

Investor Presentation

FY 2021 Results

Hamburg, 10 March 2022



Opening Remarks

1 | HIGHLIGHTS

- High global demand for consumer goods led to a sustained disruption of global supply chains
- To alleviate the operational challenges and support our customers we invested in people and assets
- We have refined our Strategy 2023 and strengthened our footprint in attractive growth markets

2 | FINANCIALS

- The tight transport situation led to a sharp rise in freight rates, but also to higher transport expenses
- EBITDA quadrupled to USD 12.8 bn in FY 2021
- Due to strong cash generation, net leverage was completely reduced

3 | MARKET UPDATE

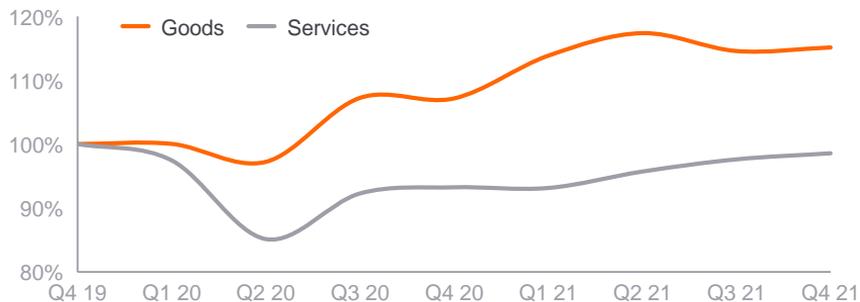
- Strong demand increased order activities, idle fleet remains low
- While demand is expected to remain robust, capacity influx will increase from 2023 onwards
- Operational challenges anticipated to ease in the course of the year

4 | WAY FORWARD

- Earnings momentum likely to remain very strong in the first half of 2022
- Our FY 2022 outlook is based on a beginning normalization of earnings in the second half of the year
- We will execute on our Strategy 2023 by focusing even more on Quality and Sustainability

The shift in demand has outlined the vulnerability of global supply chains

US CONSUMPTION EXPENDITURES



PORT CONGESTION INDEX



PRESSURE ON SUPPLY CHAINS



COVID-19 pandemic has **shifted consumer behavior** from services to more consumer goods mainly produced in Asia



High demand and COVID related labor shortages led to **supply chain disruptions**



The **service quality** in the entire industry was under heavy pressure



Operational costs went up clearly due to rising charter rates, longer storage durations and lack of hinterland transport capacity

We have done our utmost to alleviate operational challenges by investing in people & assets, but also by refining our strategy

STRATEGY & QUALITY



Reviewed **Strategy 2023** to prepare for tomorrow



5 additional **Quality promises** issued



Launched **new premium product "QFP"** (Quality Freight Product)

ASSETS & PEOPLE



~**300,000 TEU** Containers ordered



~ **270,000 TEU** efficient vessels ordered



1,000 employees hired

SUSTAINABILITY, REFINANCING & RATING



Sustainability-linked bond issued



Sustainability strategy published



Significantly **improved our credit rating**

We have strengthened our position in attractive markets by acquiring NileDutch and expanding our liner services

SERVICES



Established new services to and from Africa, Middle East, India and Asia

OFFICES



Opened new offices in growth markets like Kenya, Senegal and Morocco

TERMINALS

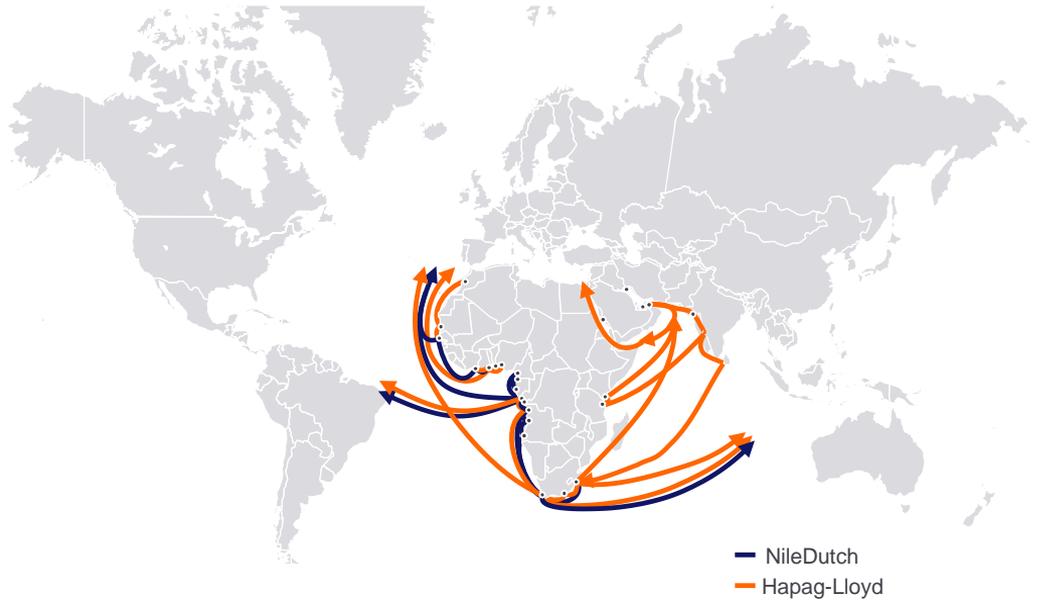


New Tanger terminal opened as transshipment hub and acquisition of 30% stake in Container Terminal Wilhelmshaven and 50% in Rail Terminal Wilhelmshaven

NILEDUTCH



Acquisition of Africa specialist NileDutch

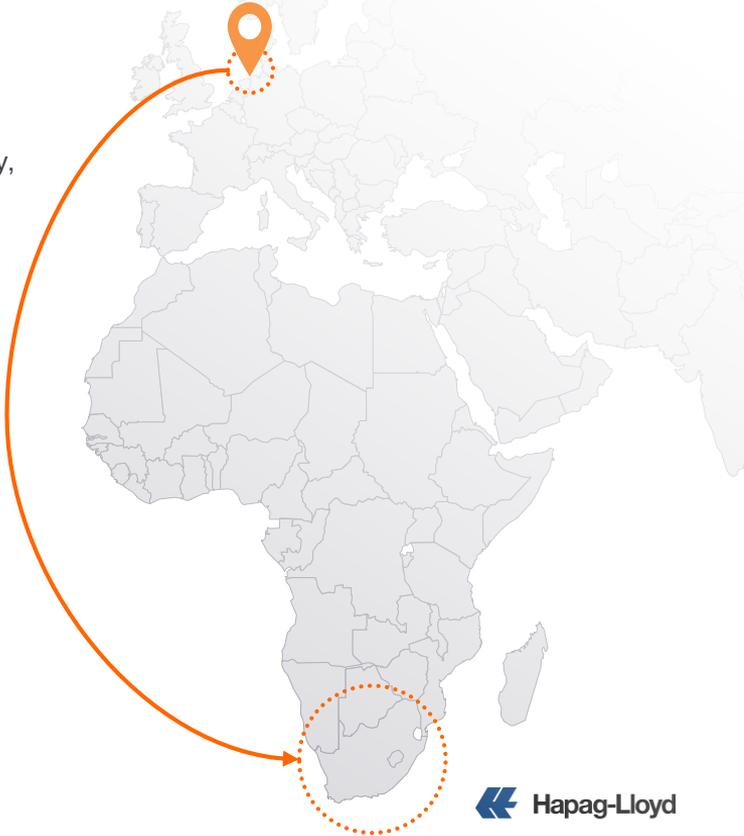


The acquisition of Europe-South Africa specialist DAL will complement our service offering in the African market

DEUTSCHE AFRIKA-LINIEN (DAL)



- Founded in 1890 and headquartered in Hamburg, Germany, with agencies in Germany and South Africa
- Transport volume of ~85 TTEU p.a. and additional assets
- Well established agency network, including multi-year customer contracts
- Access to the attractive Southern African market with DAL's 4 liner services and long-standing, well established presence in the Europe-South Africa trade through their main service (SAECS)



Since 2021 we offer our customers multi-year contracts at fixed rates to secure allocation and improve efficiency

QFP (QUALITY FREIGHT PRODUCT)

Fixed Price



The freight rate is fixed during the contract period. Market fluctuations will be avoided.

Secure Flexibility



Overbooking (up to 10%) is allowed to ensure uptake of the agreed allocation.

Shipment & EQ Guarantee



The shipment is protected from any roll over from the initially booked vessel.

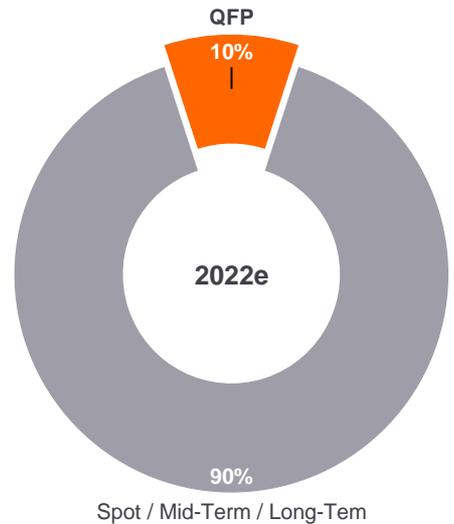
100% Mutual Commitment



Compensation on the basis of not granting the commitment's base is in place for peace of mind.



QFP AMBITION FOR 2022



Our exceptional profitability has helped us to strengthen our financial resilience



OPERATIONAL KPIs

Volume TTEU **11,872** » Transport volume is only slightly above prior year's level (0.3% YoY) as a result of the strained supply chains
PY: 11,838

Rate USD/TEU **2,003** » Average freight rate increased by 80% YoY due to continuously high demand and tight capacity availability
PY: 1,115

Bunker USD/mt **475** » Average bunker consumption price increased by 96 USD/mt due to higher bunker market prices
PY: 379



Balance sheet

Assets USD m **30,236** » Total assets increased by USD 11.6 bn vs. 31 Dec 2020 mainly due to higher cash and add. RoU for vessels and containers
PY: 18,640

Fin. Debt USD m **6,222** » Financial debt remained almost unchanged as the repayment of financial liabilities was largely offset by higher IFRS 16 lease liabilities
PY: 6,305

Liquidity USD m **8,741** » Liquidity reserve increased significantly by USD 7.9 bn vs. 31 Dec 2020 driven by a strong cash flow generation
PY: 836



P&L effects

Revenue USD m **26,356** » Revenue increase by USD +11.8 bn mainly due to higher average freight rates
PY: 14,577

EBITDA USD m **12,842** » EBITDA increased significantly by USD +9.8 bn on the back of higher freight rates...

EAT USD m **10,750** » ...which also led to a substantially increased net profit (USD +9.7 bn)
PY: 1,068



Financial KPIs

FCF USD m **10,858** » Strong Free Cash Flow generation due to high profitability
PY: 2,762

Leverage **<0x** » Net liquidity of USD 2.5 bn as at 31 December 2021
PY: 1.8x

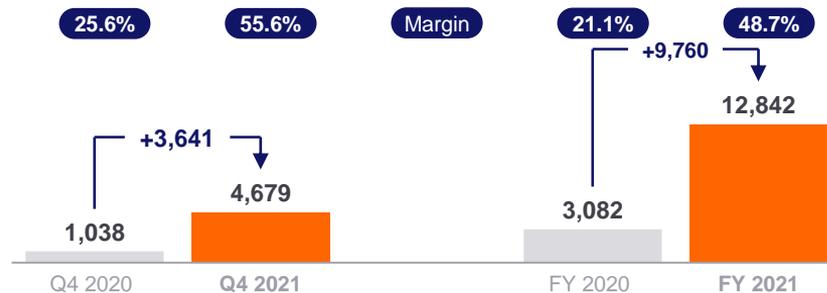
ROIC % **70.0%** » Exceptional Return on Invested Capital as a result of high profitability level
PY: 10.6%

On the back of a sharp rise in revenues, group profit increased tenfold

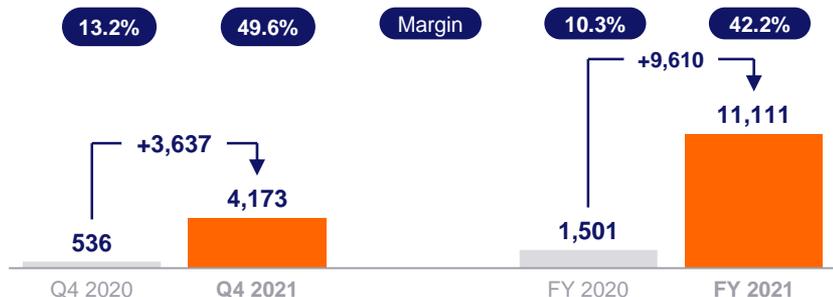
REVENUE [USD m]



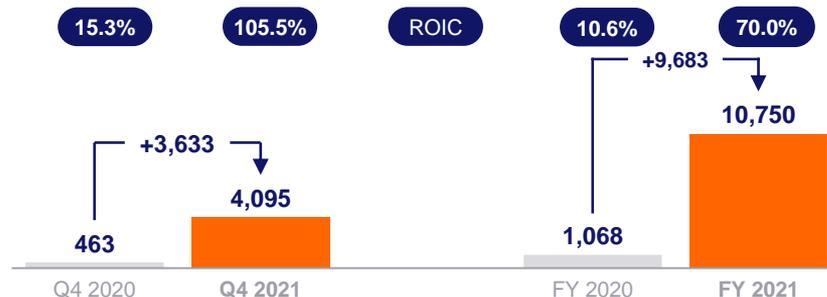
EBITDA [USD m]



EBIT [USD m]

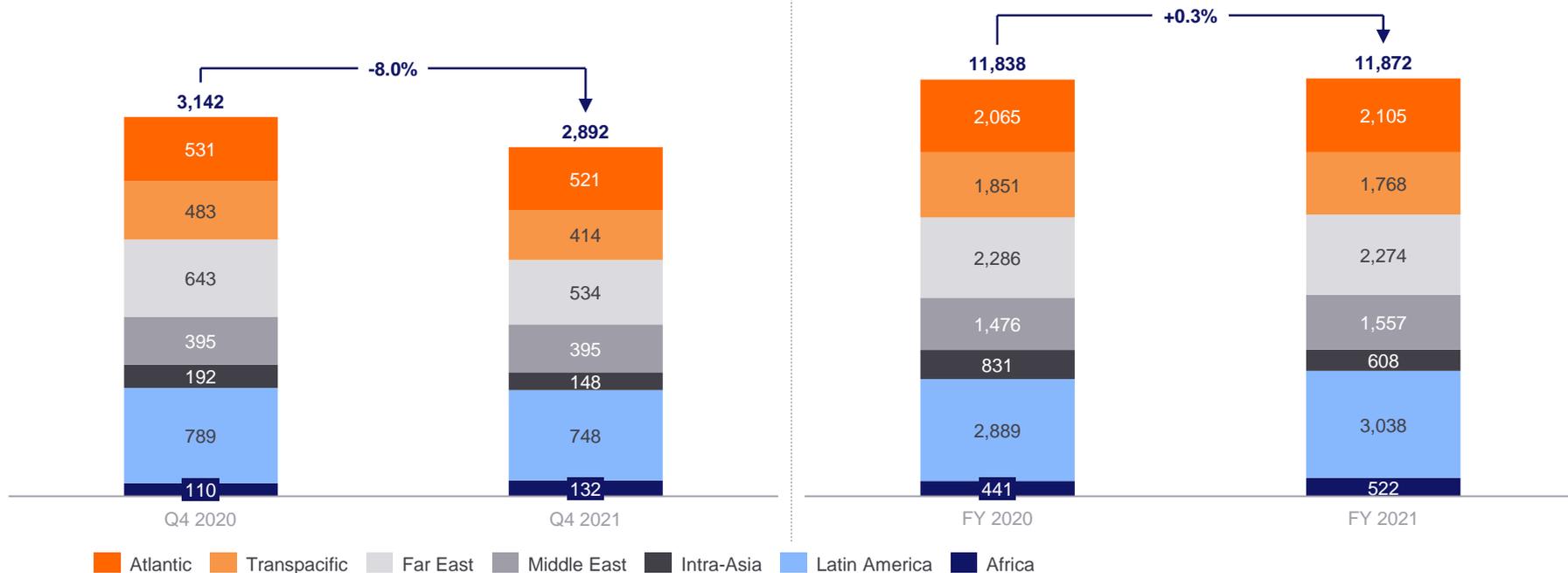


GROUP PROFIT [USD m]



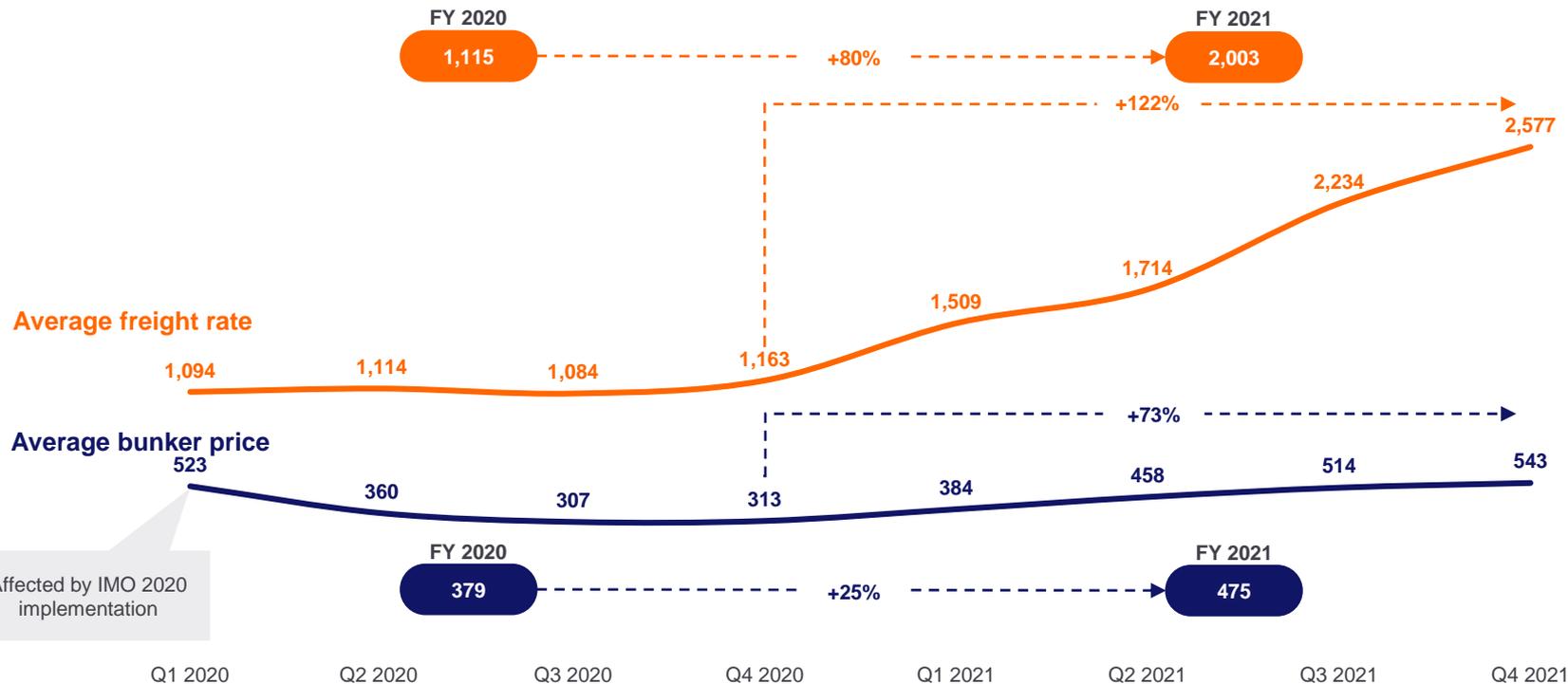
In spite of strong demand, transport volumes were only slightly up as a result of port congestion

TRANSPORT VOLUME DEVELOPMENT BY TRADE [TTEU]



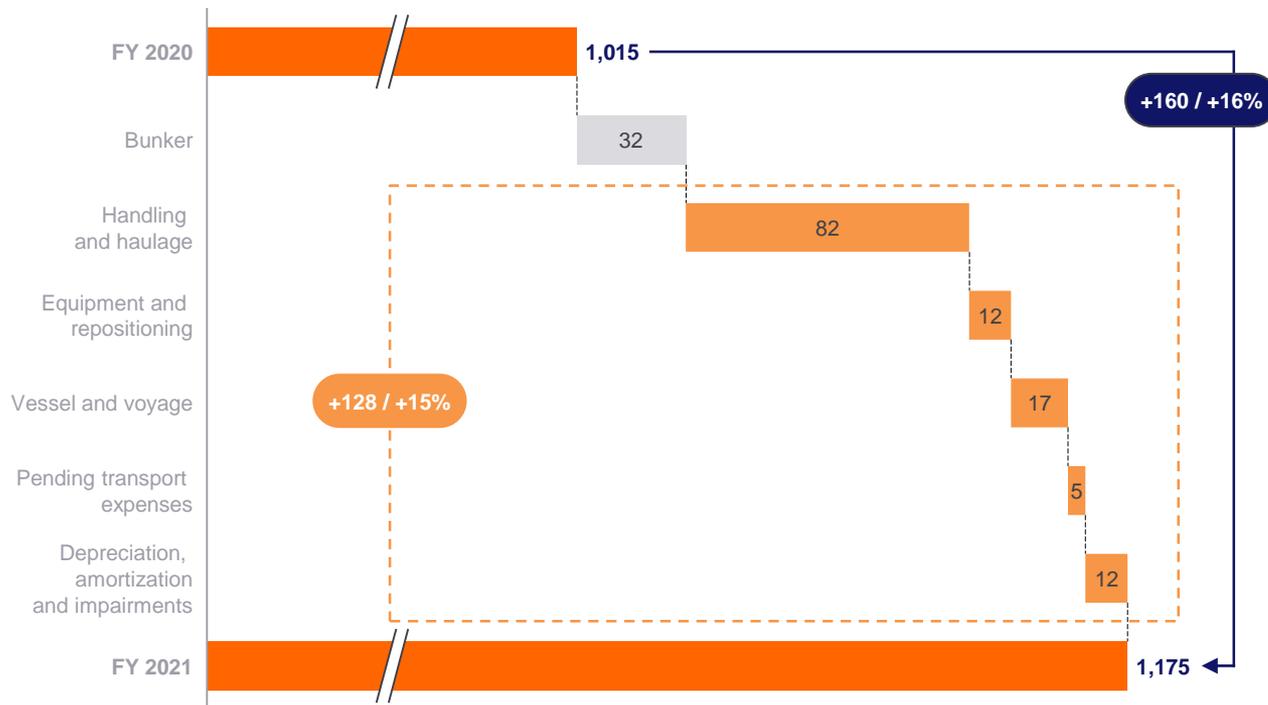
Freight rates increased strongly by ~80% YoY – bunker costs are on a steady rise as well

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



Operational challenges resulted in clearly higher transport expenses

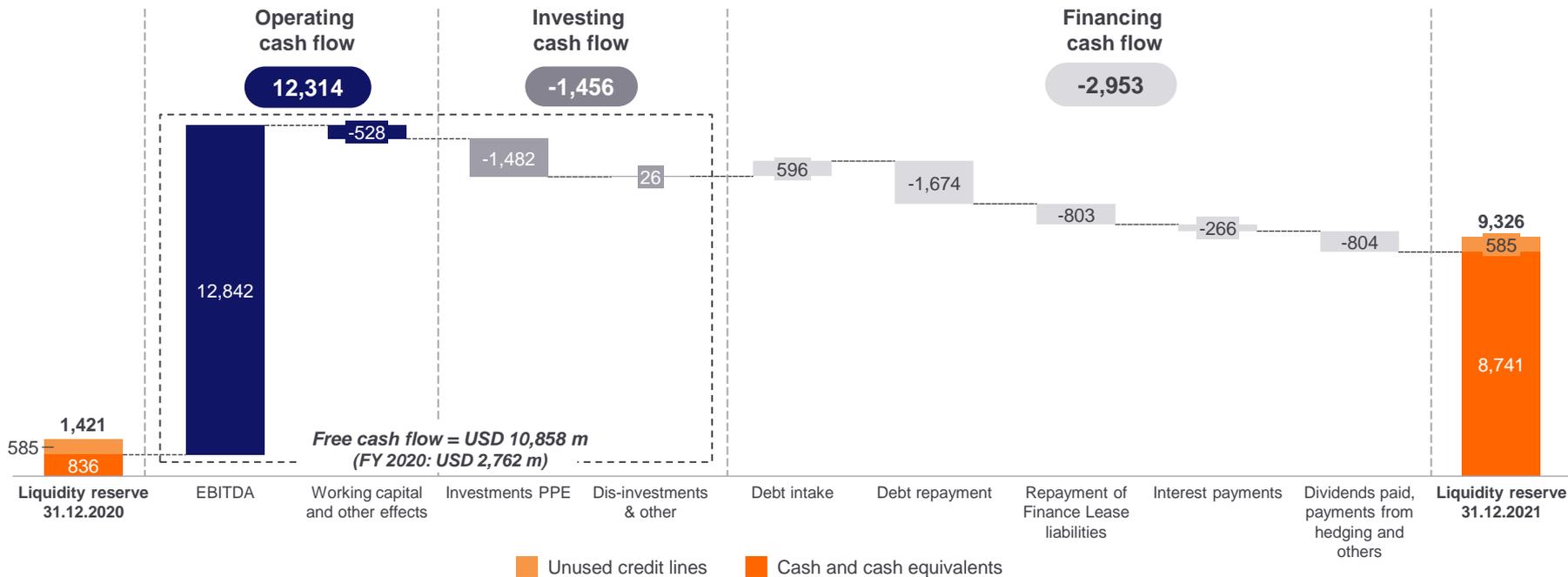
TRANSPORT EXPENSES PER UNIT [USD/TEU]



- Bunker expenses increased by 23% on the back of higher average bunker consumption prices
- Negative effects of operational disruptions, leading to higher costs in “Handling and Haulage” (+18%) as well as in “Equipment and Repositioning” (+11%)
- “Depreciation and amortization” increased by 9%, primarily due to the rise in the percentage of vessels chartered in at simultaneously higher charter rates
- In 2020, impairment losses in the context of the ship portfolio optimization and the write-down of intangibles had a negative impact of in total USD 14/TEU on D&A.

Due to high profitability, free cash flow surged to USD 10.9 bn

CASH FLOW FY 2021 [USD m]



Since 2017 we have significantly strengthened our balance sheet ratios

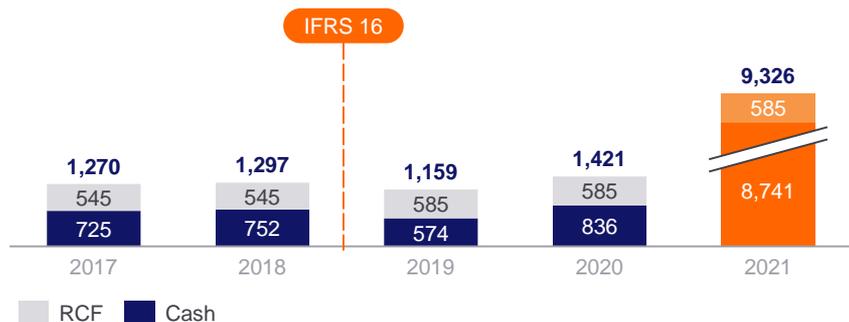
EQUITY [USD m]



ROIC [%]



LIQUIDITY [USD m]

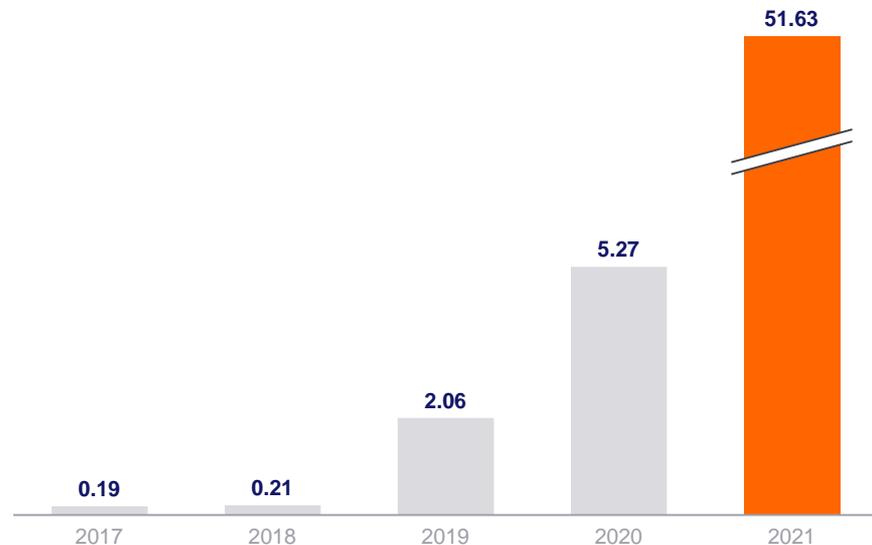


LEVERAGE [USD m]



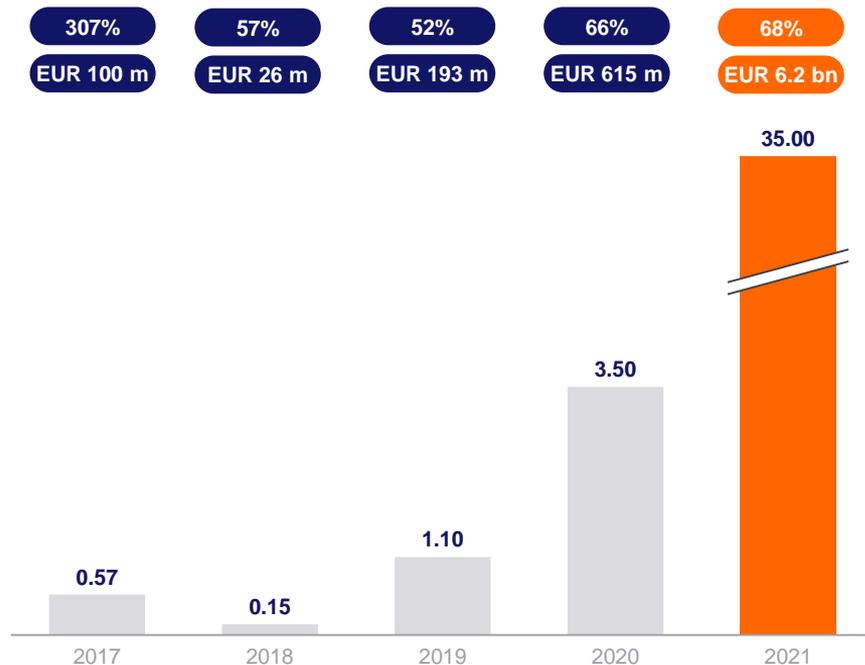
Based on the strong result in 2021, we propose to the AGM a dividend distribution of EUR 35 per share

EPS [EUR/share]



DPS [EUR/share]

Dividend ratio based on EAT¹⁾

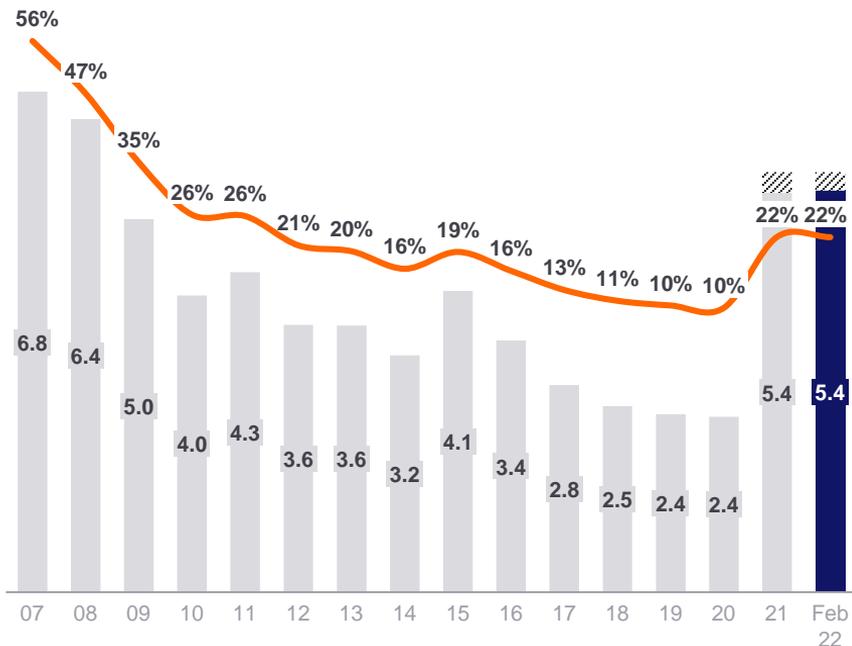


Strong demand led to increased order activity...

GLOBAL ORDERBOOK

[TEU m; % of world fleet]

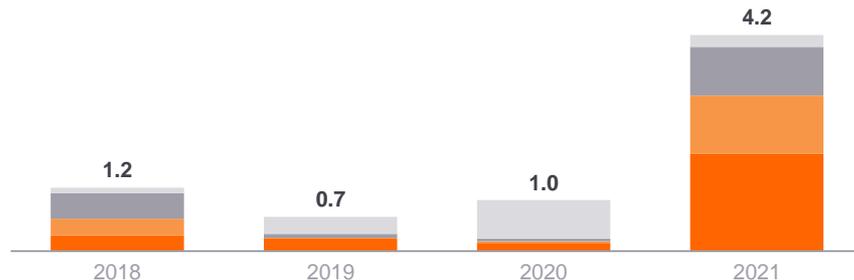
Orderbook Share of world fleet



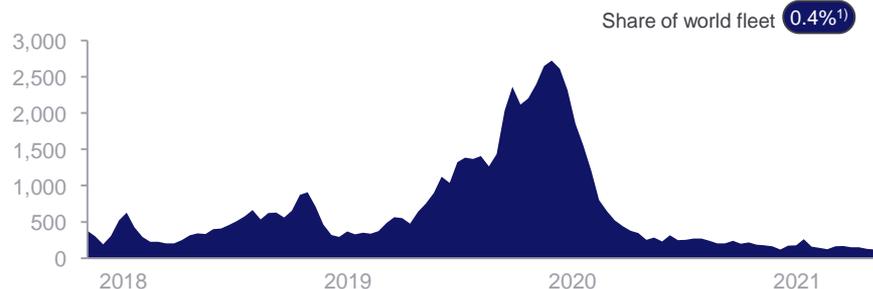
NEWLY PLACED ORDERS

[TEU m]

Q4 Q3 Q2 Q1



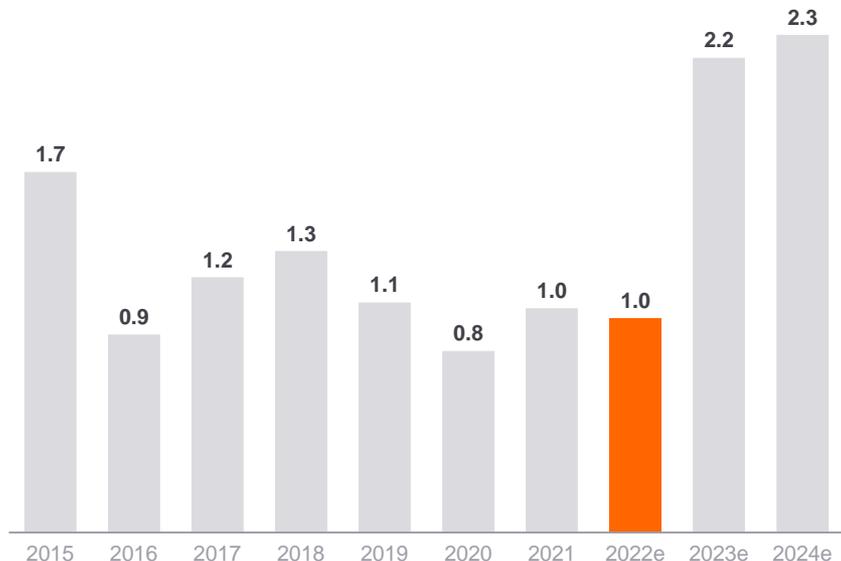
IDLE FLEET



...while the majority of newly ordered capacity will only be delivered from 2023 onwards

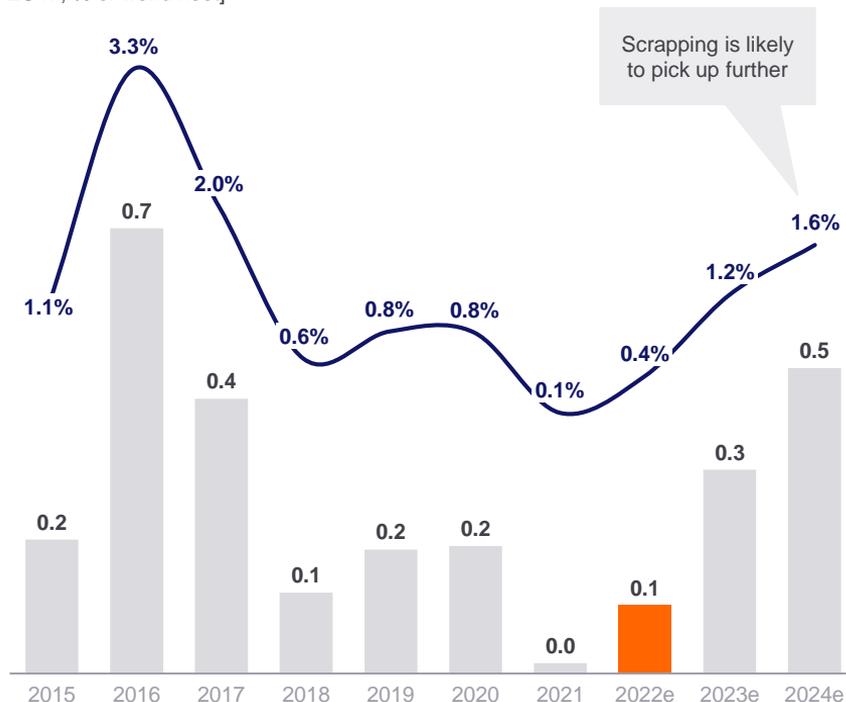
[SCHEDULED] VESSEL DELIVERIES

[TEU m]



[EXPECTED] SCRAPPING

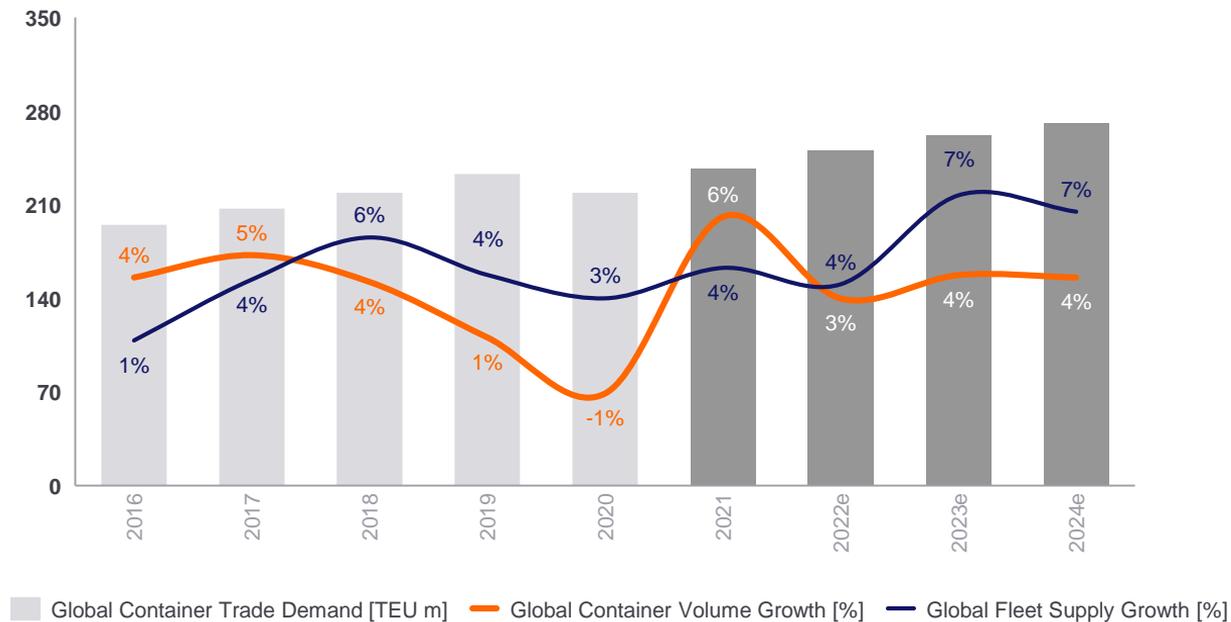
[TEU m; % of world fleet]



Demand has rebounded strongly since the end of 2020 and supply is expected to converge in the coming years

SUPPLY/DEMAND BALANCE

[TEU m, %]



Demand is expected to remain robust



Capacity influx will increase from 2023 onwards to cater for high demand



Sustainability efforts might accelerate scrapping



Demand/supply fundamentals to become more balanced in the years to come

Note: Global Container Trade Growth: CTS data until 2021; average calculation based on Alphaliner, Clarksons & Seabury for 2022e onwards.

Earnings momentum to remain on a very high level in the first half of 2022, followed by a beginning normalization of earnings thereafter

	FY 2021	Outlook for 2022	Rationale
 TRANSPORT VOLUME	11,872 TTEU	Increasing slightly	<ul style="list-style-type: none"> At the beginning of the year 2022, the underlying market conditions remain broadly unchanged compared to the previous year Earnings momentum expected to remain on a very high level in the first half of 2022, followed by a beginning normalization of earnings in the second half, due to an anticipated recovery of supply chains. In view of the ongoing COVID-19 pandemic and the current situation in Ukraine, the forecast is subject to considerable uncertainty.
 BUNKER CONSUMPTION PRICE	475 USD/mt	Increasing clearly	
 FREIGHT RATE	2,003 USD/TEU	Increasing moderately	
 EBITDA	USD 12,842 m	USD 12 – 14 bn EUR 10.7 – 12.4 bn	
 EBIT	USD 11,111 m	USD 10 – 12 bn EUR 8.9 – 10.7 bn	

While our Strategy 2023 remains valid, we will focus even more on Quality and Sustainability



BE PROFITABLE

We reached our financial and profitability targets earlier than expected, but we need to be vigilant when the freight rate environment settles.



GLOBAL PLAYER

We are a global player, but high industry profits enable smaller competitors to catch up and we need to strengthen our presence in a variety of growth markets.



#1 FOR QUALITY

We made good progress to improve quality and to deliver higher service levels, but the pandemic has set back our achievements and we need to address these challenges.



SUSTAINABILITY

We have met our environmental targets, but future challenges require a more holistic sustainability strategy and more ambitious greenhouse gas reduction goals.

We have refined our priorities for the coming 2 years along 3 pillars

1

SIMPLIFY

Simplify customer segmentation & experience and reduce internal complexity

- Simplify Network and optimize fleet
- Consolidate hub and transshipment strategy
- Reduce imbalance & depots

2

STRENGTHEN

Double-down on our ambition to become #1 in quality

- Accelerate Digitization & invest in innovation and future proof core IT
- Grow in Attractive Markets
- Crack the code on Inland
- Strengthen efforts on Sustainability & Decarbonization

3

INVEST

Invest in our people, sustainable assets and long-term competitiveness

- Invest in people & capabilities
- Invest in eco-friendly vessels
- Invest in equipment & container innovations
- Equity investments and selective M&A



Appendix

Hapag-Lloyd with an equity ratio of 60.5% and a gearing of below 0

BALANCE SHEET [USD M]

million USD	31.12.2021	31.12.2020
Assets		
Non-current assets	17,298.4	15,508.3
of which fixed assets	17,208.5	15,413.3
Current assets	12,937.1	3,131.9
of which cash and cash equivalents	8,741.4	836.4
Total assets	30,235.5	18,640.2
Equity and liabilities		
Equity	18,292.2	8,252.8
Borrowed capital	11,943.3	10,387.4
of which non-current liabilities	5,199.7	5,731.3
of which current liabilities	6,743.6	4,656.1
of which financial debt and lease liabilities	6,221.7	6,305.1
of which non-current financial debt and lease liabilities	4,684.0	5,119.6
of which current financial debt and lease liabilities	1,537.7	1,185.5
Total equity and liabilities	30,235.5	18,640.2

FINANCIAL POSITION [USD M]

million USD	31.12.2021	31.12.2020
Financial debt and lease liabilities	6,221.7	6,305.1
Cash and cash equivalents	8,741.4	836.4
Net debt	-2,519.7	5,468.8
Unused credit lines	585.0	585.0
Liquidity reserve	9,326.4	1,421.4
Equity	18,292.2	8,252.8
Gearing (net debt / equity) (%)	-13.8	66.3
EBITDA	12,841.9	3,081.9
Net debt to EBITDA¹	<0x	1.8x
Equity ratio (%)	60.5%	44.3%

Hapag-Lloyd with strong net profit of USD 10,750.3 m in FY 2021

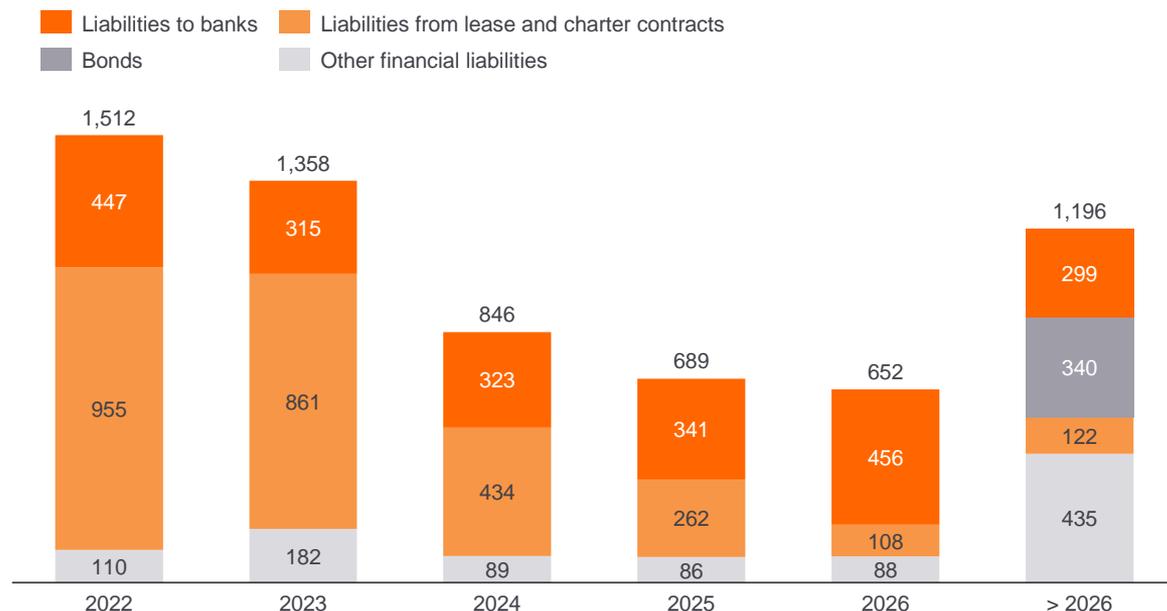
INCOME STATEMENT [USD M]

million USD	Q4 2021	Q3 2021	Q4 2020	QoQ Change	YoY change	FY 2021	FY 2020	Change
Revenue	8,411.0	7,393.9	4,052.5	13.8%	107.6%	26,356.2	14,577.1	80.8%
Transport expenses	-3,320.6	-3,158.6	-2,735.7	5.1%	21.4%	-12,215.6	-10,431.7	17.1%
Personnel expenses	-321.6	-206.2	-203.5	56.0%	58.0%	-958.5	-779.5	23.0%
Depreciation, amortisation and impairment	-506.1	-472.4	-502.3	7.1%	0.8%	-1,730.9	-1,580.9	9.5%
Other operating result	-100.9	-113.3	-82.4	-11.0%	22.4%	-372.9	-319.2	16.8%
Operating result	4,161.9	3,443.4	528.6	20.9%	687.3%	11,078.3	1,465.9	655.8%
Share of profit of equity-accounted investees	12.2	7.7	8.7	58.7%	39.8%	34.1	36.6	-6.9%
Result from investments	-0.9	-0.5	-1.2	n.m.	-22.0%	-1.4	-1.4	1.3%
Earnings before interest and tax (EBIT)	4,173.1	3,450.5	536.1	20.9%	678.4%	11,111.0	1,501.0	640.2%
Interest result	-54.8	-62.9	-58.6	-12.9%	-6.6%	-290.2	-377.2	-23.1%
Other financial items	2.7	1.5	-2.2	75.8%	-224.8%	2.0	-4.0	-150.6%
Income taxes	-25.6	-18.3	-12.5	39.5%	104.7%	-72.5	-52.3	38.7%
Group profit / loss	4,095.5	3,370.8	462.8	21.5%	784.9%	10,750.3	1,067.6	907.0%

Well balanced maturity structure of financial liabilities

FINANCIAL DEBT PROFILE AS PER 31 DECEMBER 2021¹⁾, [USD M]

Facility	31 December 2021 [USD m]
Vessel Financings	1,942
Container Financings	1,138
Total Vessel & Container	3,080
EUR Bond 2024	340
Total Bonds	340
Corporate secured	80
Corporate unsecured	10
Total corporate	91
Pre IFRS 16 Leases	33
New IFRS 16 Leases	2,742
Total Finance Leases	2,742
Total financial liabilities	6,253²⁾³⁾



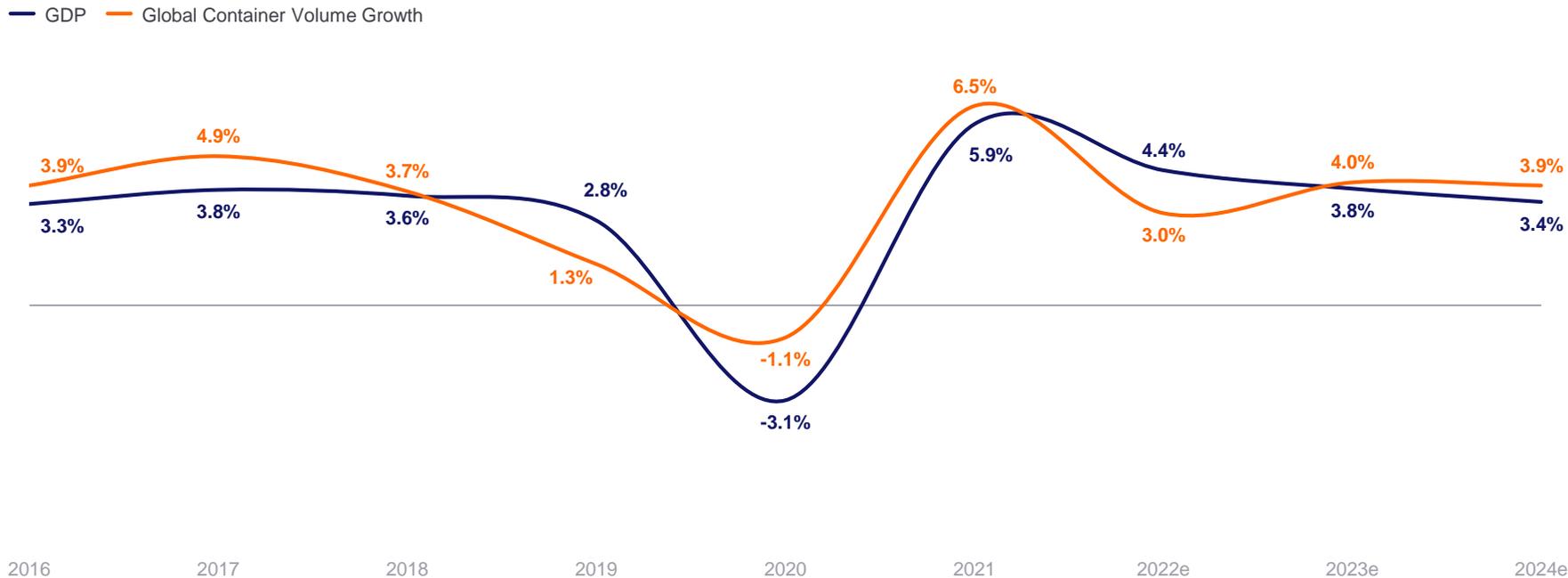
1) Deviation from the total financial debt as shown in the balance sheet as per 31.12.2021 consists of transaction costs and accrued interest 2) Liabilities from lease and charter contracts consist of USD 33 million liabilities from former finance lease contracts and USD 2,710 USD million from lease contracts presented as on-balance financial liability due to first-time application of IFRS 16

3) Repayment amounts based on contractual debt as per 31 December 2021

Note: Rounding differences may occur

Global container volume growth expected to remain robust

GDP VS. GLOBAL CONTAINER VOLUME GROWTH [%]



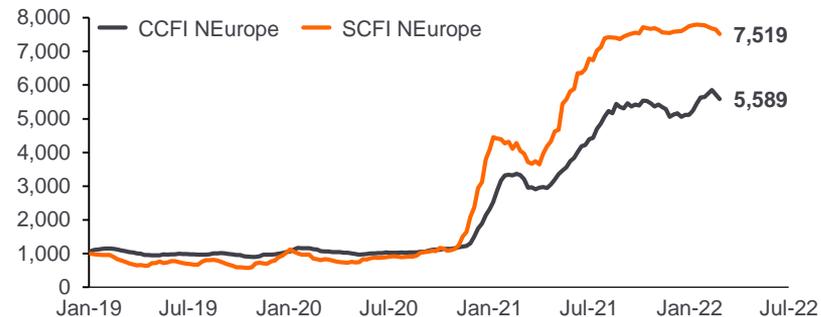
Note: CTS data until 2021 and Seabury for 2022e onwards.

Freight rate development

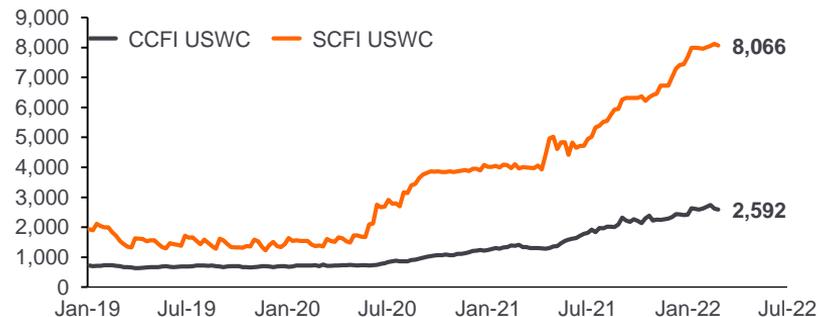
COMPREHENSIVE INDEX [USD/TEU]



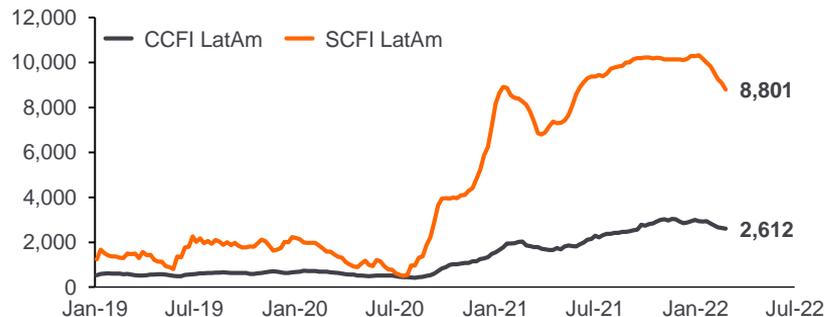
SHANGHAI – NORTH EUROPE [USD/TEU]



SHANGHAI – USA WEST COAST [USD/FEU]



SHANGHAI – LATIN AMERICA [USD/TEU]



Share price development

PERFORMANCE SINCE 1 JANUARY 2021

Indexed Price



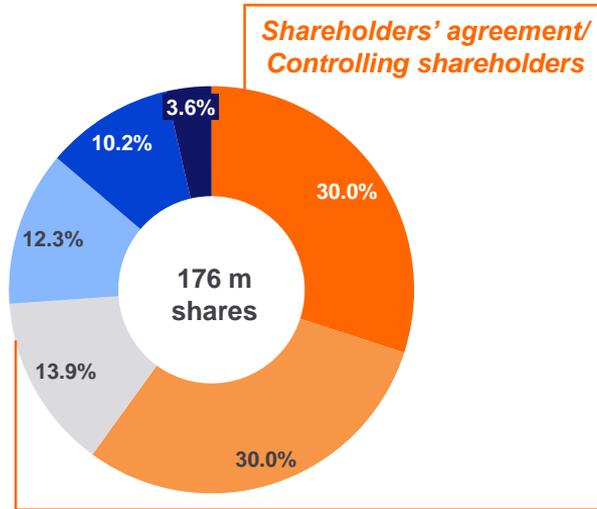
Stock Exchange	Frankfurt Stock Exchange / Hamburg Stock Exchange
Market segment	Regulated market (Prime Standard)
ISIN / WKN	DE000HLAG475 / HLAG47
Ticker Symbol	HLAG
Primary listing	6 November 2015
Number of shares	175,760,293

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%



Shareholder structure



- 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

Financial Calendar 2022

10 March 2022	Annual Report FY 2021
12 May 2022	Quarterly Financial Report Q1 2022
25 May 2022	Virtual Annual General Meeting 2022
11 August 2022	Half-year Financial Report 2022
10 November 2022	Quarterly Financial Report 9M 2022

Disclaimer

Forward-looking statements

This presentation 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, as well as uncertainties and contingencies that are subject to change. Actual results can differ materially from those anticipated in the Company's forward-looking statements as a result of a variety of factors, many of which are beyond the control of the Company, including those set forth from time to time in the Company's press releases and reports and those set forth from time to time in the Company's analyst calls and discussions. We do not assume any obligation to update the forward-looking statements contained in this presentation.

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