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Hamburg, 9 November 2023

Hapag-Lloyd with decrease in earnings in first nine months of 2023

- Freight rates declined further in the third quarter
- Transport volume up in the third quarter, stable year-to-date
- Terminal activities reported separately in new business segment
- Earnings forecast for 2023 specified

Hapag-Lloyd has concluded the first nine months of 2023 with a Group EBITDA of USD 4.5 billion (EUR 4.2 billion) and a Group EBIT of USD 3.0 billion (EUR 2.8 billion). The Group profit stood at USD 3.4 billion (EUR 3.2 billion). These results are significantly below the prior-year level due to the severe change in market conditions. With the further expansion of its terminal business, the Hapag-Lloyd Group's business activities have also been split for the first time into **Liner Shipping** and **Terminal & Infrastructure** segments.

In the first nine months of 2023, the EBITDA in the **Liner Shipping segment** decreased to USD 4.5 billion (EUR 4.1 billion). The EBIT fell to USD 3.0 billion (EUR 2.7 billion). Revenues decreased to USD 15.2 billion (EUR 14.1 billion), primarily due to a lower average freight rate of 1,604 USD/TEU (9M 2022: 2,938 USD/TEU). This dropped even further in Q3 2023, to USD 1,312/TEU (Q3 2022: USD 3,106/TEU), and it was much lower in several trades compared to the same period of the prior year. In contrast, the transport volumes improved in the third quarter, rising by just under 5 percent, to 3,110 TTEU (Q3 2022: 2,975 TTEU). As a result, the combined volumes of 8,916 TTEU in the first nine months of the year were almost on a par with those of the prior-year period (9M 2022: 8,987 TTEU).

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Transport expenses experienced a year-on-year decrease of 11 percent, to USD 9.6 billion (EUR 8.9 billion), owing in particular to the ongoing normalisation of global supply chains as well as a lower average bunker consumption price of USD 611 per tonne (9M 2022: 755 USD/t).

In the **Terminal & Infrastructure** segment, an EBITDA of USD 38 million (EUR 35 million) and an EBIT of USD 29 million (EUR 27 million) were achieved in the first nine months of 2023. Since the new segment is still in the process of being formed, it does not reflect the results of a full nine-month period. It comprises Hapag-Lloyd's stakes in 20 terminals in Europe, Latin America, the United States, India and North Africa as well as other infrastructure participations.

“Thanks to an increase in transport volumes in the third quarter, volumes are roughly flat for the nine-month period compared to 2022. At the same time, we have continued to implement our strategic agenda, expanded our terminal portfolio, and boosted customer satisfaction again through quality improvements. However, freight rates are below the prior-year level and, as expected, fell again in the third quarter – which is reflected in much lower earnings. In response, we are working hard to reduce our expenses even more, such as by achieving savings on the procurement side and making adjustments to our service network. Nevertheless, if spot rates do not recover, we could face some challenging quarters in this subdued market environment,” said Rolf Habben Jansen, CEO of Hapag-Lloyd AG.

For the full year 2023, Hapag-Lloyd has made the forecast it published on 2 March more specific. EBITDA is now expected to be in the range of USD 4.5 to 5.5 billion (EUR 4.1 to 5 billion) and EBIT to be in the range of USD 2.4 to 3.4 billion (EUR 2.2 to 3.1 billion). This forecast is subject to uncertainty given the many geopolitical conflicts, persistent inflationary pressures, and the continued high inventory levels of many customers.

The financial report of the first nine month of 2023 is available online at:

<https://www.hapag-loyd.com/en/ir/publications/financial-report.html>

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Press contacts

Nils.Haupt@hlag.com +49 40 3001 - 2263

Tim.Seifert@hlag.com +49 40 3001 - 2291

KEY FIGURES (USD)*

	Q3 2023	Q3 2022	9M 2023	9M 2022	9M 2023 versus 9M 2022
Transport volume (TTEU)	3,110	2,975	8,916	8,987	-70
Freight rate (USD/TEU)	1,312	3,106	1,604	2,938	-1,334
Revenues (USD million)	4,465	9,878	15,312	28,439	-13,128
EBITDA (USD million)	744	5,708	4,519	16,649	-12,131
EBIT (USD million)	228	5,225	2,989	15,143	-12,154
EBITDA margin	17%	58%	30%	59%	-29 Ppt
EBIT margin	5%	53%	20%	53%	-34 Ppt
Group profit (USD million)	293	5,199	3,425	14,665	-11,239

KEY FIGURES (EURO)*

	Q3 2023	Q3 2022	9M 2023	9M 2022	9M 2023 versus 9M 2022
Revenues (EUR million)	4,099	9,741	14,136	26,711	-12,576
EBITDA (EUR million)	679	5,634	4,172	15,638	-11,466
EBIT (EUR million)	204	5,155	2,760	14,223	-11,464
Group profit (EUR million)	264	5,120	3,162	13,774	-10,612

* In individual cases, rounding differences may occur in the tables for computational reasons.

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About Hapag-Lloyd

With a fleet of 264 modern container ships and a total transport capacity of 2.0 million TEU, Hapag-Lloyd is one of the world's leading liner shipping companies. In the **Liner Shipping segment**, the Company has around 13,500 employees and 400 offices in 135 countries. Hapag-Lloyd has a container capacity of 2.9 million TEU – including one of the largest and most modern fleets of reefer containers. A total of 113 liner services worldwide ensure fast and reliable connections between more than 600 ports across the world. In the **Terminal & Infrastructure segment**, Hapag-Lloyd has stakes in 20 terminals in Europe, Latin America, the United States, India, and North Africa. The roughly 2,600 employees assigned to the Terminal & Infrastructure segment handle terminal-related activities and provide complementary logistics services at selected locations.

Disclaimer

This press release contains forward-looking statements that involve a number of risks and uncertainties. Such statements are based on a number of assumptions, estimates, projections or plans that are inherently subject to significant risks, uncertainties and contingencies. Actual results can differ materially from those anticipated in the Company's forward-looking statements.

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