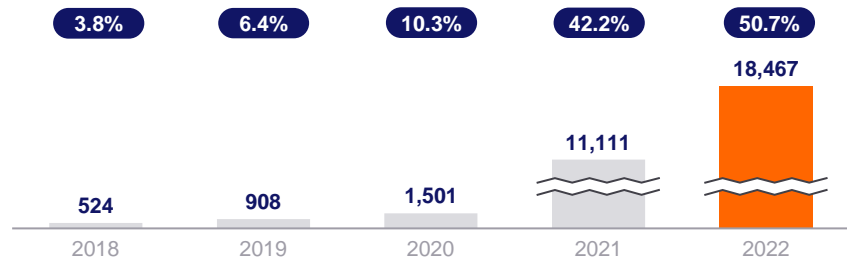
REVENUE [USD m]



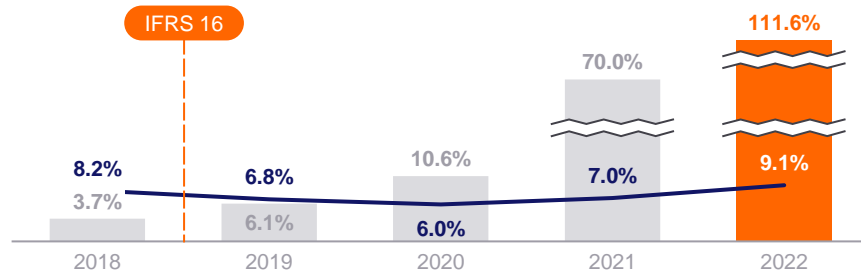
EBITDA [USD m] **Margin**



EBIT [USD m] **Margin**

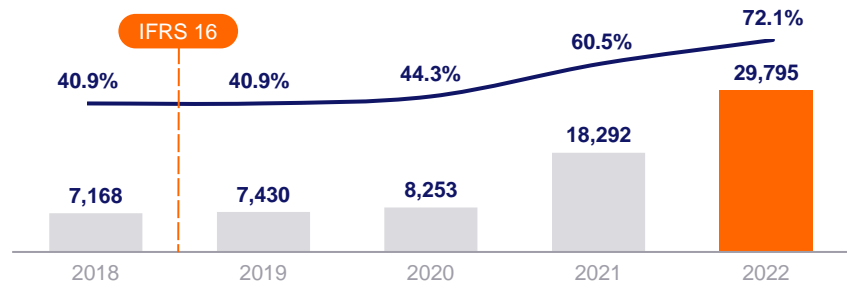


ROIC [%] — WACC

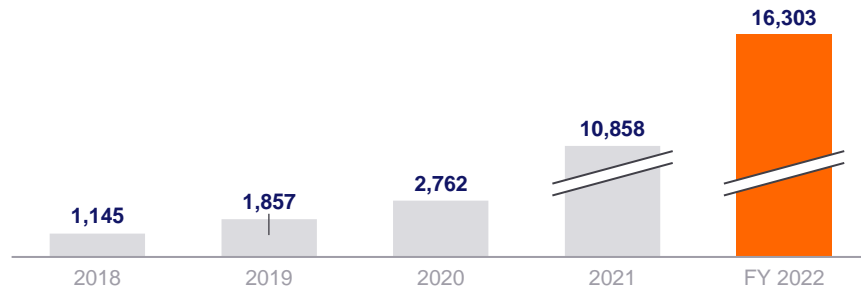


Since 2017 we have significantly strengthened our balance sheet ratios

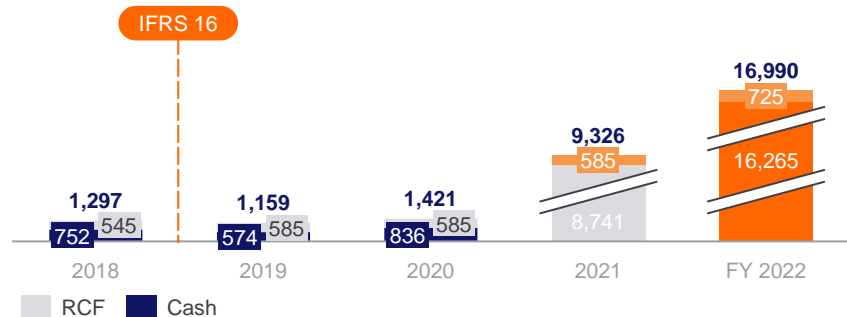
EQUITY [USD m]



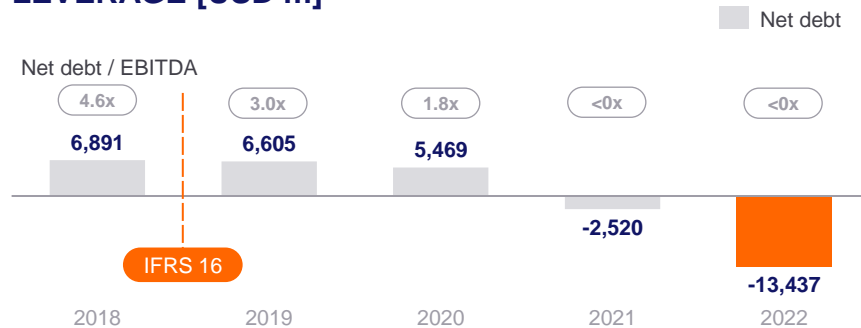
FREE CASH FLOW [USD m]



LIQUIDITY [USD m]



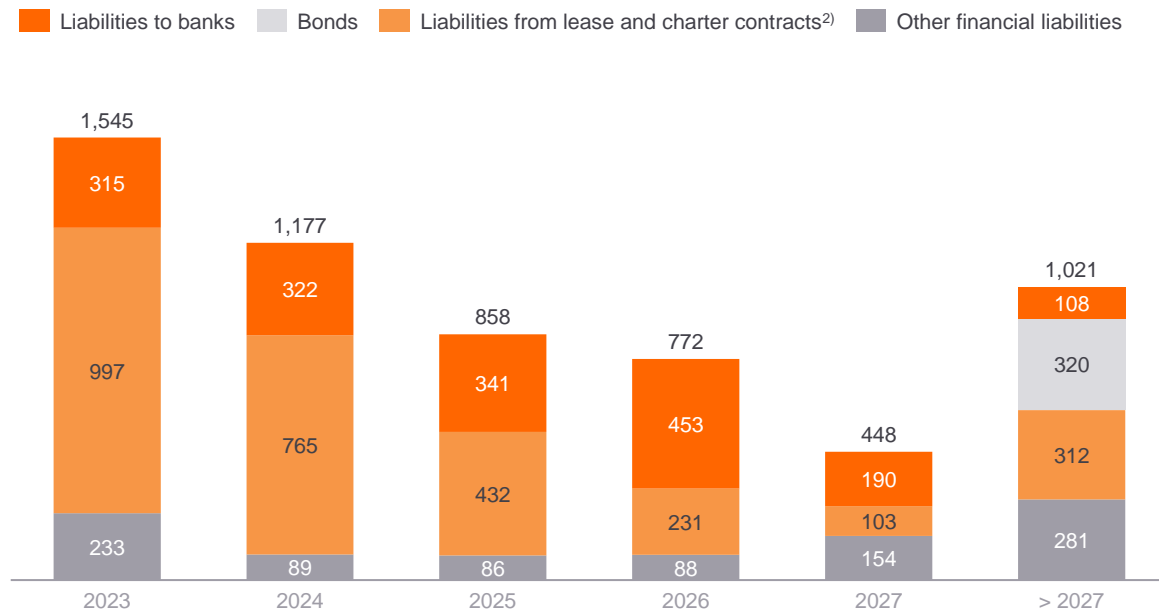
LEVERAGE [USD m]



Well balanced maturity structure of financial liabilities

FINANCIAL DEBT PROFILE AS PER 31 DECEMBER 2022¹⁾, [USD M]

Facility	31 December 2022 [USD m]
Vessel Financings	1,724
Container Financings	855
Total Vessel & Container	2,579
EUR Bond 2024	320
Total Bonds	320
Corporate secured	72
Corporate unsecured	9
Total corporate	81
Pre IFRS 16 Leases	16
New IFRS 16 Leases	2,824
Total Finance Leases	2,840
Total financial liabilities	5,821¹⁾



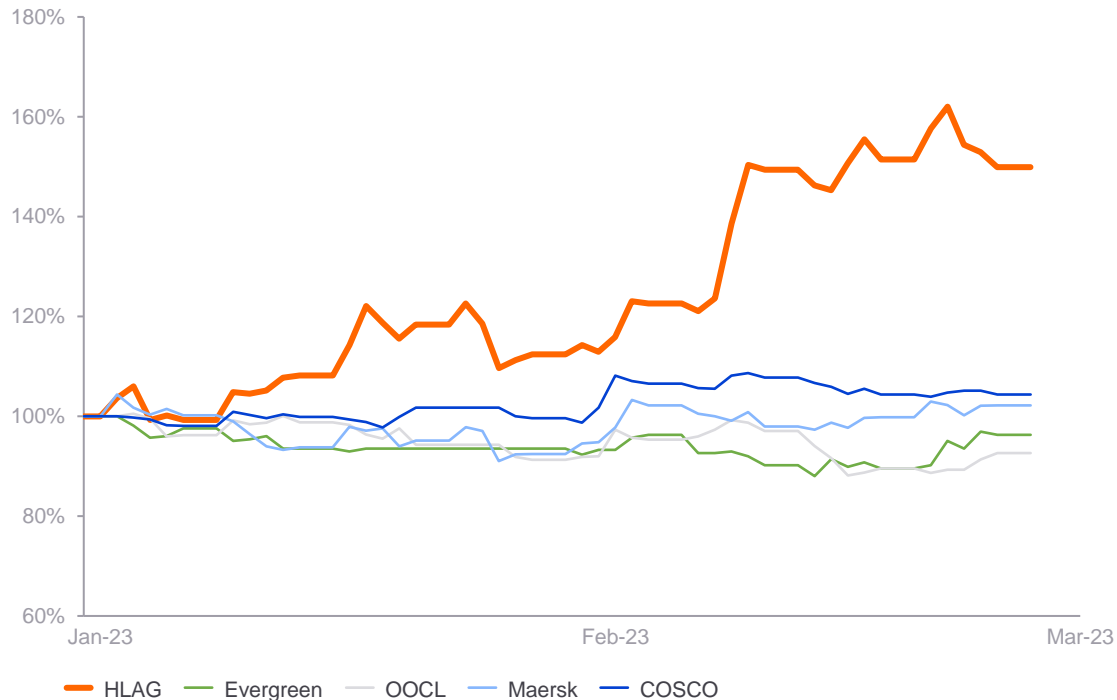
Note: Rounding differences may occur

1) Repayment amounts based on contractual debt as per 31 December 2022 2) Liabilities from lease and charter contracts consist of USD 16 million liabilities from former finance lease contracts and USD 2,824 USD million from lease contracts presented as on-balance financial liability due to first-time application of IFRS 16

Share price development

PERFORMANCE SINCE 1 JANUARY 2023

Indexed Price



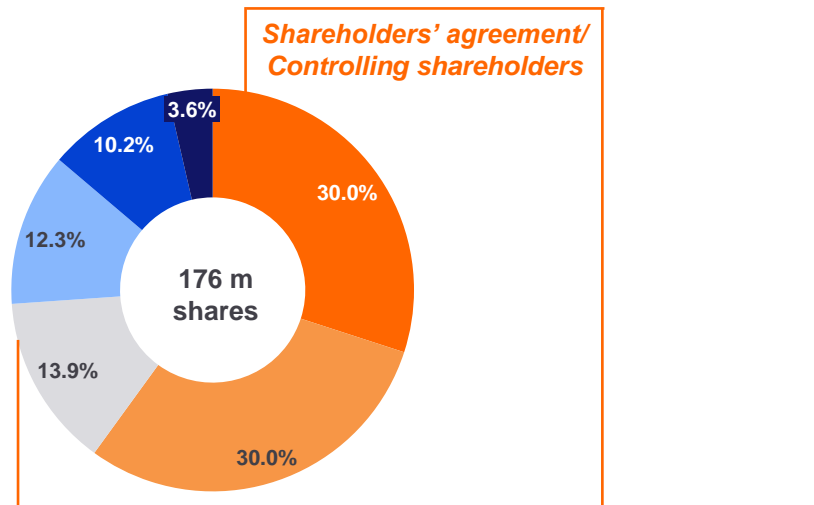
Stock Exchange	Frankfurt Stock Exchange / Hamburg Stock Exchange
Market segment	Regulated market (Prime Standard)
ISIN / WKN	DE000HLAG475 / HLAG47
Ticker Symbol	HLAG
Primary listing	6 November 2015
Number of shares	175,760,293

Bond trading

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



Our shareholder base is long-term oriented



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

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

Financial Calendar 2023

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

Disclaimer

Forward-looking statements

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