



Investor Presentation

Q1 2021 Results

Hamburg, 12 May 2021



Opening Remarks

1 | Current developments

- Q1 2021 was driven by continued strong demand, high freight rates and operational bottlenecks
- Transport volume development was unsatisfactory
- Significant investments in Customer Service quality but more to be done

2 | Financials

- We improved profitability, strengthened our balance sheet further and earned our cost of capital
- Very strong free cash flow generation resulting in a further reduction of net debt
- Due to the strong operational performance, rating agencies upgraded our rating once again

3 | Market Update

- Global container transport volumes are expected to rise significantly in 2021e
- Order activity has recently picked up and the orderbook is expected to grow slightly further
- Limited scheduled deliveries will lead to a balanced supply / demand in 2021e & 2022e

4 | Way forward

- On the back of an ongoing positive earnings trend, our outlook for FY 2021 has been confirmed
- Operational challenges, such as infrastructure bottlenecks remain a major uncertainty
- Focus on improvements on schedule reliability, service quality and customer satisfaction

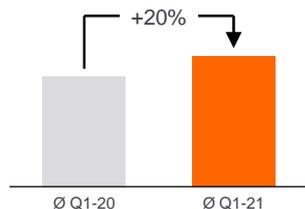
Q1 2021 was characterized by continued strong demand, resulting in port congestion and equipment scarcity ...

OPERATIONAL CHALLENGES

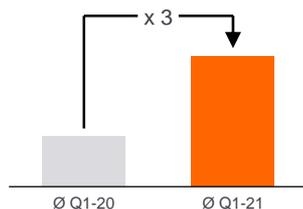
Port congestions

- Record container volumes are resulting in **port congestion** and long **waiting times** for vessels to get a berth
- Terminal capacity is further reduced by labor shortages due to COVID-19 and a **shortage of truck drivers and feeder vessels**

Increasing container usage [days]



Average voyage delay [days]



The blockage of the Suez Canal further exacerbated the already difficult operational situation.

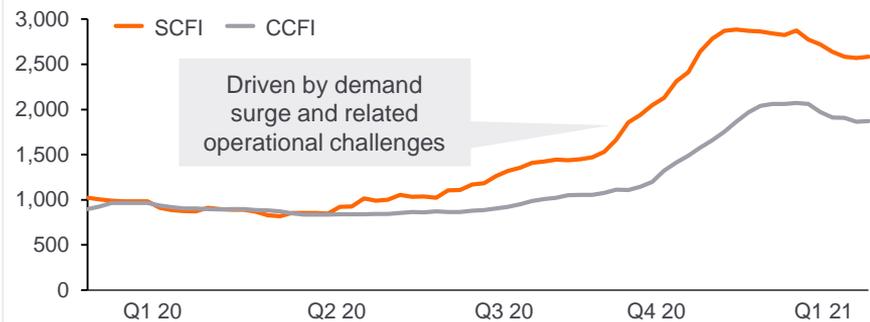
OUR MEASURES

- We have **chartered in additional vessels** and **deployed extra-loaders** where possible
- We have ordered **additional container boxes** and increased repair and maintenance of older containers
- We double our efforts to **maximize allocation** and will see the first effects in Q2
- 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

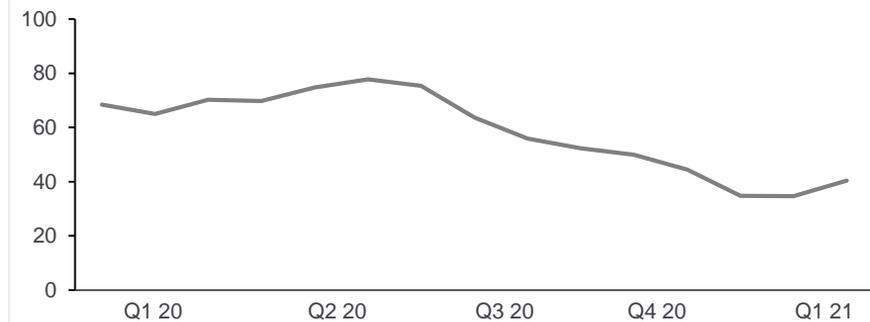
But service quality needs to be improved much more!

... which led to increased freight rates, but also to significantly higher operational costs and pressure on our operational performance

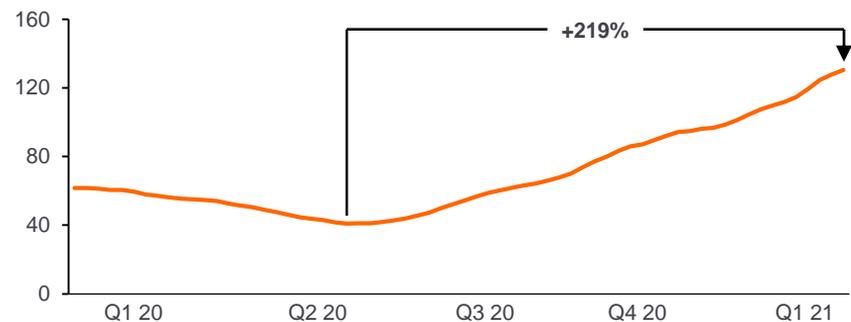
Increased Freight Rates



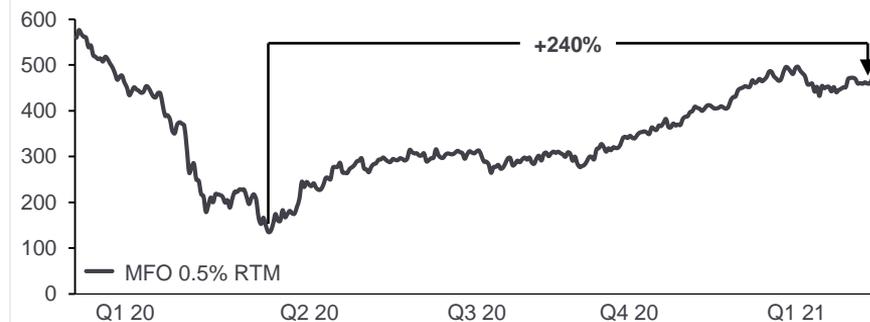
Global Schedule Reliability



Rise in Charter Rates¹⁾



Higher Bunker Prices



We were able to improve profitability, strengthen our balance sheet further and to earn our cost of capital

Operational KPIs



Volume TTEU **2,975** » Volume declined by **2.6% YoY** as a result of port congestion and a lack of capacity to cope with the situation
PY: 3,053

Rate USD/TEU **1,509** » Average freight rate increased by **37.9% YoY** mainly due to a continuously high demand and operational disruptions
PY: 1,094

Bunker USD/mt **384** » Average bunker consumption price decreased by **139 USD/mt** due to lower bunker market prices
PY: 523

Balance sheet



Assets USD m **20,293** » Total assets increased by **USD 1,653 m** vs. 31 Dec 2020 mainly due to higher cash and add. RoU for vessels and container
PY: 18,640

Fin. Debt USD m **6,255** » Fin. Debt almost unchanged vs. 31 December (-0.8%); Repayments of financial debt partly offset by higher lease liabilities
PY: 6,305

Liquidity USD m **2,479** » Liquidity increased significantly by **USD 1,058 m** driven by a strong cash flow generation
PY: 1,421

P&L effects



Revenue USD m **4,903** » FY revenue increased strongly (**33.1% YoY**) mainly due to higher average freight rates
PY: 3,684

EBITDA USD m **1,909** » EBITDA increased by **USD 1,392 m** on the back of higher freight rates and lower bunker expenses...
PY: 517

EAT USD m **1,451** » ...which also led to a substantially increased net profit (**USD +1,423 m**)
PY: 27

Financial KPIs



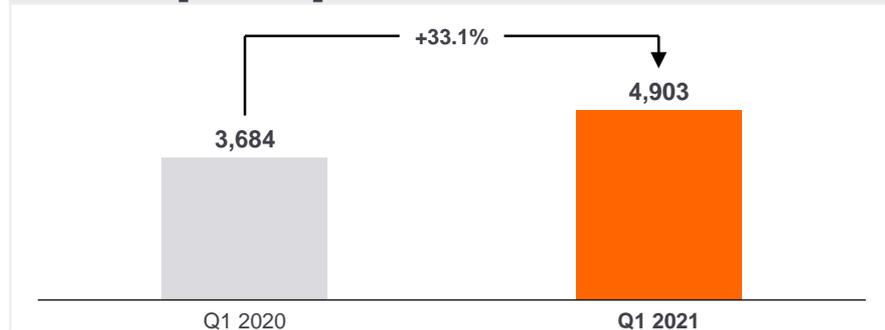
FCF USD m **1,554** » Strong Free Cash Flow generation due to improved profitability and low investments...
PY: 302

Net debt / EBITDA **1.0x** » ...with the result that net debt to EBITDA was further reduced substantially
PY: 1.8x

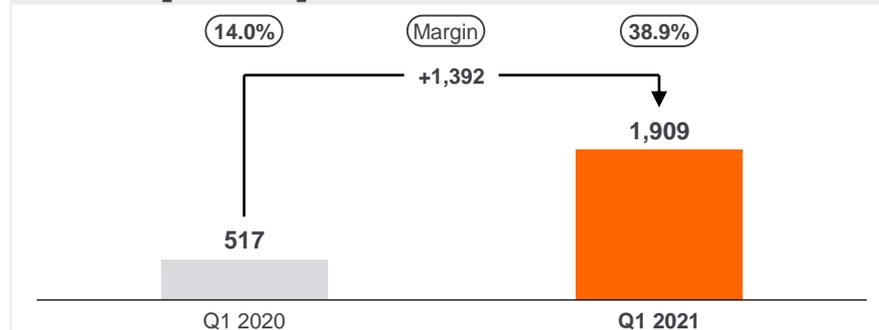
ROIC % **43.3%** » Return on Invested Capital exceeded WACC of 6.0% clearly
PY: 4.5%

Results improved strongly on the back of higher freight rates ...

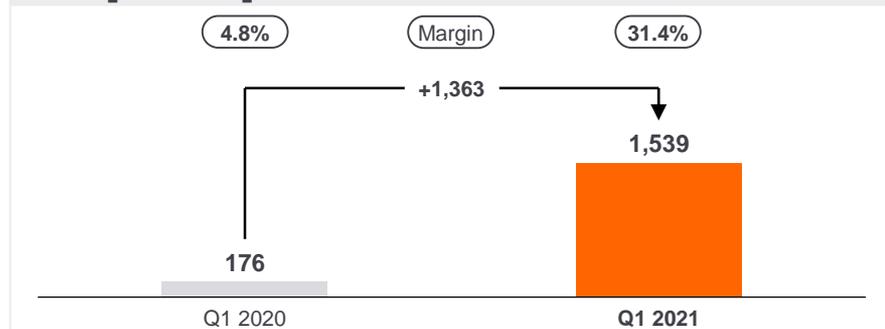
Revenue [USD m]



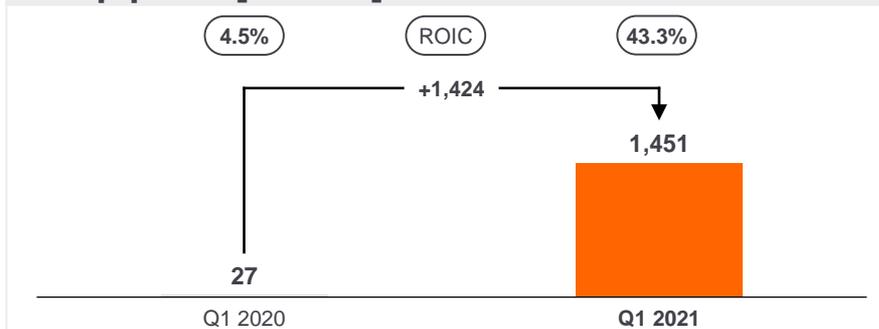
EBITDA [USD m]



EBIT [USD m]

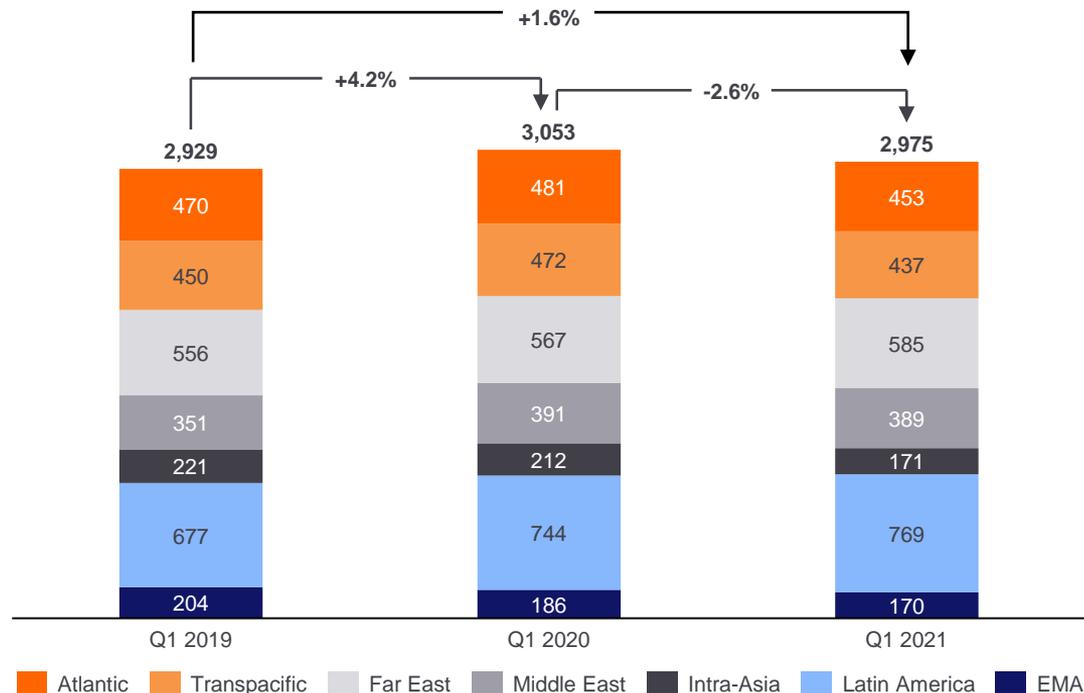


Group profit [USD m]



... while transport volumes were slightly below previous year, but above the level of Q1 2019

Transport volume development by trade [TTEU]

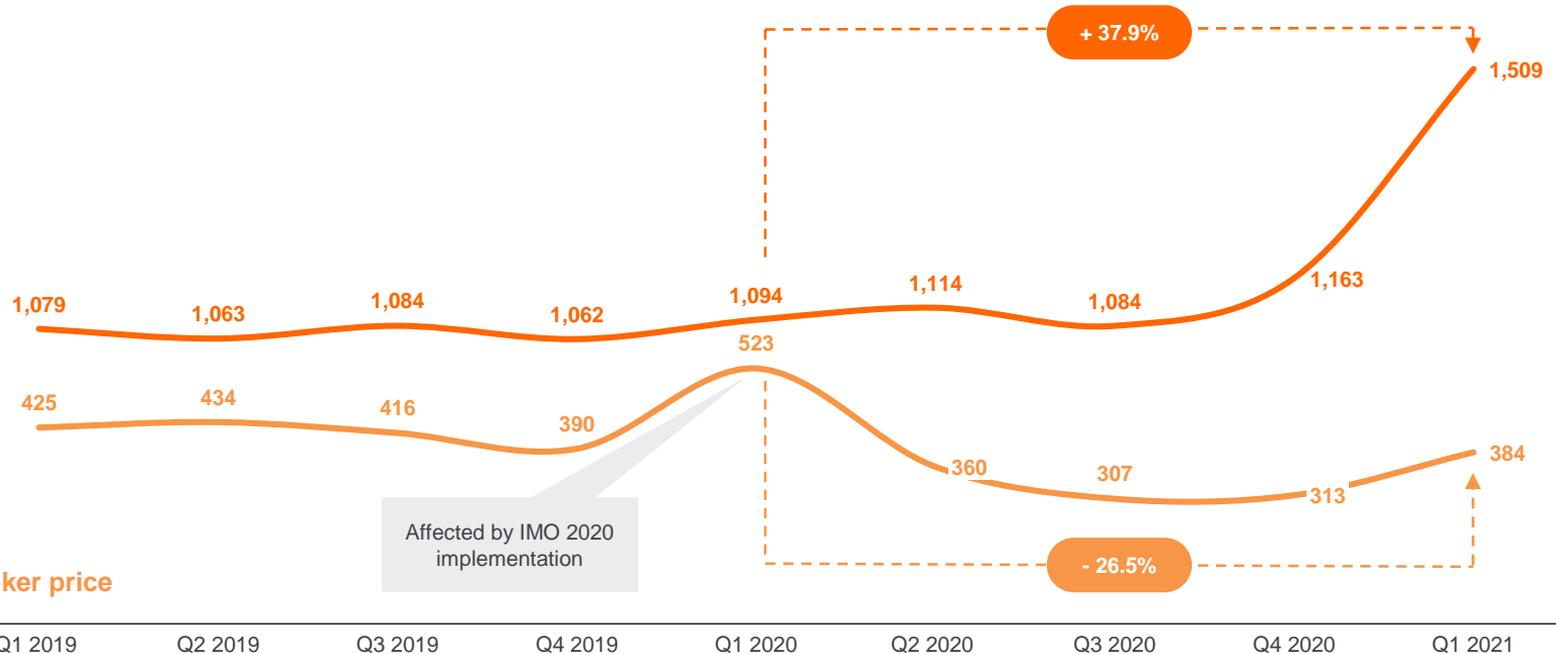


- Q1 2021 volumes were slightly weaker than in Q1 2020, but increased compared to Q1 2019 and were in line with some of our direct peers over the total period
- Nevertheless, volume development was not fully satisfactory
- Standing capacity did not change year-on-year but due to operational challenges (such as port congestions, slower turnaround times, equipment shortages) the available transport capacity was reduced
- However, volume development on dominant legs has been better than on non-dominant legs
- In 2021 we expect our transport volumes to increase slightly, roughly in line with the market

Freight rates increased significantly YoY, whereas bunker consumption prices were below the high level of Q1 2020

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

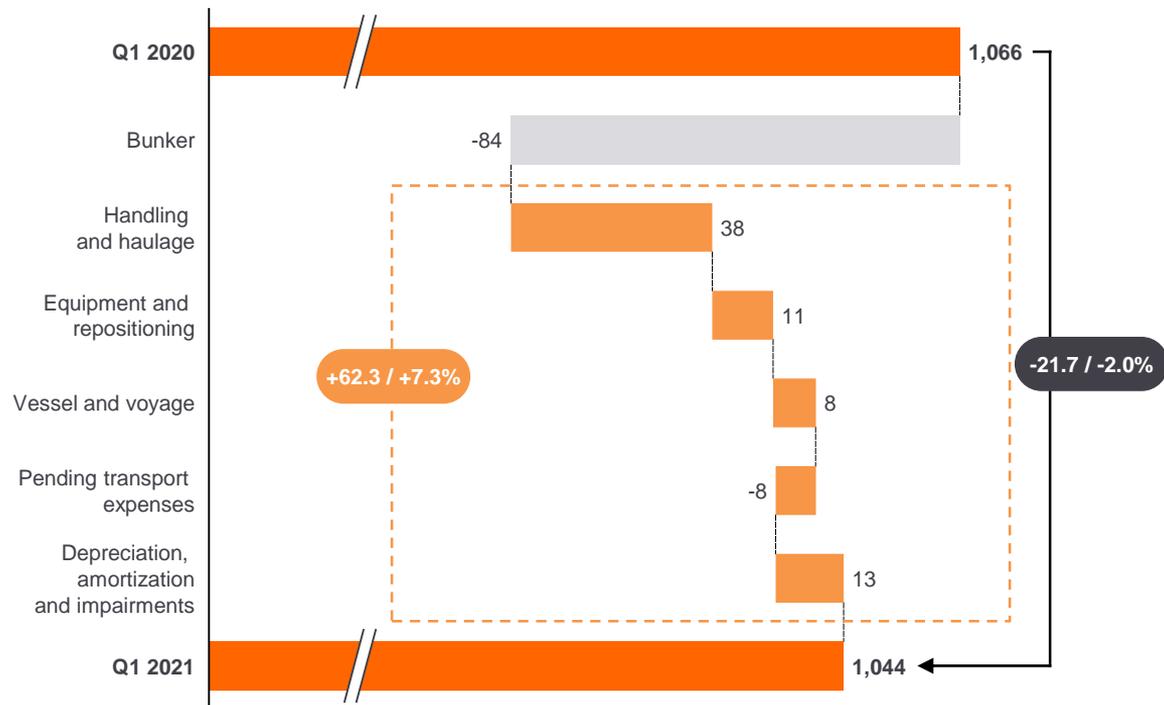
Average freight rate



Average bunker price

Lower bunker costs were largely offset by counter effects caused by the current market situation

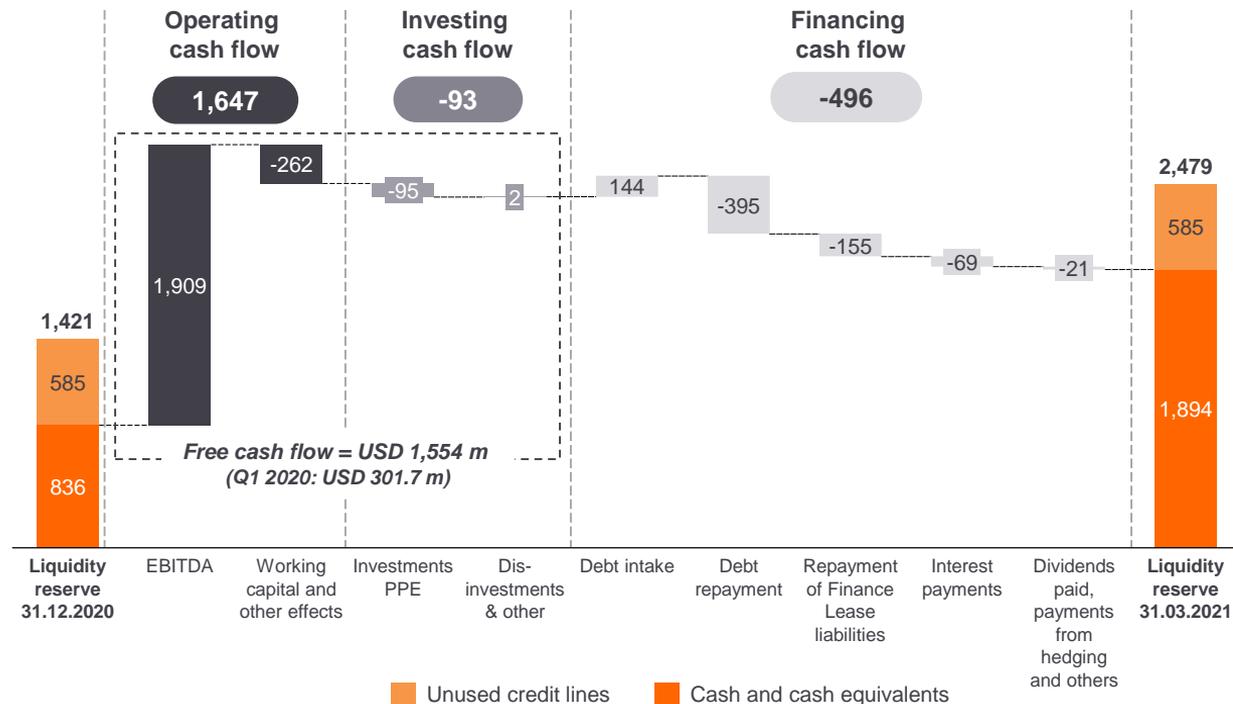
Transport expenses per unit [USD/TEU]



- Bunker expenses decreased by 39.2% on the back of lower average bunker consumption prices
- Negative effects of port congestions, leading to increased costs in “Handling and Haulage” (+8.3%) as well as in “Equipment and Repositioning” (+11.3%)
- “Depreciation and amortization increased by 11.3% due to a larger proportion of ships chartered in on a medium-term basis

Very strong Free Cash Flow of USD 1.6 bn ...

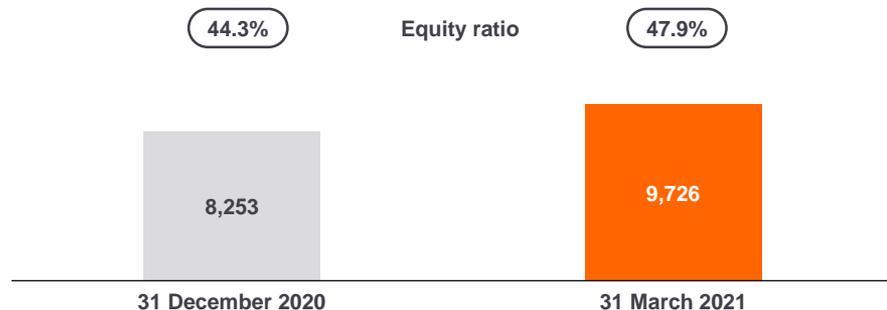
Cash flow Q1 2021 [USD m]



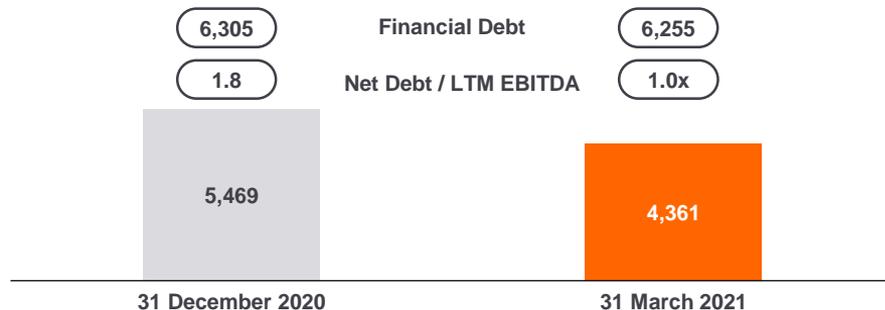
- Very strong Operating cash flow, while capex remained on a low level, leading to a Free cash flow of USD 1.6 bn
- We intend to use the available cash to pay out a dividend of EUR 3.50 per share (USD >700m)
- Capex (excluding RoU) is expected to increase clearly in 2021 compared to previous years due to:
 - Further investments in container capacity
 - Installment payments for the 6 ULCV's ordered in December 2020
 - Selected 2nd hand tonnage purchase

... leading to a further reduced net leverage of 1.0x and a significantly increased liquidity reserve of USD 2.5 bn

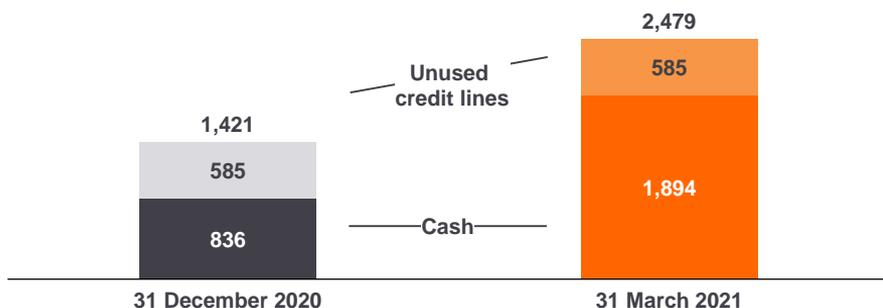
Equity base [USD m]



Net debt [USD m]



Liquidity reserve [USD m]



Comments

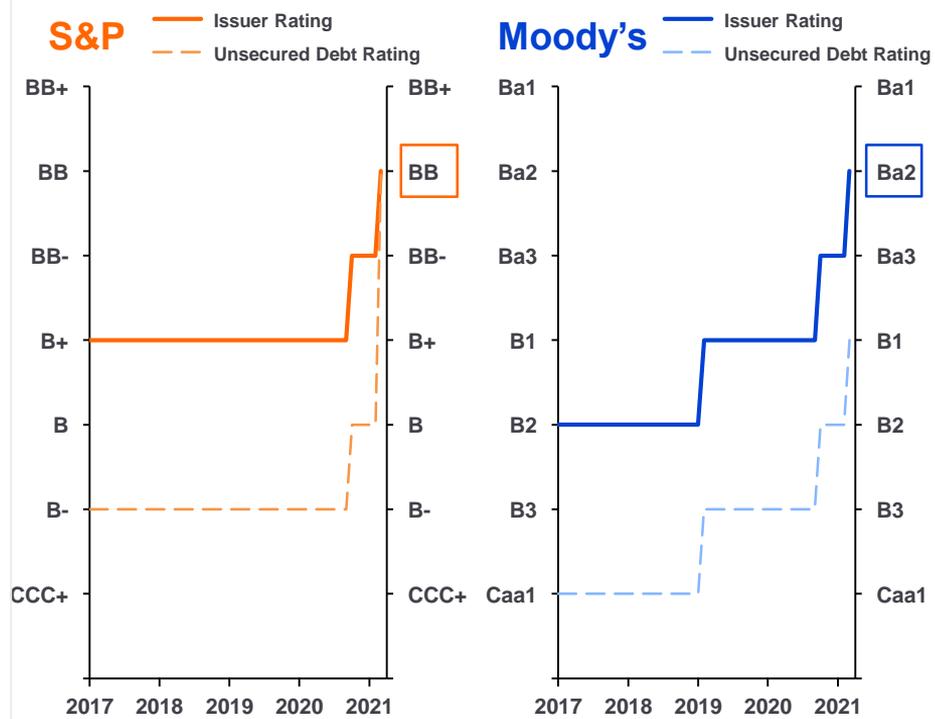
- Strong Q1 result led to high Liquidity reserve and low Net Debt / EBITDA ratio
- Net debt decreased strongly due to positive free cash flow generation
- Net leverage (based on LTM calculation) at 1.0x is at its lowest since the financial crisis

We have received rating upgrades from S&P & Moody's and were the first Shipping Company to issue Sustainability-Linked Senior Notes

Sustainability-Linked Bond

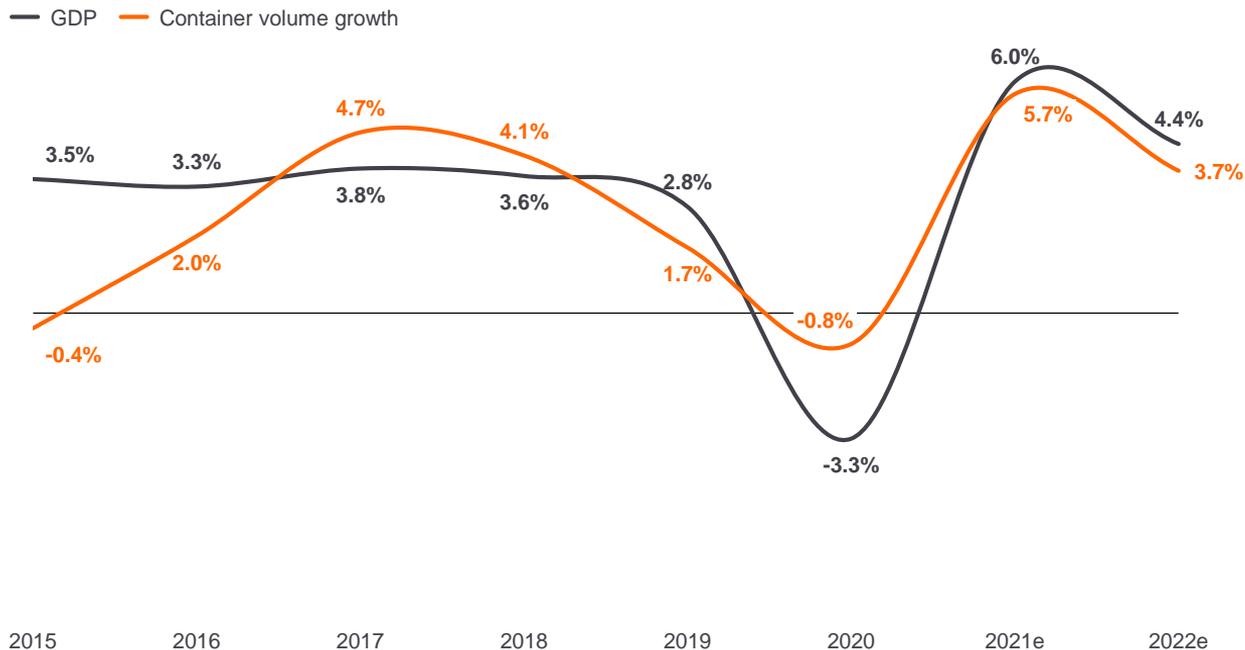
Issuer	Hapag-Lloyd AG
Instrument	Sustainability-Linked Senior Notes
Volume	EUR 300 m
Coupon	2.50%
Issue Rating	Standard & Poor's BB / Moody's B1
Maturity	7 years / NC 3
Denomination	EUR 100,000
Use of Proceeds	Refinancing / GCP
Listing	Open market LxSE

Rating updates



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

GDP vs. global container volume growth [%]

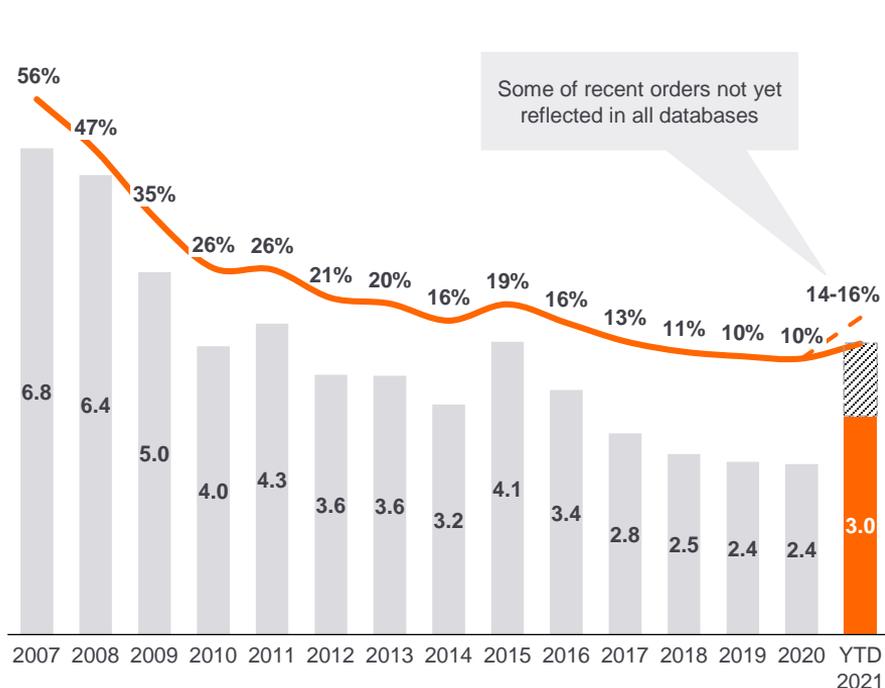


- Despite the ongoing pandemic, the global economic development was relatively robust in Q1 2021
- Increasing vaccination rates in the major industrialized countries and additional economic programs should result in a clear economic upturn in 2021
- Container transport volumes increased in line with GDP in Q1 2021
- Robust volume recovery appears likely to continue in the upcoming months, but volume trends have seen notable regional differences
- Demand for container transport is expected to rise significantly in 2021 as a whole, although it will most likely gradually normalize over the course of the year

Order activity has recently picked up and the orderbook is expected to still grow slightly further ...

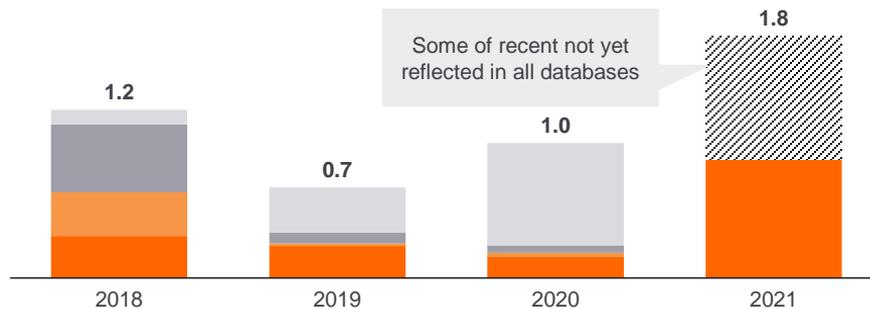
Global orderbook

[TEU m, %] ■ Orderbook — Share of world fleet

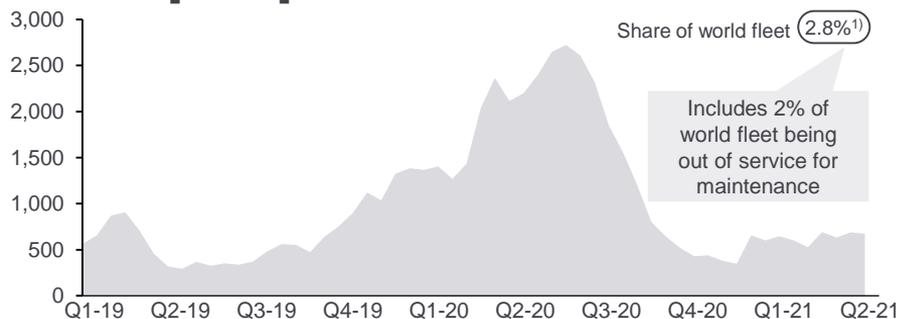


Newly placed orders

[TEU m] ■ Q4 ■ Q3 ■ Q2 ■ Q1

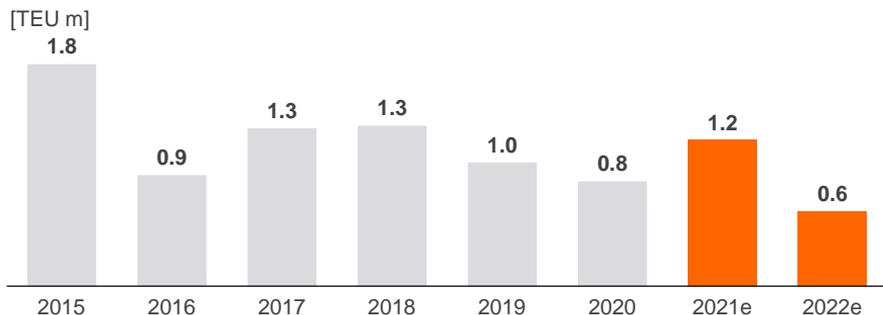


Idle fleet [TTEU]

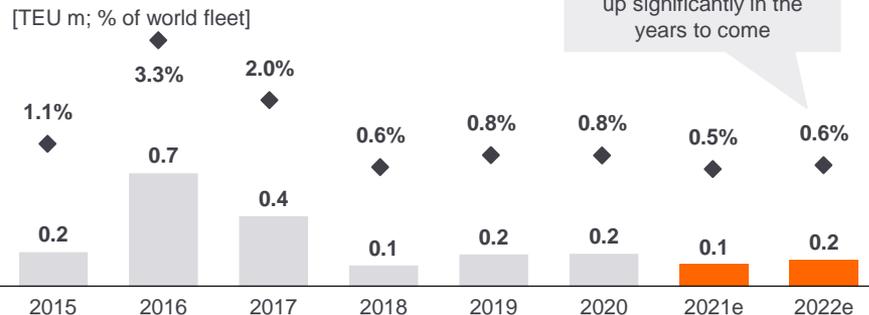


... but only limited capacity will be delivered in 2021e and 2022e, and in the years beyond that scrapping will go up significantly

[Scheduled] vessel deliveries

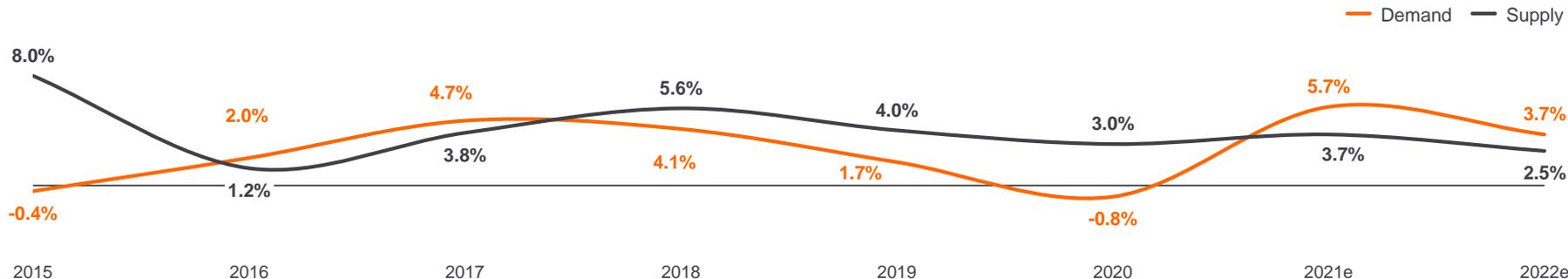


[Expected] scrapping



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

Supply / Demand balance



On the back of the positive earnings trend, we continue to expect EBITDA and EBIT to be clearly above the prior-year levels

	FY 2020	Guidance for FY 2021
 Transport volume	11,838 TTEU	Increasing slightly
 Bunker consumption price	379 USD/mt	Increasing clearly
 Freight rate	1,115 USD/TEU	Increasing clearly
 EBITDA	USD 3,082 m	Increasing clearly
 EBIT	USD 1,501 m	Increasing clearly

- While the very positive earnings trend is likely to continue in the second quarter of 2021, the Executive Board currently expects a gradual normalization of the development in the second half of the year.
- The forecast for the year is subject to considerable uncertainty due to a number of factors, including:
 - the above average volatility of freight rates;
 - operational challenges caused by existing infrastructural bottlenecks, among other things;
 - and the inability to predict the further course or economic impacts of the coronavirus pandemic.

Our focus for 2021 and beyond:

Deliver on our
Strategy 2023

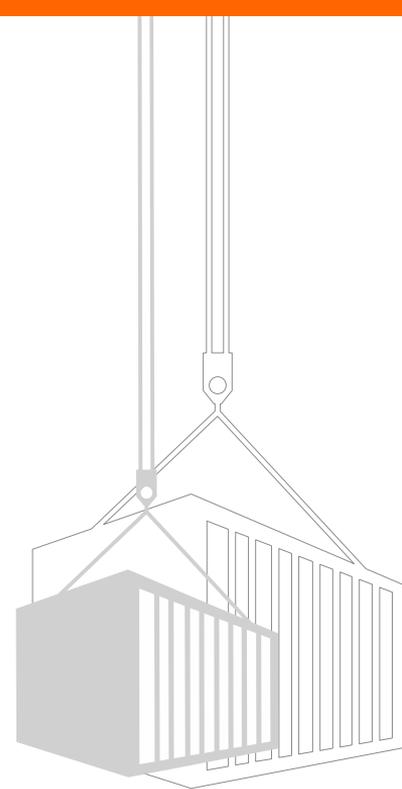
Focus on **schedule
reliability, service
quality** and **customer
satisfaction**

Prepare for a
**seamless 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
prepare for **post-
COVID way of work**





Appendix

Hapag-Lloyd with an equity ratio of 47.9% and a gearing of 44.8%

Balance sheet [USD m]

million USD	31.03.2021	31.12.2020
Assets		
Non-current assets	15,557.0	15,508.3
of which fixed assets	15,482.2	15,413.3
Current assets	4,735.7	3,131.9
of which cash and cash equivalents	1,894.1	836.4
Total assets	20,292.7	18,640.2
Equity and liabilities		
Equity	9,726.5	8,252.8
Borrowed capital	10,566.2	10,387.4
of which non-current liabilities	5,133.0	5,731.3
of which current liabilities	5,433.2	4,656.1
of which financial debt and lease liabilities	6,255.2	6,305.1
of which non-current financial debt and lease liabilities	4,595.4	5,119.6
of which current financial debt and lease liabilities	1,659.7	1,185.5
Total equity and liabilities	20,292.7	18,640.2

Financial position [USD m]

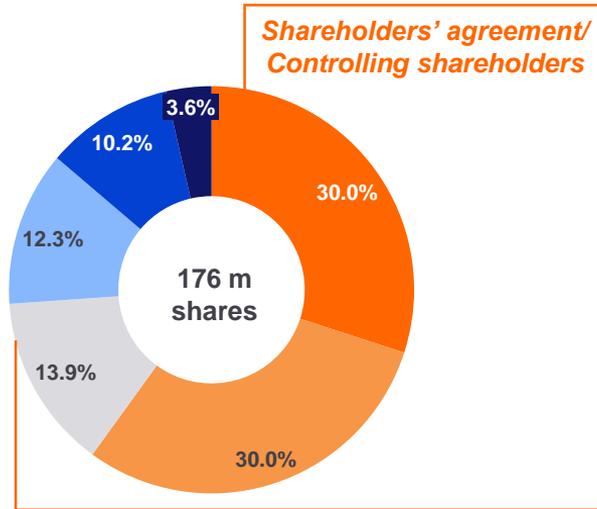
million USD	31.03.2021	31.12.2020
Financial debt and lease liabilities	6,255.2	6,305.1
Cash and cash equivalents	1,894.1	836.4
Restricted Cash	–	–
Net debt	4,361.1	5,468.8
Unused credit lines	585.0	585.0
Liquidity reserve	2,479.1	1,421.4
Equity	9,726.5	8,252.8
Gearing (net debt / equity) (%)	44.8	66.3
Net debt to EBITDA	0.6x	1.8x
Equity ratio (%)	47.9	44.3

Hapag-Lloyd with positive EBIT of USD 1,539 m in Q1 2021

Income statement [USD m]

million USD	Q1 2021	Q4 2020	Q1 2020	QoQ Change	YoY change
Revenue	4,903.2	4,052.5	3,684.0	21.0%	33.1%
Transport expenses	-2,737.0	-2,735.7	-2,914.4	-	-6.1%
Personnel expenses	-198.1	-203.5	-190.5	-2.6%	4.0%
Depreciation, amortisation and impairment	-370.0	-502.3	-341.1	-26.3%	8.5%
Other operating result	-60.2	-82.4	-71.8	27.0%	16.2%
Operating result	1,538.0	528.6	166.1	190.9%	825.7%
Share of profit of equity-accounted investees	1.5	8.7	10.2	-82.6%	-85.2%
Result from investments	-	-1.2	-0.2	n.m.	-96.2%
Earnings before interest and tax (EBIT)	1,539.5	536.1	176.1	187.2%	774.3%
Interest result	-77.5	-58.6	-136.9	32.3%	-43.3%
Other financial items	2.1	-2.2	4.8	-197.9%	n.m.
Income taxes	-13.3	-12.5	-16.7	6.4%	-20.3%
Group profit / loss	1,450.7	462.8	27.3	213.5%	5,207.4%

Shareholder structure

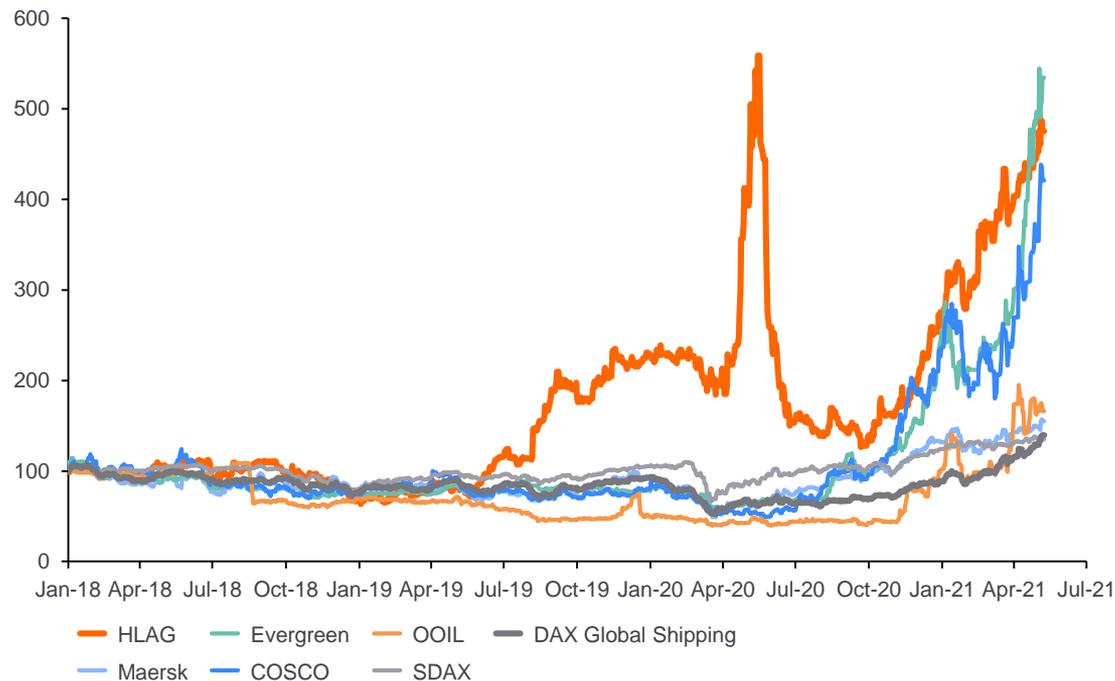


- Kühne Maritime GmbH / Kühne Holding AG
- CSAV Germany Container Holding GmbH
- HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH
- Qatar Holding Germany GmbH
- The Public Investment Fund on behalf of the Kingdom of Saudi Arabia
- Free Float

Share price development

Performance since 1 January 2018

Indexed Price

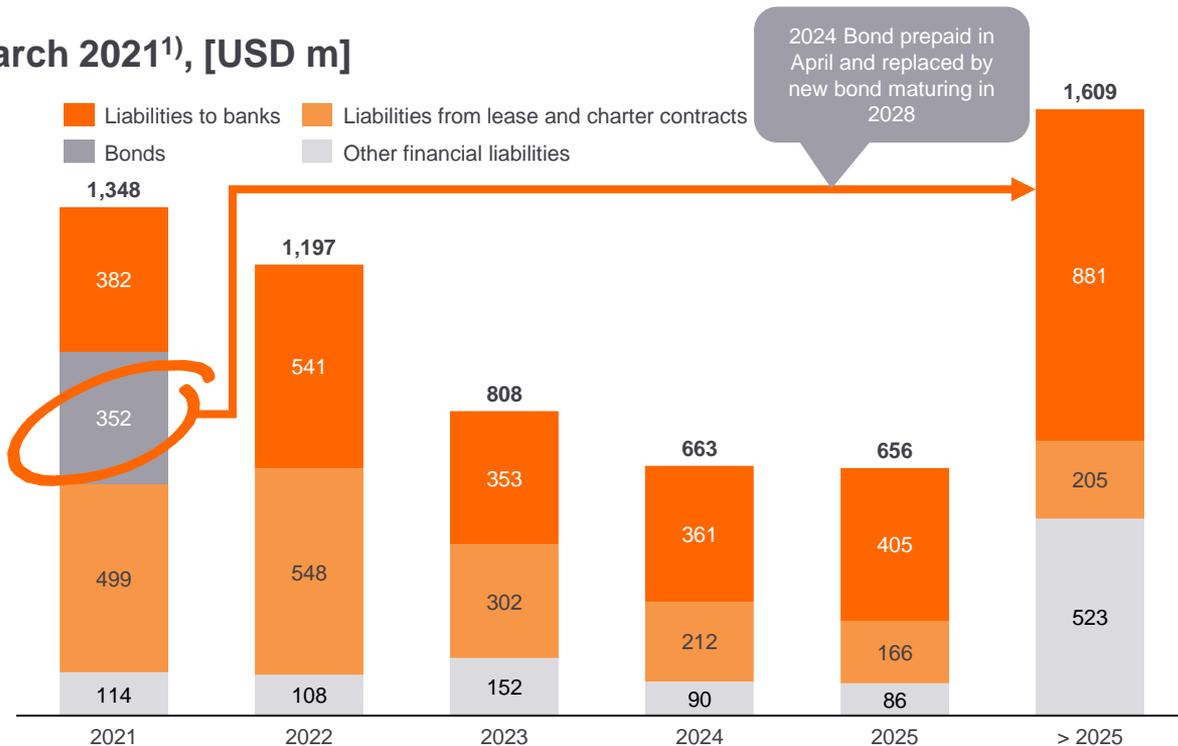


Stock Exchange	Frankfurt Stock Exchange / Hamburg Stock Exchange
Market segment	Regulated market (Prime Standard)
ISIN / WKN	DE000HLAG475 / HLAG47
Ticker Symbol	HLAG
Primary listing	6 November 2015
Number of shares	175,760,293

Well balanced maturity structure of financial liabilities

Financial Debt Profile as per 31 March 2021¹⁾, [USD m]

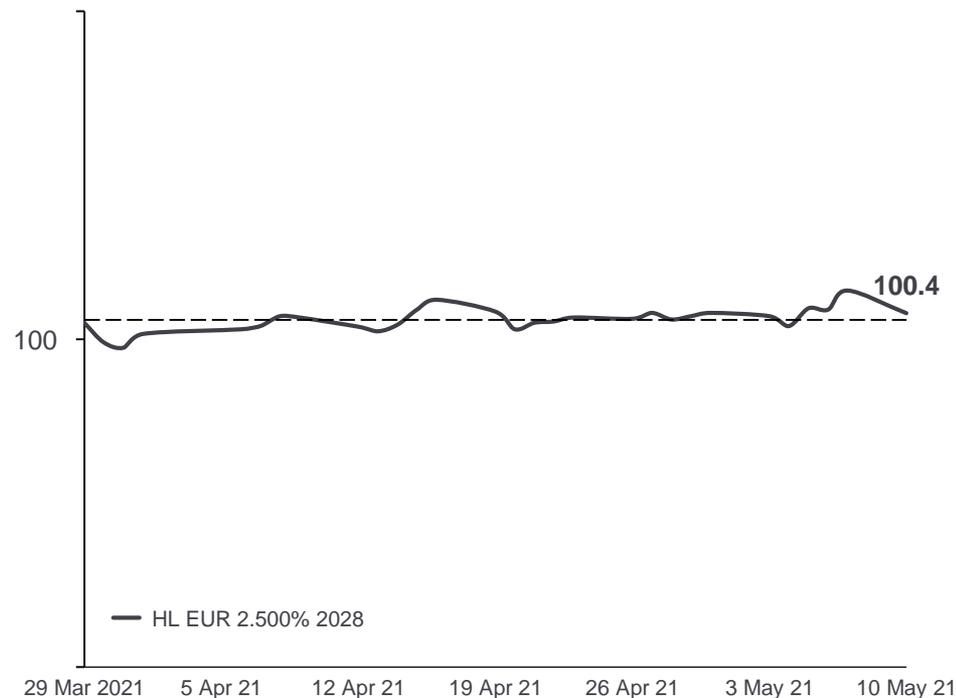
Facility	31 March 2021 [USD m]
Vessel Financings	2,364
Container Financings	1,472
Total Vessel & Container	3,836
EUR Bond 2024	352
Total Bonds	352
Corporate secured	85
Corporate unsecured	76
Total corporate	161
Pre IFRS 16 Leases	44
New IFRS 16 Leases	1,888
Total Finance Leases	1,932
Total financial liabilities	6,281²⁾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 31.03.2021 consists of transaction costs and accrued interest 2) Liabilities from lease and charter contracts consist of USD 44 million liabilities from former finance lease contracts and USD 1,888 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 31.03.2021 4) Total financial liabilities without Finance Leases at 4,349 USD m Note: Rounding differences may occur

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%



Financial Calendar 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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