

Investor Presentation

H1 2021 Results

Hamburg, 12 August 2021



Opening Remarks

1 | Current developments

- H1 2021 was driven by continued strong demand, high freight rates and operational bottlenecks
- To ease the tight market situation and improve service quality we have launched several initiatives
- In addition, we successfully closed the acquisition of NileDutch and expanded our vessel investments

2 | Financials

- Earnings increased very strongly on the back of higher freight rates and transport volumes
- Rising transport expenses as a result of supply-chain disruptions and higher charter rates
- Balance sheet ratios improved further in spite of higher investments and dividend payments

3 | Market Update

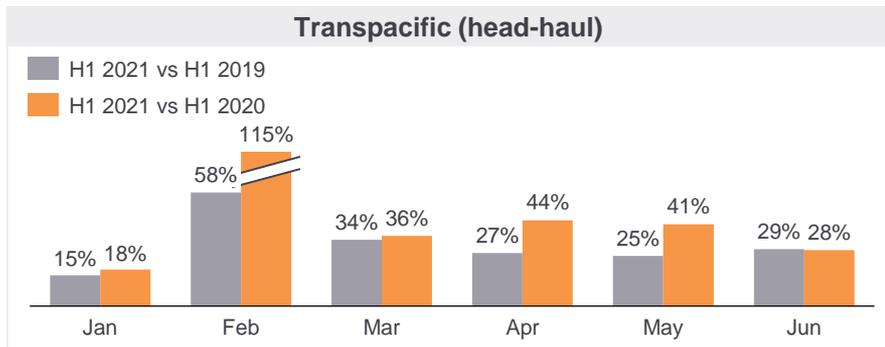
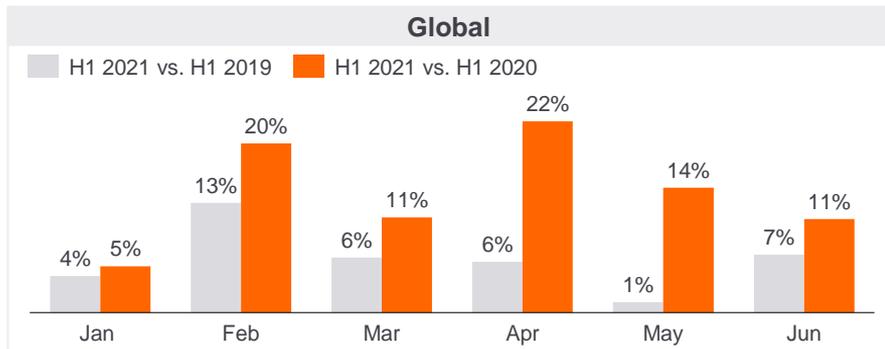
- Supply-chain disruptions likely to persist at least until Q1 2022
- Demand is expected to slightly outgrow supply in 2021e & 2022e
- Strong order activity in H1 2021 drove orderbook-to-fleet ratio up to currently 17% to 20%

4 | Way forward

- Unlike previously expected, earnings momentum is likely to remain very strong in H2 2021
- We therefore upgraded our earnings outlook for FY 2021
- We will focus on improving schedule reliability, service quality and customer satisfaction

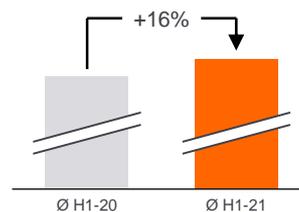
Unabated global demand and continued supply-chain disruptions led to a shortage of available transport capacity and rising freight rates

Monthly transport volume growth in H1 2021

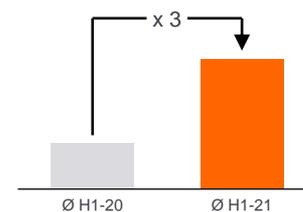


- Demand growth has so far exceeded net capacity growth in 2021e
- The strong increase in demand in certain trades lead to major imbalances
- Due to the ongoing supply-chain disruptions, container usage time remains high and global schedule reliability remains low
- Drewry expects that ongoing port and hinterland congestion will lead to an effective capacity loss of 16% in 2021 (following a loss of 11% in 2020)
- Market sources expect port congestions and equipment shortages to last at least until Q1 2022

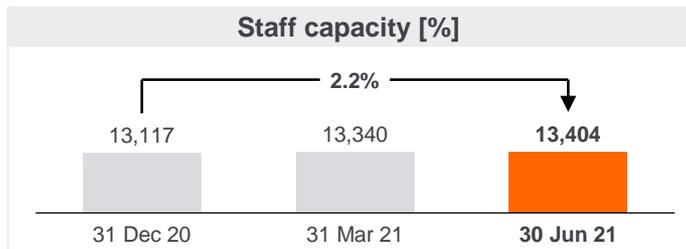
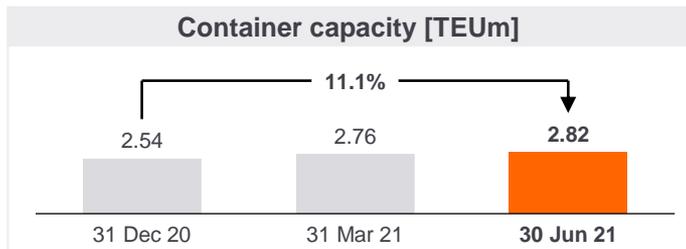
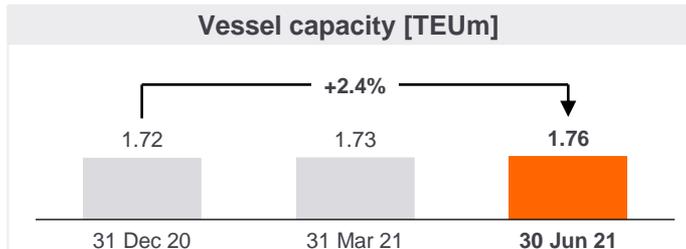
Increasing container usage [days]



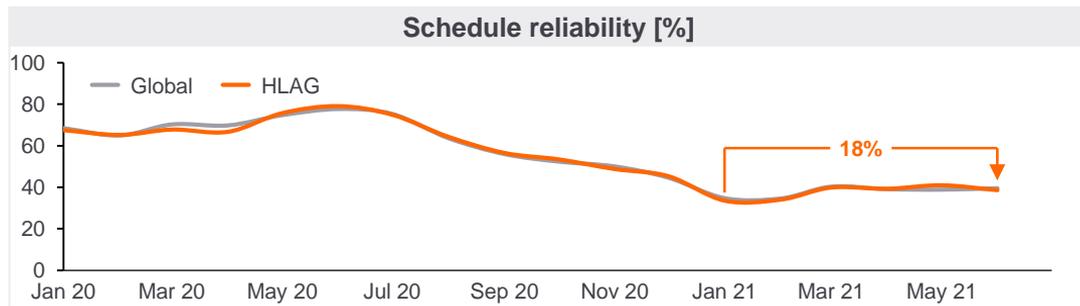
Average voyage delay [days]



To improve service quality, we have among other measures increased our vessel-, container-, personnel-, and IT capacity



- We bought second hand tonnage, chartered in additional vessels and deployed extra-loaders where possible
- We have ordered significant additional amount of container boxes and increased repair and maintenance of older containers
- We moved capacity to high-demand trades and optimized our service network further
- We re-routed cargo through alternative gate-ways to bypass congested ports
- We added people and IT capacity to improve customer satisfaction and service quality



We have seen the first results of our initiatives, but overall service quality must improve further.

We successfully closed the acquisition of NileDutch, expanded our vessel investments and made further progress on Strategy 2023...

Successfully closed the acquisition of **NileDutch**

Integration expected to be completed by end of 2021

Ordered additional **six LNG powered** 23,500+ TEU **vessels**

Launched initiatives to provide **full transparency** on vessel arrivals

Opened a new **office in Senegal** to further strengthen our presence in **Africa**

Started **vaccination campaigns** and launched new **hybrid working models**

...and developed the framework of our sustainability strategy, which will set our course for the next 10 years

CLEAN SHIPPING & FUTURE-PROOF PROPULSION

-  **Greenhouse Gases**
-  **Clean Air**
-  **Sustainable Supply Chain**

DIVERSITY & SOCIETY

-  **Diversity**
-  **Corporate Citizenship**

COMPLIANCE & RESPONSIBILITY

-  **Resource Conservation**
-  **Transport Care**
-  **Biodiversity**



We have achieved an exceptionally strong result, further strengthened our balance sheet and earned our cost of capital

Operational KPIs



Volume TTEU	6,004 PY: 5,755	» Volume increased by 4.3% YoY as a result of overall demand growth
Rate USD/TEU	1,612 PY: 1,104	» Average freight rate increased by 46% YoY mainly due to continuously high demand and tight availability of vessel and container capacity
Bunker USD/mt	421 PY: 448	» Average bunker consumption price decreased by 27 USD/mt due to lower bunker market prices

Balance sheet



Assets USD m	21,899 PY: 18,640	» Total assets increased by USD +3,529 m vs. 31 Dec 2020 mainly due to higher cash and add. RoU for vessels and containers
Fin. Debt USD m	6,296 PY: 6,305	» Fin. Debt remained unchanged mainly unchanged vs. 31 Dec 2020 as debt repayments were offset by higher IFRS 16 lease liabilities
Liquidity USD m	2,977 PY: 1,421	» Liquidity increased significantly by USD 1,556 m vs. 31 Dec 2020 driven by a strong cash flow generation

P&L effects



Revenue USD m	10,551 PY: 7,005	» Very strong revenue recovery (USD +3,546 m) due to higher freight rates and volumes
EBITDA USD m	4,240 PY: 1,287	» EBITDA increased by USD +2,953 m on the back of higher freight rates and lower bunker expenses...
EAT USD m	3,284 PY: 314	» ...which also led to a substantially increased net profit (USD +2,970 m)

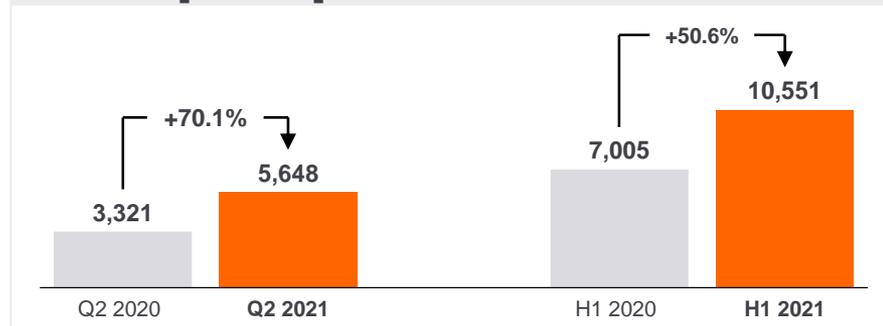
Financial KPIs



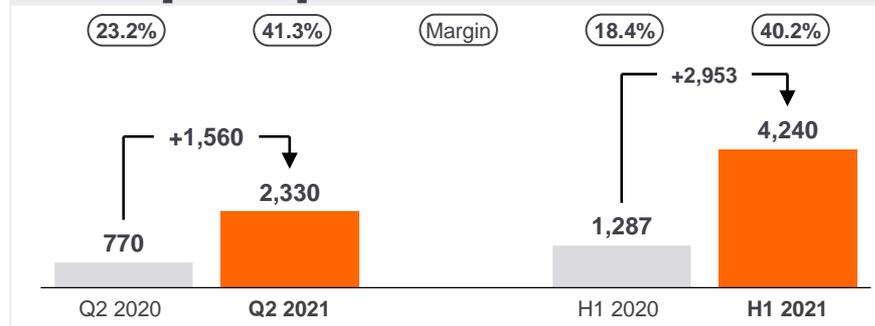
FCF USD m	3,371 PY: 1,177	» Strong Free Cash Flow generation due to improved profitability ...
Net debt / EBITDA	0.6x PY: 2.6x	» ...with the result that net debt to EBITDA was further reduced substantially
ROIC %	47.0% PY: 7.7%	» Return on Invested Capital exceeded WACC of 6.0% clearly

After a strong start to the year, Q2 earnings improved even further

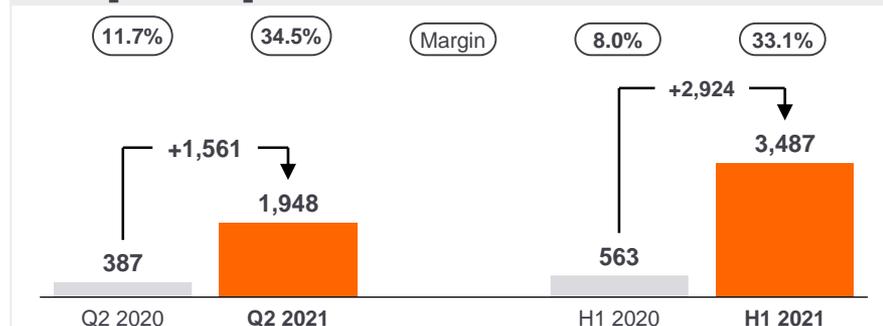
Revenue [USD m]



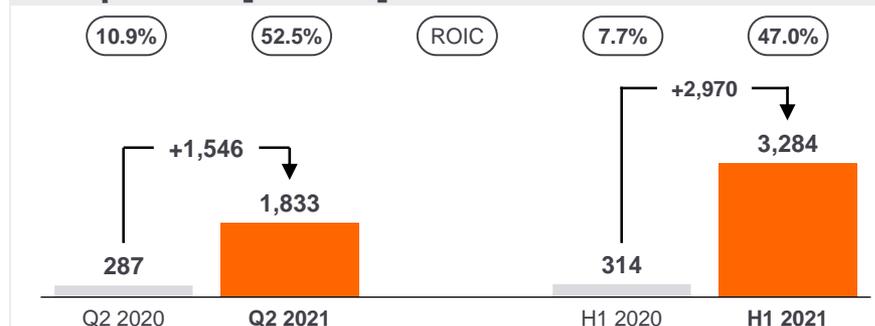
EBITDA [USD m]



EBIT [USD m]

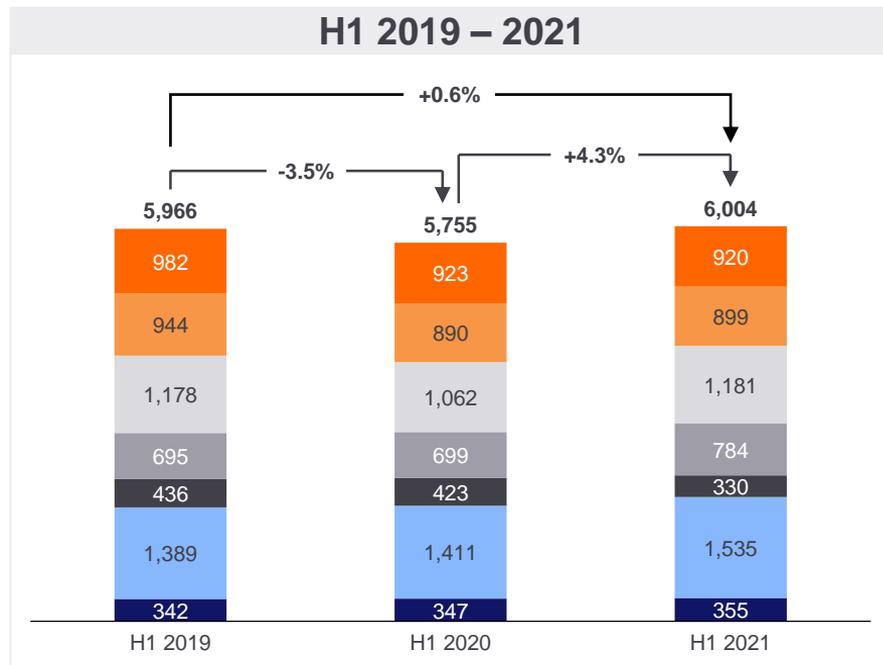
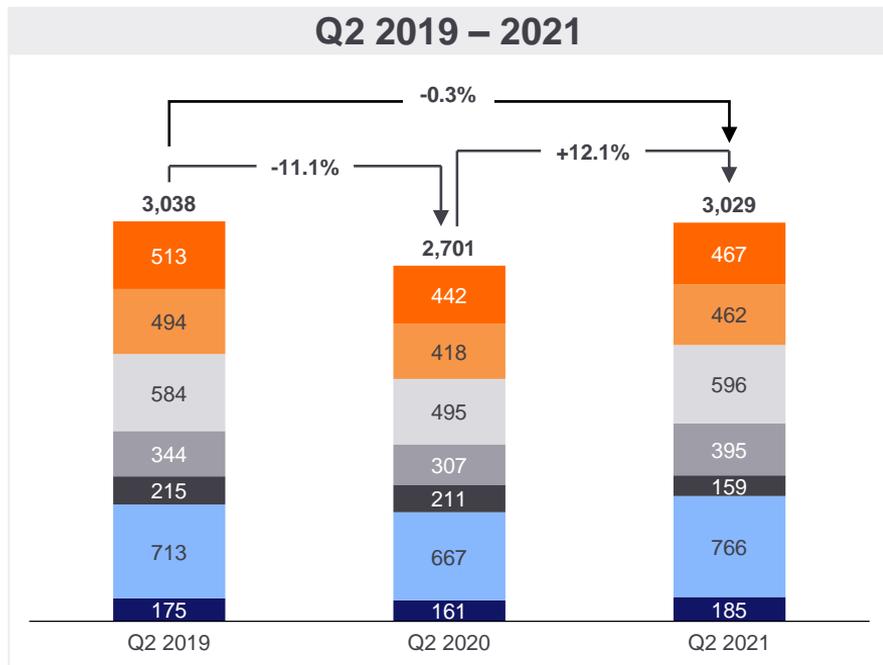


Group Profit [USD m]



H1 2021 transport volumes increased mainly on dominant legs, while congestion impeded stronger overall volume growth

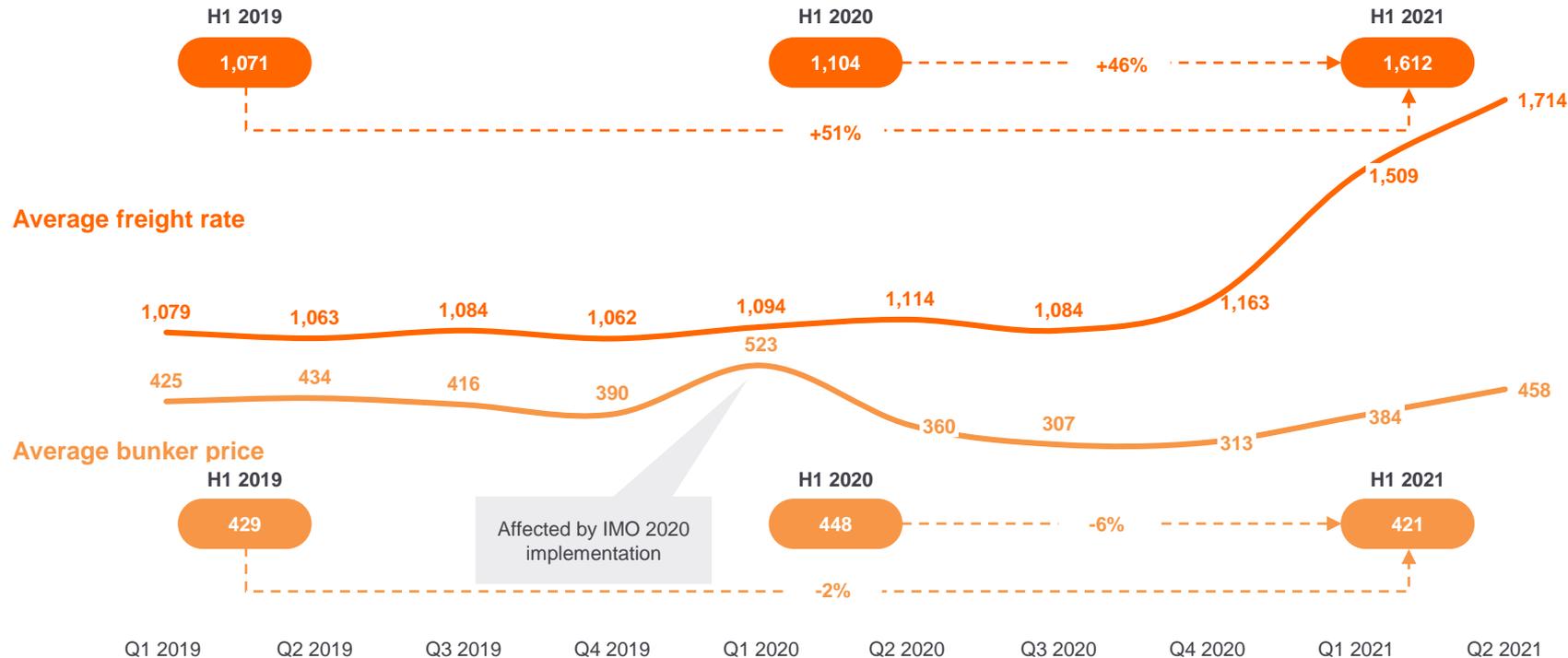
Transport volume development by trade [TTEU]



■ Atlantic
 ■ Transpacific
 ■ Far East
 ■ Middle East
 ■ Intra-Asia
 ■ Latin America
 ■ EMA

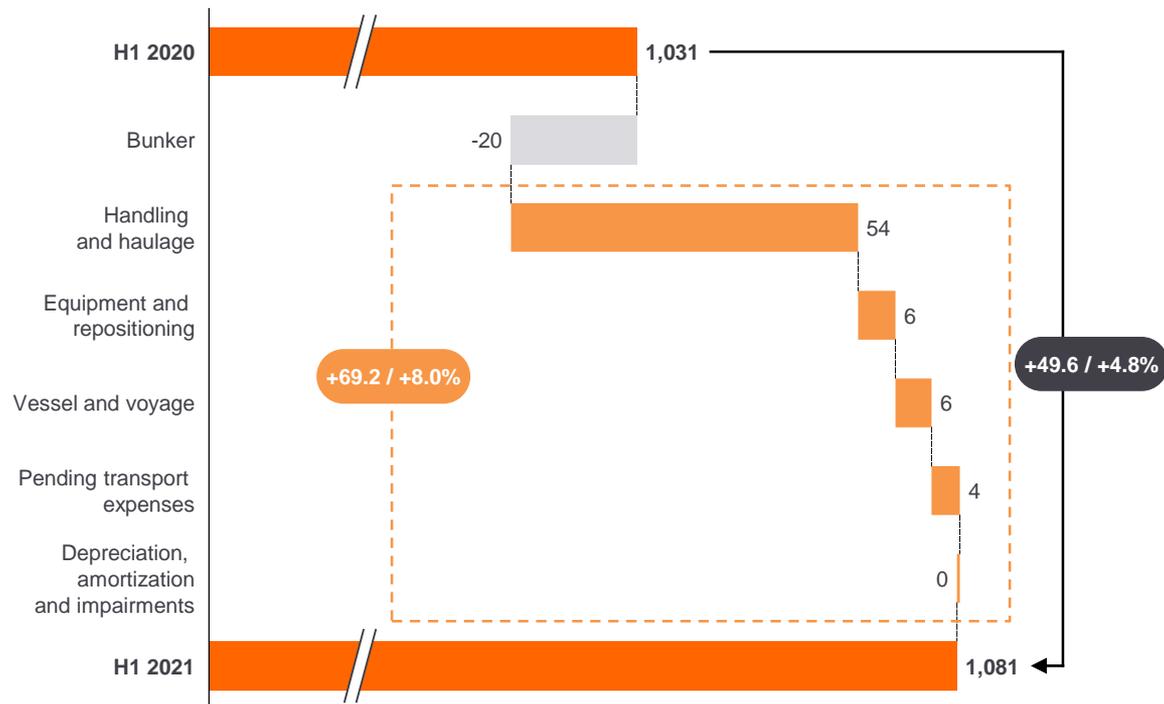
Freight rates increased strongly by ~46% YoY due to tight capacity situation

Freight rate [USD/TEU] vs. Bunker price development [USD/mt]



Operational challenges resulted in clearly higher transport expenses per unit

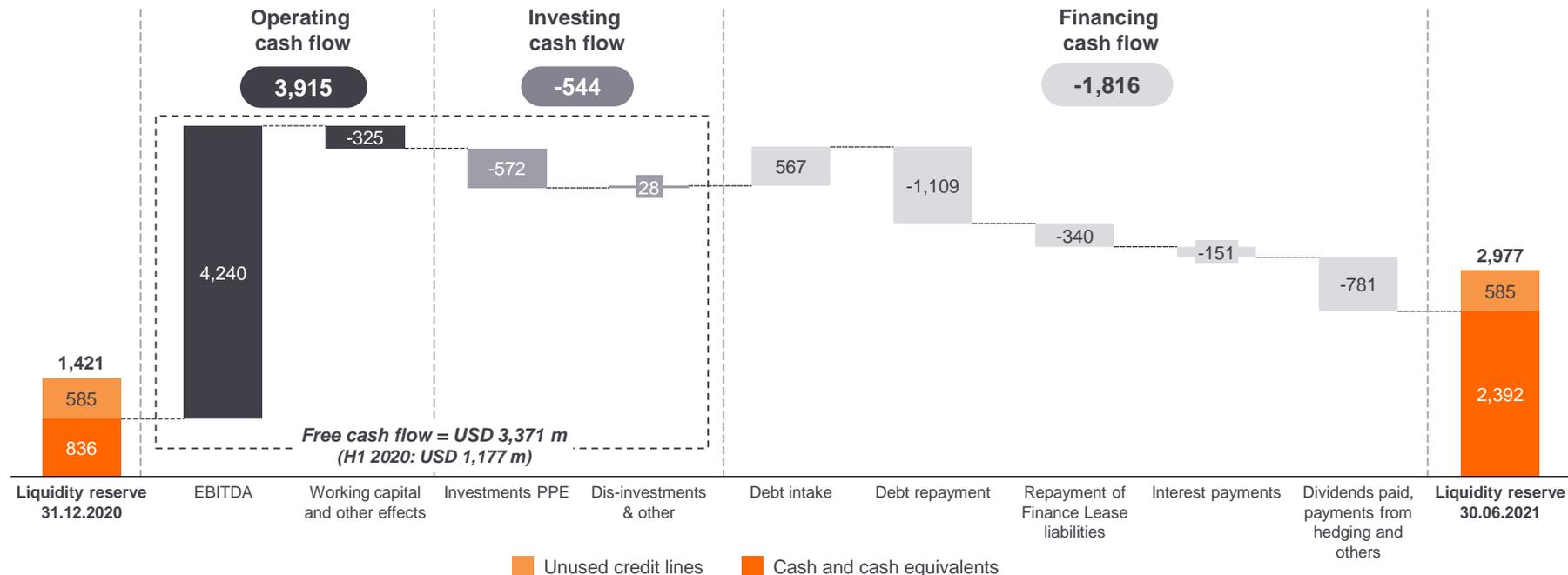
Transport expenses per unit [USD/TEU]



- Bunker expenses decreased by 11.8% on the back of lower average bunker consumption prices
- Negative effects of port congestions, leading to increased costs in “Handling and Haulage” (+11.7%) as well as in “Equipment and Repositioning” (+5.4%)
- “Depreciation and amortization” almost flat YoY as higher D&A expenses were offset by higher volumes

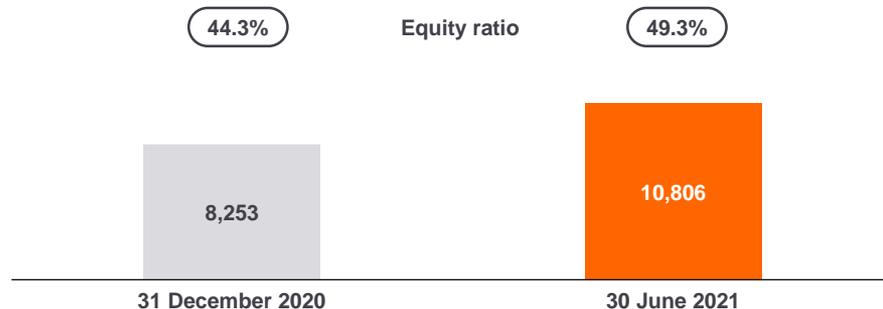
Free cash flow surged to USD 3.4 bn – Capex will accelerate in H2

Cash flow H1 2021 [USD m]

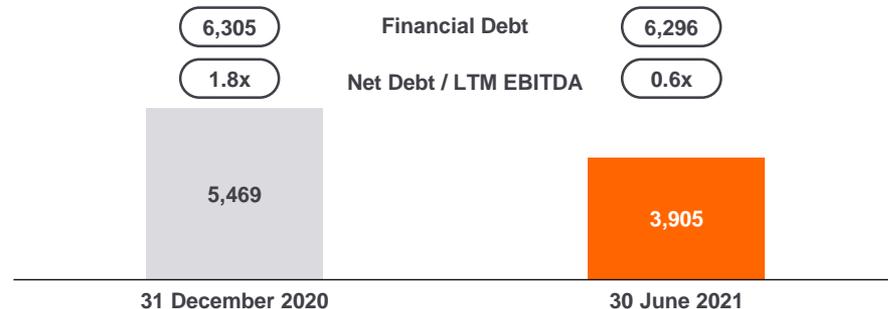


Balance sheet ratios significantly improved – Net Debt further reduced by USD 1.5 bn while Net Leverage down to below 1.0x

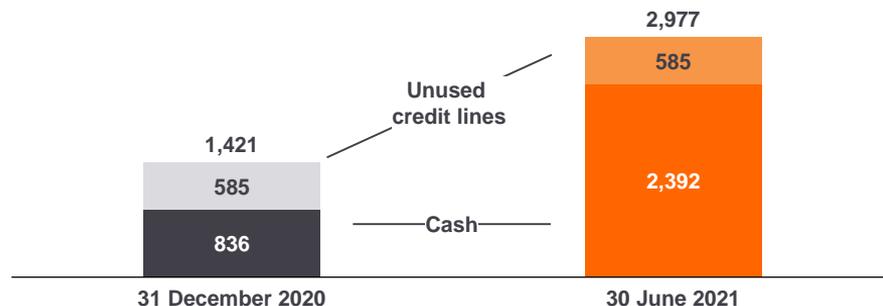
Equity base [USD m]



Net debt [USD m]



Liquidity reserve [USD m]



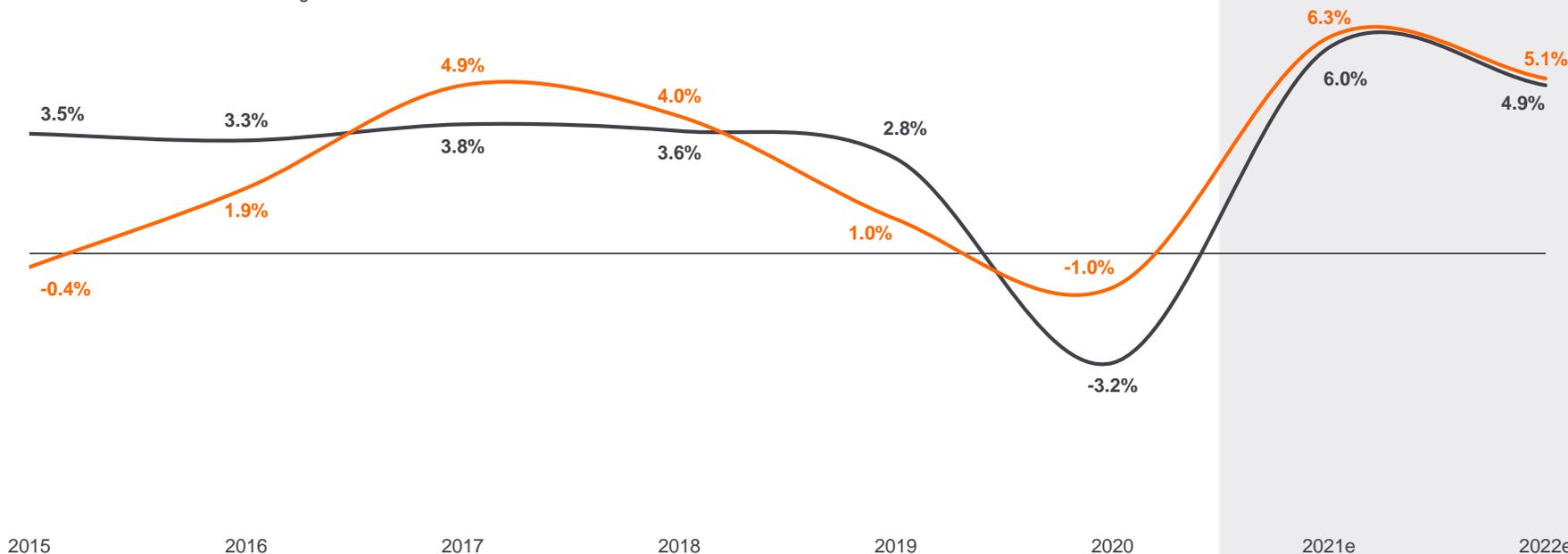
Comments

- Liquidity reserve increased due to strong results
- Despite a dividend payment of EUR 615 m in H1 2021 net debt was further reduced by USD 1.5 billion
- Net leverage (based on LTM calculation) at 0.6x is at its lowest level since the financial crisis
- Developed a Green Financing Framework and arranged green financings in an amount of more than USD 2 bn

On the back of the economic recovery, global container transport volumes are expected to rise significantly in 2021e

GDP vs. global container volume growth [%]

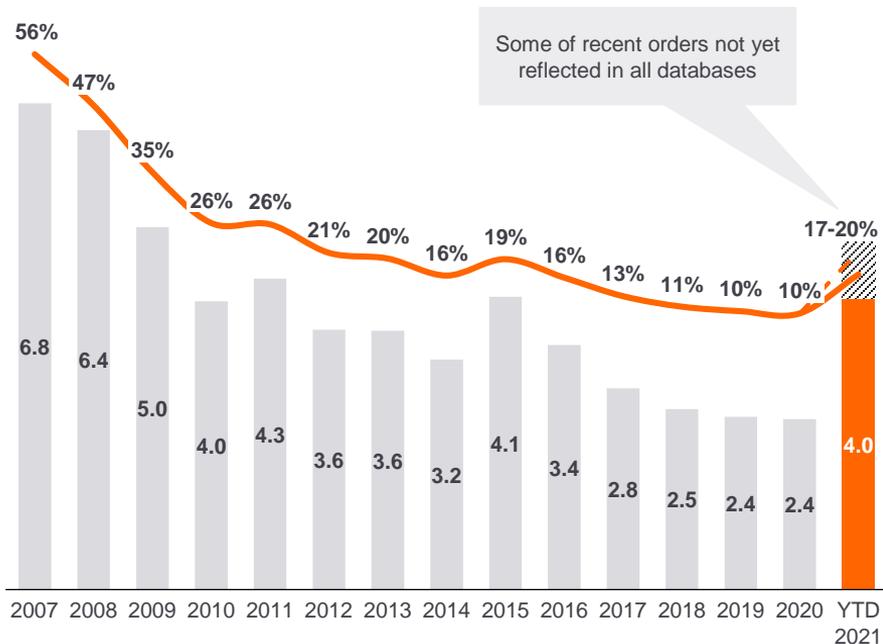
— GDP — Container volume growth



Strong order activity in H1 2021 drove the orderbook-to-fleet ratio to roughly 20 % ...

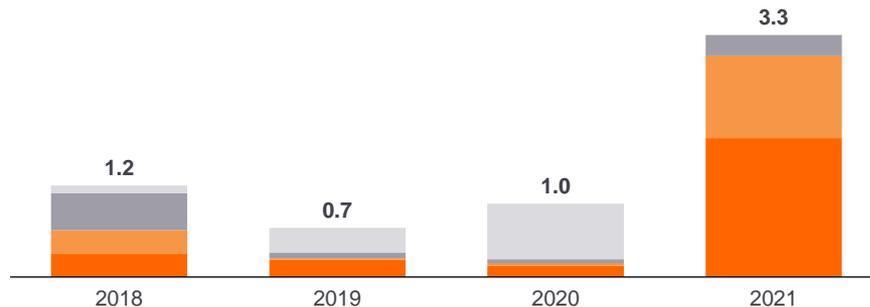
Global orderbook

[TEU m, %] Orderbook Share of world fleet

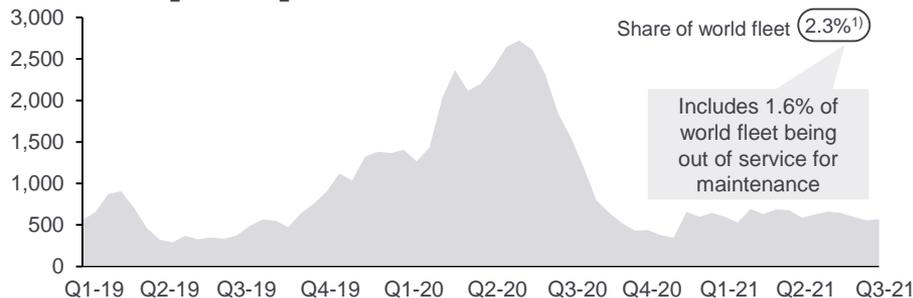


Newly placed orders

[TEU m] Q4 Q3 Q2 Q1

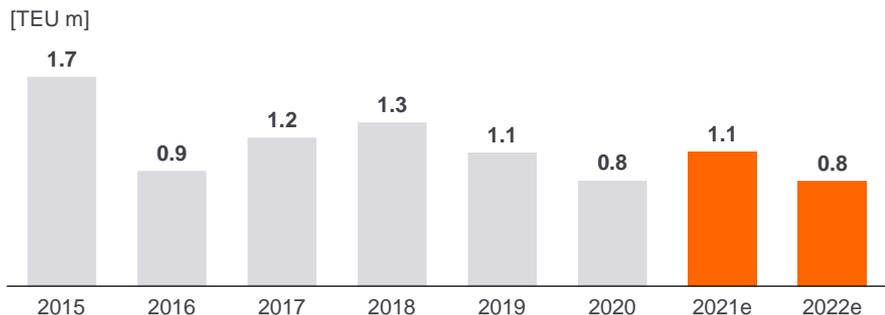


Idle fleet [TTEU]

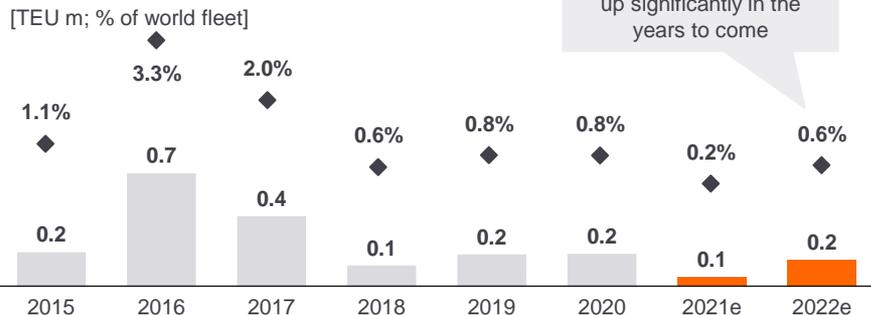


... but only limited capacity will be delivered in 2021e and 2022e, and scrapping is expected go up significantly in the years thereafter

[Scheduled] vessel deliveries

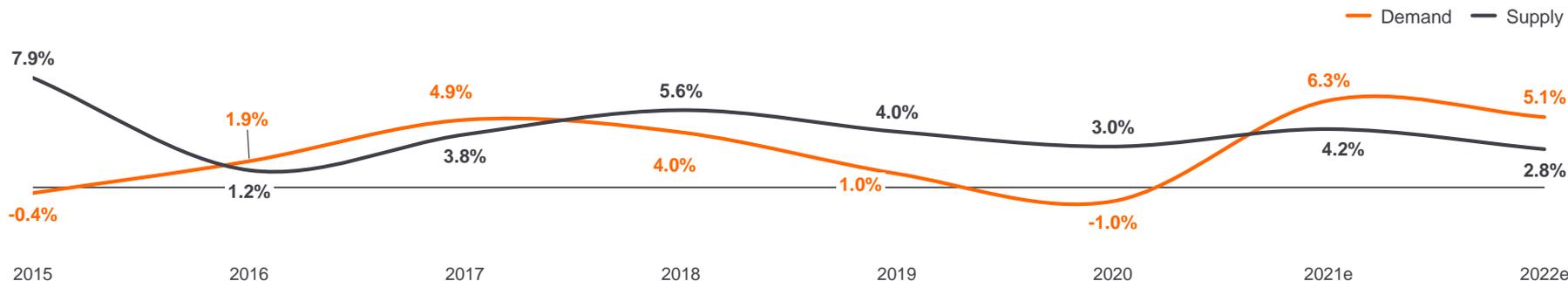


[Expected] scrapping



Scraping is likely to pick up significantly in the years to come

Supply / Demand balance



Earnings momentum likely to remain very strong in H2 – FY 2021 EBITDA and EBIT outlook raised

	FY 2020	Previous Guidance for FY 2021	New Guidance for FY 2021
 Transport volume	11,838 TTEU	Increasing slightly	Increasing slightly
 Bunker consumption price	379 USD/mt	Increasing clearly	Increasing clearly
 Freight rate	1,115 USD/TEU	Increasing clearly	Increasing clearly
 EBITDA	USD 3,082 m	Increasing clearly*	USD 9.2 – 11.2 bn EUR 7.6 – 9.3 bn
 EBIT	USD 1,501 m	Increasing clearly*	USD 7.5 – 9.5 bn EUR 6.2 – 7.9 bn

- Global demand for container transport remains at a high level.
- Operational disruptions along the entire supply chain continue to cause significant delays and thereby contribute to the shortage of available transport capacity.
- Given these circumstances, the Executive Board of Hapag-Lloyd raised its earnings outlook for the 2021 financial year on 30 July 2021.
- Unlike previously expected, earnings momentum is likely to remain very strong in the second half-year.

* gradual normalisation of the earnings trend expected for the second half-year 2021

Our focus for H2 2021 and beyond:

Deliver on our
Strategy 2023

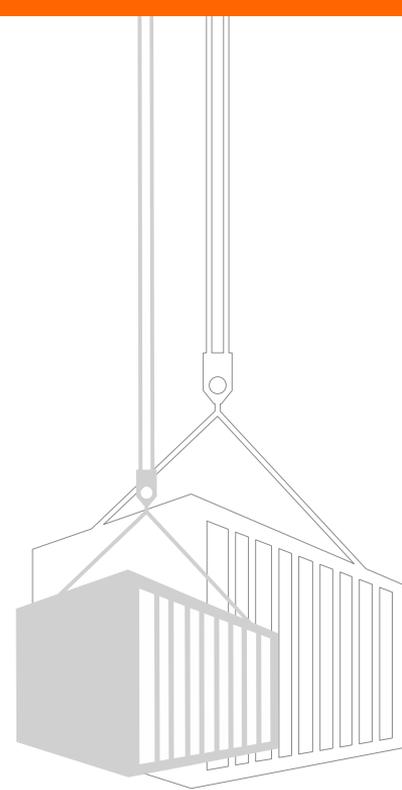
Focus on **schedule
reliability, service
quality** and **customer
satisfaction**

Seamlessly complete
**integration of
NileDutch**

Continue to **follow a
prudent financial
policy**

Consider selective
**investment
opportunities** and
reduce our
CO2 footprint

**Take care of
our people** and
implement a **post-
COVID way of work**





Appendix

Hapag-Lloyd with an equity ratio of 49.3% and a gearing of 36.1%

Balance sheet [USD m]

million USD	30.6.2021	31.12.2020
Assets		
Non-current assets	16,293.4	15,508.3
of which fixed assets	16,208.2	15,413.3
Current assets	5,605.8	3,131.9
of which cash and cash equivalents	2,391.5	836.4
Total assets	21,899.3	18,640.2
Equity and liabilities		
Equity	10,805.9	8,252.8
Borrowed capital	11,093.4	10,387.4
of which non-current liabilities	5,468.4	5,731.3
of which current liabilities	5,624.9	4,656.1
of which financial debt and lease liabilities	6,296.1	6,305.1
of which non-current financial debt and lease liabilities	4,928.4	5,119.6
of which current financial debt and lease liabilities	1,367.8	1,185.5
Total equity and liabilities	21,899.3	18,640.2

Financial position [USD m]

million USD	30.6.2021	31.12.2020
Financial debt and lease liabilities	6,296.1	6,305.1
Cash and cash equivalents	2,391.5	836.4
Net debt	3,904.6	5,468.8
Unused credit lines	585.0	585.0
Liquidity reserve	2,976.5	1,421.4
Equity	10,805.9	8,252.8
Gearing (net debt / equity) (%)	36.1	66.3
Net debt to EBITDA¹	0.6x	1.8x
Equity ratio (%)	49.3	44.3

Hapag-Lloyd with positive EBIT of USD 3,487.3 m in H1 2021

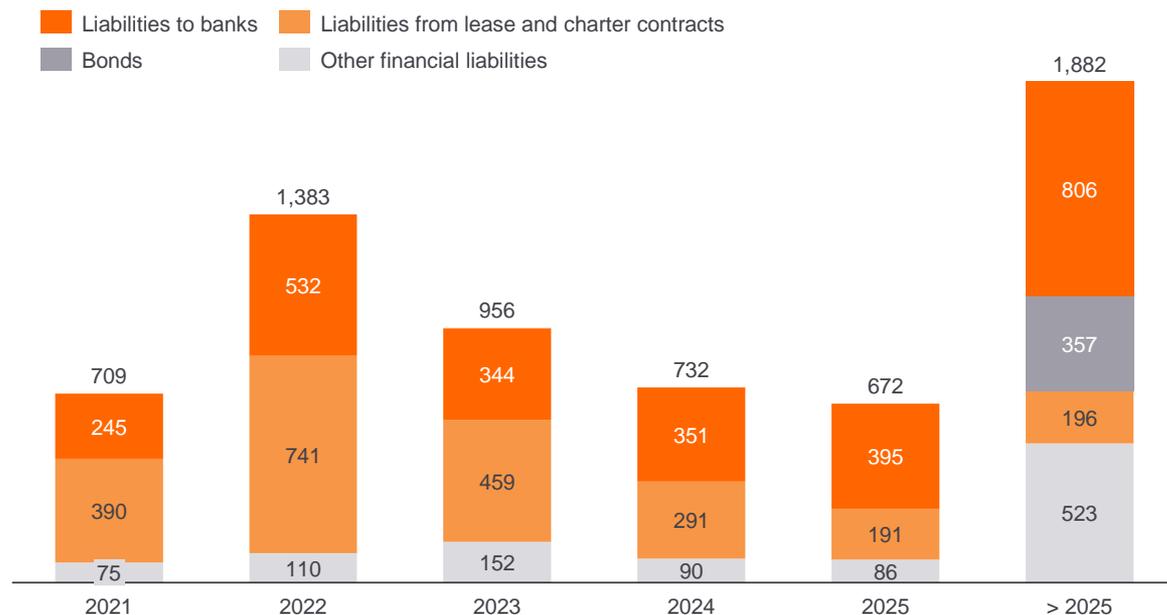
Income statement [USD m]

million USD	Q2 2021	Q1 2021	Q2 2020	QoQ Change	YoY change	H1 2021	H1 2020	Change
Revenue	5,648.1	4,903.2	3,321.2	15.2%	70.1%	10,551.3	7,005.2	50.6%
Transport expenses	-2,999.4	-2,737.0	-2,295.4	9.6%	30.7%	-5,736.4	-5,209.9	10.1%
Personnel expenses	-232.6	-198.1	-184.3	17.4%	26.2%	-430.7	-374.8	14.9%
Depreciation, amortisation and impairment	-382.4	-370.0	-382.9	3.3%	-0.1%	-752.4	-724.0	3.9%
Other operating result	-98.6	-60.2	-78.5	-63.8%	-25.6%	-158.7	-150.3	-5.6%
Operating result	1,935.1	1,538.0	380.1	25.8%	409.1%	3,473.1	546.2	535.9%
Share of profit of equity-ac- counted investees	12.8	1.5	7.1	743.9%	78.7%	14.3	17.3	-17.6%
Result from investments	0.0	-0.0	-0.1	n.m.	-104.9%	-0.0	-0.3	n.m.
Earnings before interest and tax (EBIT)	1,947.9	1,539.5	387.1	26.5%	403.2%	3,487.3	563.2	519.2%
Interest result	-95.0	-77.5	-87.8	22.5%	8.2%	-172.5	-224.7	-23.2%
Other financial items	-4.4	2.1	-1.9	-305.0%	n.m.	-2.2	2.9	n.m.
Income taxes	-15.3	-13.3	-10.4	15.2%	47.7%	-28.6	-27.0	5.8%
Group profit / loss	1,833.2	1,450.7	287.1	26.4%	538.5%	3,284.0	314.4	944.4%

Well balanced maturity structure of financial liabilities

Financial Debt Profile as per 30 June 2021¹⁾, [USD m]

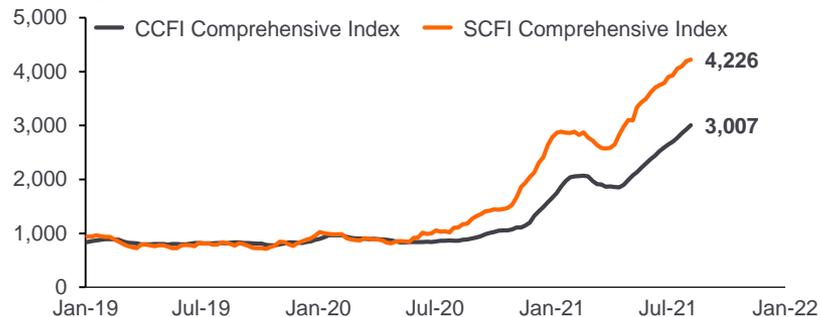
Facility	30 June 2021 [USD m]
Vessel Financings	2,171
Container Financings	1,381
Total Vessel & Container	3,553
EUR Bond 2024	357
Total Bonds	357
Corporate secured	86
Corporate unsecured	72
Total corporate	157
Pre IFRS 16 Leases	40
New IFRS 16 Leases	2,227
Total Finance Leases	2,267
Total financial liabilities	6,334²⁾³⁾⁴⁾



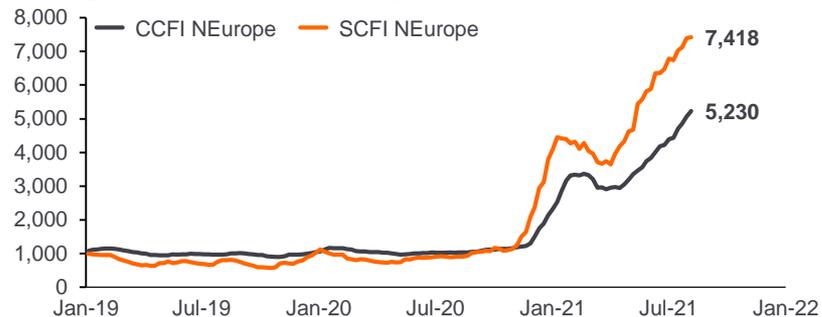
1) As of January 2018 financial debt profile has been changed to the statement of repayment amounts. Deviation from the total financial debt as shown in the balance sheet as per 30 June 2021 consists of transaction costs and accrued interest 2) Liabilities from lease and charter contracts consist of USD 40 million liabilities from former finance lease contracts and USD 2,227 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 30 June 2021 4) Total financial liabilities without Finance Leases at 4.066 USD m Note: Rounding differences may occur

Freight rate development

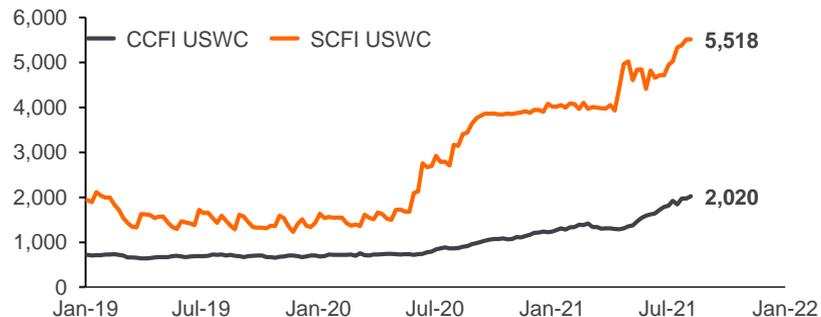
Comprehensive Index [USD/TEU]



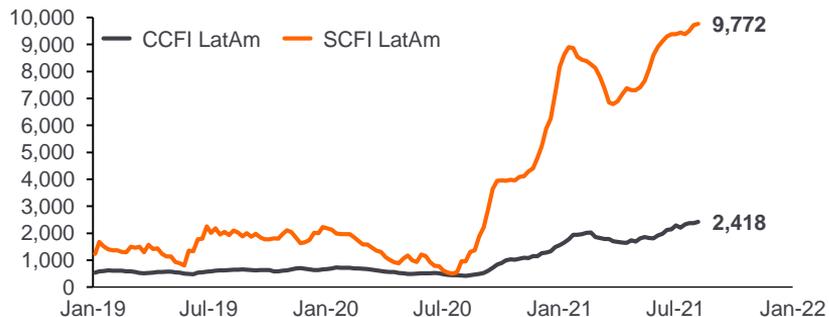
Shanghai – North Europe [USD/TEU]



Shanghai – USA West Coast [USD/FEU]



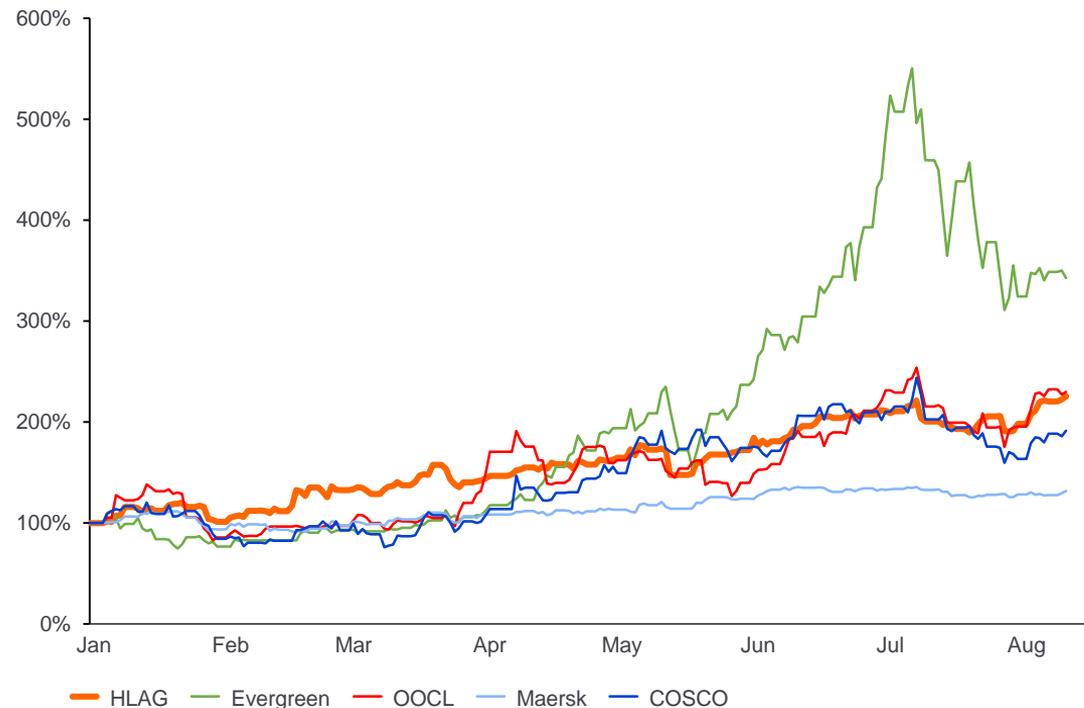
Shanghai – Latin America [USD/TEU]



Share price development

Performance since 1 January 2021

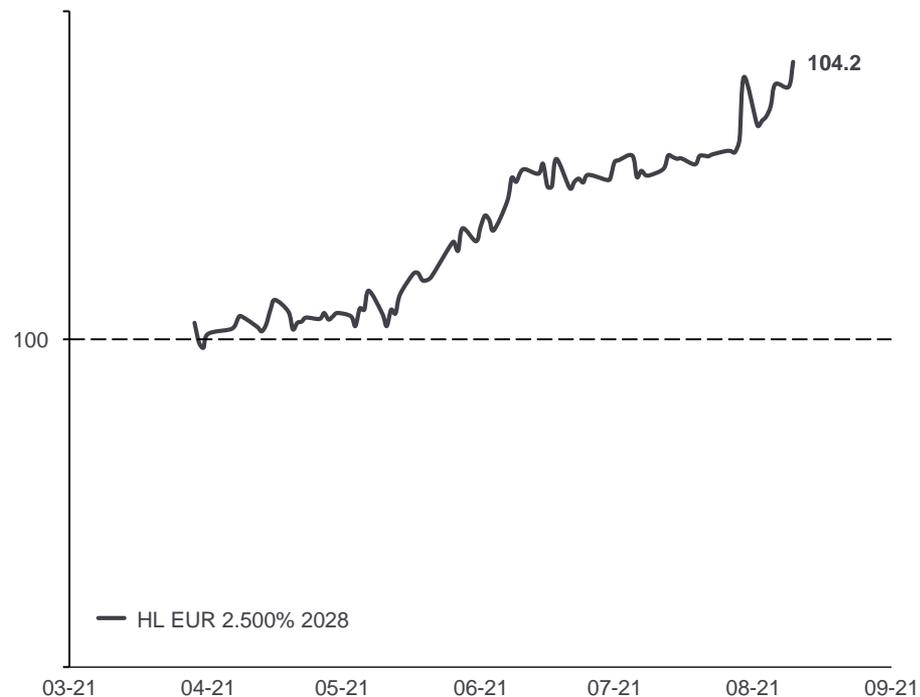
Indexed Price



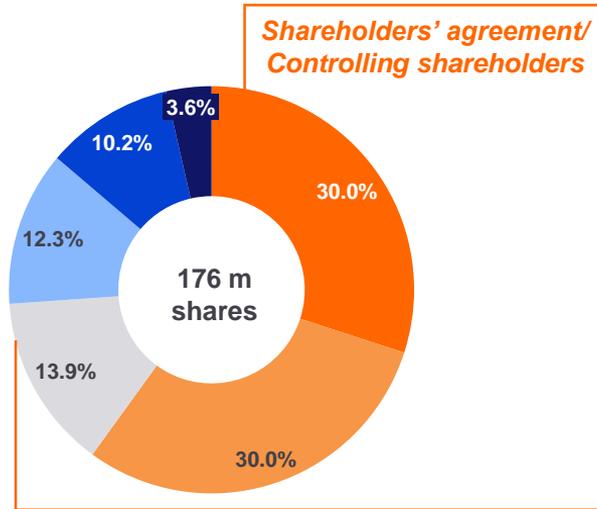
Stock Exchange	Frankfurt Stock Exchange / Hamburg Stock Exchange
Market segment	Regulated market (Prime Standard)
ISIN / WKN	DE000HLAG475 / HLAG47
Ticker Symbol	HLAG
Primary listing	6 November 2015
Number of shares	175,760,293

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 2021

27 January 2021	Preliminary Financials FY 2020 ✓
18 March 2021	Annual Report FY 2020 ✓
12 May 2021	Quarterly Financial Report Q1 2021 ✓
28 May 2021	Virtual Annual General Meeting 2021 ✓
12 August 2021	Half-year Financial Report 2021 ✓
12 November 2021	Quarterly Financial Report 9M 2021

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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<https://www.hapag-lloyd.com/en/ir.html>