HHLA key figures

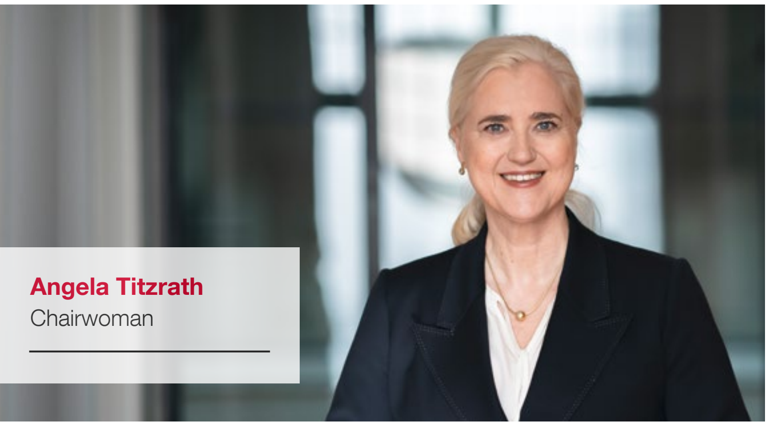
in € million	HHLA Group 2020	2019	Change
Revenue and earnings			
Revenue	1,299.8	1,382.6	- 6.0 %
EBITDA	289.4	382.6	- 24.4 %
EBITDA margin in %	22.3	27.7	- 5.4 pp
EBIT	123.6	221.2	- 44.1 %
EBIT margin in %	9.5	16.0	- 6.5 pp
Profit after tax	74.1	137.1	- 45.9 %
Profit after tax and minority interests	42.6	103.3	- 58.8 %
Cash flow statement and investments			
Cash flow from operating activities	291.2	322.7	- 9.7 %
Investments	196.3	224.9	- 12.7 %
Performance data			
Container throughput in thousand TEU	6,776	7,577	- 10.6 %
Container transport in thousand TEU	1,536	1,565	- 1.9 %

in € million	31.12.2020	31.12.2019	Change
Balance sheet			
Balance sheet total	2,591.1	2,610.0	- 0.7 %
Equity	567.0	578.9	- 2.0 %
Equity ratio in %	21.9	22.2	- 0.3 pp
Employees			
Number of employees	6,312	6,296	0.3 %

	Port Logistics subgroup[1, 2]			Real Estate subgroup[1, 3]		
in € million	2020	2019	Change	2020	2019	Change
Revenue	1,269.3	1,350.0	- 6.0 %	38.1	40.2	- 5.3 %
EBITDA	269.4	358.7	- 24.9 %	20.0	23.9	- 16.5 %
EBITDA margin in %	21.2	26.6	- 5.4 pp	52.4	59.4	- 7.0 pp
EBIT	110.3	204.4	- 46.0 %	12.9	16.5	- 21.5 %
EBIT margin in %	8.7	15.1	- 6.4 pp	33.9	40.9	- 7.0 pp
Profit after tax and minority interests	35.3	93.6	- 62.3 %	7.3	9.7	- 24.4 %
Earnings per share in €[4]	0.50	1.34	- 62.3 %	2.70	3.57	- 24.4 %
Dividend per share in €[5]	0.45	0.70	- 35.7 %	2.10	2.10	0.0 %

1 Before consolidation between subgroups
2 Listed class A shares
3 Non-listed class S shares
4 Basic and diluted
5 Dividend proposal for 2020

To our shareholders



Angela Titzrath
Chairwoman

Ladies and gentlemen,

It gives me great pleasure to be able to introduce this Annual Report for 2020 on a positive note: Hamburger Hafen und Logistik AG (HHLA) has weathered the coronavirus pandemic well so far. The company is still in a stable financial position following a challenging financial year and has the necessary resources at its disposal to resolutely withstand the effects of the pandemic.

Thanks to the combined efforts of the entire HHLA Group and its employees, we achieved a positive result in the past financial year. We benefited from the revival of industrial production and trade following global restrictions to curb the spread of the pandemic.

> **Our market and customers will continue to evolve. This gives rise to a challenge, as we have to evolve with them. What is more: we will actively shape this evolution and help drive it forward.**

It was also vital, however, that the operational stability of HHLA was maintained at all times. There was not a single day on which production was brought to a standstill by the pandemic – neither at our facilities in Hamburg, Odessa and Tallinn, nor at our rail subsidiary METRANS. The health and safety measures devised under the leadership of the Executive Board were systematically implemented across the Group. Our customers, as well as consumers and companies, were able to rely on us during this difficult period: "We supply Germany and Europe!" HHLA also proved to be a reliable employer. The health and safety of our employees was maintained and we neither introduced short-time working nor cut wages.

Ladies and gentlemen, we systematically pursued the further development of HHLA even during the crisis. After all, the underlying conditions for our business continue to evolve, regardless of the pandemic. The number of mega-ships with capacities of more than 23,000 standard containers is steadily increasing. In order to maintain our ability to process such ultra-large container vessels in future, we put two further container gantry cranes into operation at Container Terminal Burchardkai last year.

To consolidate the performance and competitiveness of our core business, an efficiency programme has been launched for the container terminals in the Port of Hamburg. € 43 million has been set aside to ensure the systematic and determined implementation of the necessary measures. We also have to adjust to significant growth in the strategic importance of the Adriatic and Mediterranean ports. In order to position itself in this high-growth market, HHLA has acquired a majority stake in a multi-function terminal at the Port of Trieste. In view of the changes taking place across the entire logistics and transport sector, we are expanding our core operations by adding new digital business models. For example, two HHLA container terminals were the first in the world to integrate solutions into their IT landscapes which use machine learning to predict the dwell time of containers at their facilities. An example of our efforts to implement our sustainability strategy is the initiative of our rail subsidiary METRANS. Almost all of the approximately 3,000 container wagons have now been fitted with so-called whisper brakes, which reduce the driving and braking noise of the wagons by half.

We also remain reliable towards you, our shareholders. Subject to the approval of the Annual General Meeting on 10 June 2021, we will distribute a dividend of 45 cent per dividend-entitled class A share. Following last year's example, we once again intend to do this in the form of a scrip dividend – giving you the option to receive a cash payout or new shares.

Ladies and gentlemen, we know that our market and our customers will continue to evolve. And we know that this gives rise to a challenge, as we have to evolve with them. What is more: we will actively shape this evolution and help drive it forward – just as you have come to expect from us.

Yours,

A. Titzrath

Angela Titzrath
Chairwoman of the Executive Board

Members of the Executive Board

Executive Board (f.l.t.r): **Angela Titzrath, Dr. Roland Lappin, Jens Hansen, Torben Seebold**

Angela Titzrath

Chairwoman

Container sales
Intermodal segment
Logistics segment
Corporate development
Corporate communications
Sustainability

Jens Hansen

Chief Operating Officer

Container operations
Container engineering
Information systems

Dr. Roland Lappin

Chief Financial Officer

Finance and controlling (including Organization)
Investor relations
Internal audit
Real Estate segment

Torben Seebold

Chief Human Resources Officer

Human resources
Purchasing and materials management
Health and safety in the workplace
Legal and insurance (including compliance)

Dear shareholders,

In the 2020 financial year, the Supervisory Board dutifully fulfilled the responsibilities entrusted to it by law, the company's articles of association and rules of procedure, and the German Corporate Governance Code (GCGC) with the necessary diligence. We continuously monitored the Executive Board's management of business, provided advice on the company's further strategic development as well as on important individual measures, and concluded that the management of the company and its risk management process is lawful, proper and appropriate.

Cooperation with the Executive Board

The Supervisory Board was involved in all decisions of major significance for the company. The Executive Board provided us with regular, prompt and comprehensive information on all major developments, especially the situation of the company and the Group, corporate planning, fundamental issues of company policy and strategy, investment plans and personnel. All measures for which the approval of the Supervisory Board or one of its committees was required by law, the articles of association or the Executive Board's rules of procedure were submitted on time. After conducting their own examination and discussions with the Executive Board, the Supervisory Board or Supervisory Board committees approved all such measures. As chairman of the Supervisory Board, I was also regularly in touch with the Executive Board between meetings and was informed about planning and strategy, the current business situation, significant transactions, the risk position, risk management and compliance.

The work of the Supervisory Board

The Supervisory Board held four routine meetings and two special meetings in the 2020 financial year. At routine meetings, we regularly look at the current revenue, earnings and liquidity trend and the current business situation of the company and the individual segments, including the risk position, risk management and compliance. During the meetings, the Executive Board informed the Supervisory Board about the economic, financial and strategic position of the company and the Group, the company's strategy, as well as significant developments and events. During the 2020 financial year, we also continually examined the impact of the COVID-19 pandemic on business operations, the Group's results of operations, net assets and financial position. The other focal points of the meetings during the reporting period can be summarised as follows:

The **financial statements meeting** held on **23 March 2020** focused as scheduled on the auditing and approval of HHLA's Annual Financial Statements, including the individual divisional financial statements for the A and S divisions, the Consolidated Financial Statements including the subgroup financial statements, the Combined Management Report of HHLA and the Group, the Supervisory Board report, the reports on transactions with related parties and on the relationship between the A and S divisions and the separate non-financial report, each for the 2019 financial year, as well as the agenda for the 2020 Annual General Meeting, including the Executive Board's proposal on the appropriation of profit and the candidates proposed for the election of the auditor for the 2020 financial year. Representatives of the auditor were present at the meeting. They reported on the main results of their audit and were available to answer questions. During this meeting, following the detailed discussion of two pertinent agreements, we also approved the further expansion of O'Swaldkai in connection with the planned urban development of the Grasbrook district. One of these agreements was an addendum to the existing lease with the Hamburg Port Authority, which stipulates in particular the early return of sub-areas and the simultaneous extension of the lease for the remaining areas until 2049. The other agreement is with the Hamburg Port Authority and the Free and Hanseatic City of Hamburg and regulates a financial settlement made by the Free and Hanseatic City of Hamburg to HHLA for the described early return of sub-areas and the necessary modification measures. The agreements were concluded on 28 December 2020.

At our second regular meeting on **29 May 2020**, we discussed the impact of the COVID-19 pandemic and the development of our intermodal business in Ukraine. We also discussed ongoing projects and approved two guarantees to the Federal Railway Authority in Germany in connection with the facilitation of expansion measures.

At the special meeting on **2 July 2020**, we were mainly concerned with the acquisition of stock in Piattaforma Logistica Trieste s.r.l. (now HHLA PLT Italy s.r.l.) and approved this following extensive discussion. In this meeting, we approved the decision to hold the Annual General Meeting in a virtual format due to the COVID-19 pandemic, as well as to conclude a precautionary credit line of € 50 million in order to protect our general liquidity. We also agreed, together with the Executive Board, to propose to the Annual General Meeting on 20 August 2020 the option for Class A shareholders to receive their dividend either in cash or as new Class A shares on a pro rata basis (scrip or stock dividends). In addition, we adopted the candidate proposed to the Annual General Meeting for the election of a successor to Dr. Sevecke.

Besides discussing the latest business developments and various internal measures and projects, the main areas addressed in the regular meeting on **19 August 2020** were the preparations for the Annual General Meeting, including the resolutions and documents for the implementation of the scrip or stock dividend. During this meeting we also discussed the planned expansion of one of the METRANS Group's intermodal terminals near Berlin.

Prof. Dr. Rüdiger Grube
Chairman of the Supervisory Board

At this year's strategy meeting on **11 September 2020**, we primarily dealt with the Container segment – specifically, with the planned measures to strengthen our competitive edge in this segment.

At our final regular meeting on **11 December 2020**, we routinely dealt with the budget for 2021, the medium-term planning for 2022 to 2025 for the Group and for the two subgroups, the findings of the risk and opportunity inventory and the declaration of compliance with the GCGC. As a result of the revision of the GCGC, we also adjusted the Supervisory Board's rules of procedure, the requirement profile for the Supervisory Board and the diversity concept for the Executive Board. During this meeting, we also approved the acquisition of an 80 % stake in iSAM AG and extended Dr. Lappin's mandate by a further five years.

As a general rule, regular meetings are attended by all members of the Supervisory Board and the members of the Executive Board, although the Supervisory Board also meets regularly without the Executive Board, particularly when Executive Board matters or internal Supervisory Board topics are to be discussed. The average attendance at the meetings of the Supervisory Board and its committees in the reporting period was approximately 88.3 %. Please see the end of this report for the individual participation ratios.

With the exception of the above-mentioned discussion of the agreements relating to O'Swaldkai, where Supervisory Board members Dr. Niklas, Dr. Roggencamp and Dr. Sevecke were prohibited from voting under Section 111b (2) of the German Stock Corporation Act (AktG) due to their professional involvement with the majority shareholder, and also did not take part in the discussions as a precautionary measure, no conflicts of interest regarding members of the Executive Board or the Supervisory Board arose in the reporting period. The Supervisory Board does not include any former members of the company's Executive Board.

Committee work

The Supervisory Board has set up a total of six committees: the Finance Committee, the Audit Committee, the Real Estate Committee, the Personnel Committee, the Nomination Committee and the Arbitration Committee. Following any committee work, the chairs report to the Supervisory Board about the committees' activities. With the exception of the Nomination Committee, all of the committees include an equal number of shareholder and employee representatives. Corporate governance

The **Finance Committee** held five meetings during the 2020 financial year. At each regular meeting, the committee deals with the Group's financial performance and its general financial and earnings position. Furthermore, as in the December meeting, it is also concerned with the preliminary review of the budget for the coming year and relevant medium-term planning. In addition, the Finance Committee is responsible for the preliminary review of major financing, investment and participation plans. The areas of focus during the reporting period were, firstly, the impact of the COVID-19 pandemic on the company's net assets, financial position and results of operations and, secondly, the various investment projects, particularly the acquisition of stock in Piattaforma Logistica Trieste s.r.l. (now HHLA PLT Italy s.r.l.) and in iSAM AG.

The **Audit Committee** held five meetings in the reporting period. Its work regularly focuses on monitoring accounting and overseeing the accounting process and the audit. This includes monitoring the effectiveness of the audit, the internal control system, the risk management system, the internal audit system and compliance, along with the compliance management system. The committee oversees the selection of the auditor and the auditor's qualifications, efficiency and independent status, and the admissibility of any additional services provided by the auditor (known as non-audit services). To do this, the Audit Committee has adopted a catalogue of basic approved non-audit services by type and scope. The Audit Committee also decides on the external review of non-financial declarations and reports. Key issues during the reporting period included, as scheduled, the discussion and audit of HHLA's Annual Report, Consolidated Financial Statements and the Combined Management Report for the 2019 financial year, the 2020 six-monthly financial report and the interim reports for the first and third quarters of 2020, the work performed by Internal Audit, the determination of key issues for the audit of the Annual Report and Consolidated Financial Statements for the 2020 financial year, the findings of the 2020 risk and opportunity inventory, the plans for the 2021 audit and the preparation of the declaration of compliance with the GCGC. The Audit Committee also continuously monitored the company's liquidity situation during the reporting period with regard to the COVID-19 pandemic. In addition to the representatives of the Executive Board, HHLA's compliance officer also regularly attends the meetings of the Audit Committee, where he speaks about his role and keeps the committee abreast of current

Individual attendance at meetings of the members of the Supervisory Board in 2020

	Supervisory Board	Finance Committee	Audit Committee	Real Estate Committee	Personnel Committee	Nomination Committee	Total
Prof. Dr. Rüdiger Grube	6 / 6	–	–	–	4 / 4	1 / 1	100 %
Berthold Bose	6 / 6	–	–	–	4 / 4	–	100 %
Dr. Norbert Kloppenburg	5 / 6	4 / 5	5 / 5	–	–	–	88 %
Thomas Lütje	6 / 6	–	–	2 / 2	–	–	100 %
Thomas Mendrzik	5 / 6	4 / 5	4 / 5	0 / 2	2 / 4	–	68 %
Dr. Isabella Niklas	6 / 6	–	4 / 5	2 / 2	–	–	92 %
Norbert Paulsen	5 / 6	5 / 5	5 / 5	2 / 2	2 / 4	–	86 %
Sonja Petersen	5 / 6	3 / 5	4 / 5	–	–	–	75 %
Andreas Rieckhof (since 20 August 2020)	2 / 2	–	–	–	2 / 2	0 / 0	100 %
Dr. Sibylle Roggencamp	6 / 6	5 / 5	–	1 / 2	4 / 4	1 / 1	94 %
Prof. Dr. Burkhard Schwenker	5 / 6	5 / 5	5 / 5	2 / 2	–	–	94 %
Maya Schwiegershausen-Güth	6 / 6	–	–	–	–	–	100 %
Dr. Torsten Sevecke (until 20 August 2020)	4 / 4	–	–	–	1 / 2	1 / 1	86 %

developments. Other participants, such as representatives from the auditors or Internal Audit, attend meetings as necessary. The chairperson of the committee is also regularly in touch with the auditor and the chief financial officer between meetings.

The **Real Estate Committee** held two meetings in the reporting period. It focused on the general development of business and the discussion and audit of HHLA's Annual Financial Statements including the separate financial statements of the S division, the Consolidated Financial Statements and the Combined Management Report for the 2019 financial year (March meeting). The committee also dealt with the budget for the 2021 financial year and medium-term planning for 2022 to 2025 (December meeting). In each case, its deliberations related to the Real Estate subgroup (S division).

The **Personnel Committee** held four meetings in the reporting period. In addition to preparing for the upcoming staffing decisions – notably, the extension of Dr. Lappin's mandate – the Personnel Committee focused during the reporting period on the remuneration system for the Executive Board and Supervisory Board with regard to the revision of the AktG and the new version of the GCGC.

The **Nomination Committee** met once during the 2020 financial year in order to prepare for the election of a successor to Dr. Sevecke on the Supervisory Board at the Annual General Meeting on 20 August 2020.

As in previous years, there was no cause for the **Arbitration Committee** to meet during the reporting period.

Corporate governance

The declaration of compliance with the GCGC in accordance with Section 161 AktG was prepared together with the Executive Board at the **Audit Committee meeting on 9 November 2020** and adopted by the Supervisory Board at its **meeting on 11 December 2020**. The current declaration of compliance and further information about corporate governance can be found in the declaration on corporate governance in the Management Report. Corporate governance The current declaration and the declarations relating to previous years can also be viewed on HHLA's website at www.hhla.de/corporategovernance.

Training and professional development

HHLA supports the members of the Supervisory Board upon their appointment and in terms of training and professional development. When taking up a post, the candidate is generally trained in the work of the Supervisory Board, its tasks and the rights and obligations of its members. If required, further introductions or training sessions are provided to cover HHLA's business activities or other relevant topics. During the course of its work, the Supervisory Board is kept informed of relevant topics such as new legal requirements or accounting standards. During the reporting period, this primarily affected the new tasks resulting from the Implementation of the Second Shareholder Rights Directive and the revised version of the GCGC.

Audit of financial statements

In line with the Audit Committee's recommendation and the Supervisory Board's nomination, the Annual General Meeting on 20 August 2020 elected PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Hamburg (PwC), to conduct the audit of the Annual and Consolidated Financial Statements for the 2020 financial year. In line with the legal requirements and the recommendations of the GCGC – especially those relating to the auditor's independence – the Audit Committee then assigned the audit and defined its focus areas.

The auditor carried out an audit of HHLA's Annual Financial Statements for the 2020 financial year as provided by the Executive Board, including the divisional financial statements for the A division (Port Logistics subgroup) and the S division (Real Estate subgroup) presented as part of the notes, in line with the provisions of the German Commercial Code (HGB), the Consolidated Financial Statements for the 2020 financial year including the subgroup financial statements for the A and S divisions in accordance with the International Financial Reporting Standards (IFRS) that apply in the European Union and the additional requirements of German commercial law pursuant to Section 315e HGB, and the Combined Management Report for HHLA and the Group for the 2020 financial year. The auditor issued an unqualified opinion with respect to each of the foregoing.

The auditor also audited the report prepared by the Executive Board of HHLA on company transactions with related parties for the 2020 financial year in line with Section 312 AktG, delivered a written report on the audit findings and, having no objections to make, gave the report the following unqualified opinion:

"On the basis of our audit and in our professional opinion we confirm that (1) the factual statements in the report are correct, (2) the consideration paid by the company for the transactions mentioned in the report was not inappropriately high, and (3) the measures detailed in the report give us no grounds to reach a substantially different opinion to that of the Executive Board."

The auditor also audited the report prepared by the Executive Board in line with Article 4 (5) of the articles of association applied analogously to Section 312 AktG on the relationship between the A and the S divisions for the 2020 financial year, delivered a written report on the audit findings and, having no objections to make, gave the report the following unqualified opinion:

"On the basis of our audit and in our professional opinion we confirm that (1) the factual statements in the report are correct, (2) the consideration paid by the company for the transactions mentioned in the report was not inappropriately high."

Finally, the auditor reviewed the combined separate non-financial report in line with Section 289b et seqq. and Section 315b et seq. HGB to achieve a limited degree of certainty, reported the review findings and issued an unqualified opinion.

Each of the above-mentioned financial statements and reports along with the corresponding audit reports was made available to all members of the Supervisory Board as soon as it had been produced and checked. The documents were subsequently discussed in detail at the meetings of the Audit and Real Estate Committees on 19 March 2021 and at the Supervisory Board's financial statements meeting held on 22 March 2021. Representatives of the auditor took part in the meetings, where they reported on the scope, focal points and key findings of the audit and were available to answer questions. They paid particular attention to the key audit matters described in the certificate along with the audit procedures used and the conclusions regarding the accounting-related internal control and risk management system. Finally, they also reported on the nature and extent of the other services provided by the auditor.

As part of the preliminary review, the Audit and Real Estate Committees closely examined the course of the audit, the auditor's reports and the findings. Once they had completed their examination, they recommended that the Supervisory Board as a whole approve the financial statements and reports. Following a detailed plenary examination of the auditor's reports and findings and the findings of the committees' preliminary review, and based on our own review, we approved the findings of the audit. Following our review, we had no objections to make to the Annual Financial Statements including the divisional financial statements, the Consolidated Financial Statements including the subgroup financial statements, and the Combined Management Report for the 2020 financial year. Accordingly, we approved the Annual Financial Statements, the Consolidated Financial Statements and the Combined Management Report at our **meeting on 22 March 2021**. HHLA's Annual Financial Statements for the 2020 financial year have therefore been adopted. Following our review, we also had no objections to make to the Executive Board's statements on related parties and on the relationship between the A and S divisions or to the combined separate non-financial report for the 2020 financial year.

The Executive Board's proposal for appropriation of the distributable profit was analysed in detail and discussed with the Executive Board at the meetings of the Audit Committee – for the A division – and the Real Estate Committee – for the S division – on 19 March 2021 and at the Supervisory Board's meeting on 22 March 2021. Following our own review, which paid particularly close attention to earning trends, financial planning and shareholders' interests, and with a view to protecting liquidity, we, alongside the Executive Board, will propose to the Annual General Meeting that a dividend of € 0.45 per dividend-entitled class A share and € 2.10 per dividend-entitled class S share be distributed from distributable profit for the 2020 financial year. There is also the intention this year, too, to give class A shareholders the option of having their dividend paid out either in cash or in new class A shares in the company on a pro rata basis (scrip or stock dividend).

Personnel changes

During the reporting period, the Executive Board extended Dr. Roland Lappin's term of office by five years. Dr. Sevecke stepped down from the Supervisory Board as of the end of the Annual General Meeting on 20 August 2020. In line with the Nomination Committee's recommendation and the candidate proposed by the Supervisory Board, the Annual General Meeting on 20 August 2020 appointed Mr. Andreas Rieckhof, State Secretary of the Hamburg Ministry for Economic and Labour Affairs, as Dr. Sevecke's successor for the remainder of his mandate on the Supervisory Board. In addition to the requirements of the German Stock Corporation Act, the GCGC and the Supervisory Board's rules of procedure, the Nomination Committee and Supervisory Board recommendations each took into account the specifications of the profile of requirements issued by the Supervisory Board. In the course of the personnel changes, Mr. Rieckhof was also appointed the successor to Dr. Sevecke on the Personnel, Nomination and Arbitration Committees. Corporate governance

Finally, on behalf of the Supervisory Board, I would like to take this opportunity to thank the members of the Executive Board and our employees for their hard work in the highly challenging 2020 financial year, and our shareholders and business partners for the trust they have placed in us.

Hamburg, 22 March 2021

The Supervisory Board

Prof. Dr. Rüdiger Grube
Chairman of the Supervisory Board

Members of the Supervisory Board

Prof. Dr. Rüdiger Grube
Chairman of the Supervisory Board
Managing Partner of Rüdiger Grube International Business Leadership GmbH

Berthold Bose
Vice Chairman
Head of ver.di Hamburg

Dr. Norbert Kloppenburg
International investments and financing consultant

Thomas Lutje
Director of Sales at HHLA

Thomas Mendrzik
Employee in the technical area at HHLA Container Terminal Altenwerder GmbH

Dr. Isabella Niklas
Spokeswoman for the management of the HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH

Norbert Paulsen
Chairman of the joint works council and the HHLA Group works council

Sonja Petersen
Clerical employee at CTB

Andreas Rieckhof (since 20 August 2020)
State Secretary of the Hamburg Ministry for Economic and Labour Affairs

Dr. Sibylle Roggencamp
Head of the Office for Asset and Investment Management at the Hamburg Ministry of Finance

Professor Burkhard Schwenker
Chairman of the Advisory Council of Roland Berger GmbH

Maya Schwiegershausen-Güth
Trade union secretary, ver.di

Dr. Torsten Sevecke (until 20 August 2020)
State Secretary at the Hamburg Ministry for the Economy, Transport and Innovation

For current and past members during the reporting period, as well as committee members, please also refer to the Declaration on corporate governance.

The HHLA share

Key figures

in €, class A shares, Xetra	2020	2019
Closing price	18.44	24.54
Performance in %	- 24.9	41.6
Highest price	24.54	25.26
Lowest price	10.37	17.33
Average daily trading volume	97,331	51,649
Dividend per class A share[1]	0.45	0.70
Dividend yield as of 31 December in %	2.4	2.9
Number of listed class A shares in thousand	71,700.2	70,048.8
Market capitalisation as of 31 December in € million	1,291.7	1,719.0
Price-earnings-ratio as of 31 December	36.9	18.3
Earnings per share	0.50	1.34

1 Dividend proposal for 2020

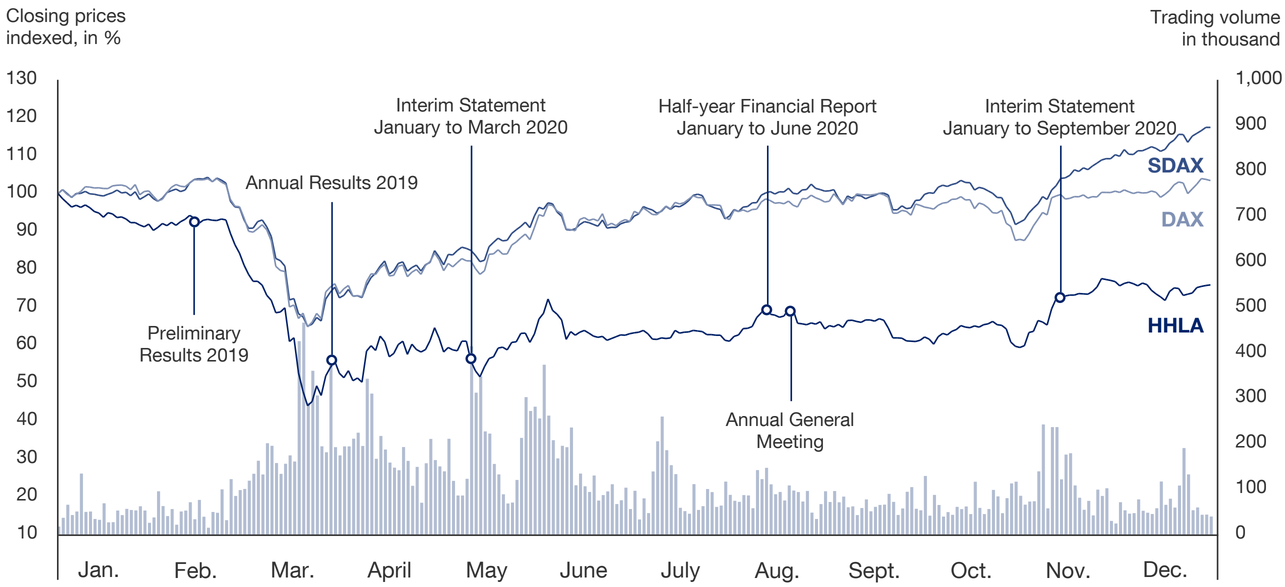
Markets dominated by coronavirus

In 2020, market trading was fundamentally shaped by the development of the coronavirus pandemic. Following a new all-time high of almost 13,800 points for the German benchmark index in mid-February, stock markets around the world suffered historic collapses in March as a result of the global coronavirus pandemic. In mid-March, the DAX fell to almost 8,200 points in intraday trading. By the beginning of the second quarter, however, the markets were already starting to recover. In addition to the measures put in place by the major central banks, the economic rescue packages announced by several governments helped raise hopes of limiting the pandemic's economic impact. However, any positive news – for example regarding infection rates – was frequently offset by devastating economic data. In such an environment, investors were highly unsettled. Despite this highly volatile environment, the benchmark indices continued to gain ground during the third quarter. By the end of the quarter, the DAX had recaptured the psychologically important 13,000-point mark. In the course of the fourth quarter, uncertainties surrounding a further coronavirus lockdown, a possible hard Brexit and the outcome of the US presidential election slowed this upward trend. Despite increasingly positive news, such as the earlier than expected availability of coronavirus vaccines, the markets remained tense. The DAX only started gaining momentum again at the end of the year, when it almost reached a new record high. On 30 December 2020, the German stock market barometer closed at 13,719 points, up 3.5 % on the previous year. The SDAX performed even better over the same period, with an increase of 18.0 % to 14,765 points.

HHLA share under pressure as logistics stock

The HHLA share also reflected the tremendous turmoil on the financial markets in 2020, registering a historic low of € 10.37 in mid-March. The dividend proposal published in late March as part of financial reporting for 2019 was positively received by the market. As a result, the share price recovered slightly despite the negative outlook for the 2020 financial year. Although the HHLA share reflected the general market recovery over the course of the year, it failed to benefit from the upward

Share price development 2020



Source: Datastream

trend to the same degree as the benchmark indices. On publication of the nine-month figures, the share continued to gain ground amid upbeat market sentiment, but was unable to reach its year-opening price. On the last trading day of the year, the HHLA share stood at € 18.44 and was thus 24.9 % down on the previous year's closing figure.

Basic data HHLA class A share

Type of shares	No-par-value registered shares
ISIN / SIC	DE000A0S8488 / A0S848
Symbol	HHFA
Stock exchanges (officially registered)	Frankfurt am Main, Hamburg
Segment	Prime Standard
Sector	Transport & Logistics
Index affiliation	SDAX
Bloomberg / Reuters	HHFA:GR / HHFGn.de

Virtual Annual General Meeting

Due to government regulations regarding large gatherings, the Annual General Meeting originally planned for 10 June with physical attendance was postponed until 20 August 2020 and held virtually.

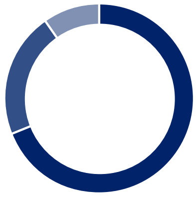
The shareholders formally approved the actions of HHLA's Executive Board and Supervisory Board for the 2019 financial year and elected Andreas Rieckhof, State Secretary of the Ministry for Economics and Innovation of the Free and Hanseatic City of Hamburg, as a new member of the Supervisory Board. The proposal of the Supervisory Board and Executive Board to reduce the dividend per listed class A share to € 0.70 (previous year: € 0.80) was also approved. This corresponds to a year-on-year dividend reduction of 12.5 %. To provide HHLA with additional scope to drive its further development, the shareholders also accepted the proposal for the innovative concept of a scrip dividend. This gives shareholders the option of receiving their dividend in cash or in shares. HHLA distributed dividends to its class A shareholders totalling € 49.0 million (previous year: € 56.0 million). This corresponded to a payout ratio of approximately 52 % of the Port Logistics subgroup's net profit after minority interests for the year, thus remaining within the dividend payout range of 50 to 70 % targeted since the initial public offering. Due to the subscription period, the dividend was paid into shareholders' security accounts on 15 September 2020 – either in cash or in shares. A total of 73 % of shareholders opted to have their dividend paid out in the form of shares. The subscription price was € 15.239. Based on its closing price of € 16.80 on the day of the Annual General Meeting, the HHLA share achieved a dividend yield of 4.2 %, putting it in the top ten of the SDAX.

Shareholder base still widely spread

HHLA's shareholder base remained largely stable in 2020. In terms of the listed class A shares, the Free and Hanseatic City of Hamburg remained the company's largest shareholder with an increased stake of 69.0 % (previously: 68.4 %).

Shareholder structure

as of 31.12.2020



- **69 %** Free and Hanseatic City of Hamburg
- **21 %** Institutional investors
- **10 %** Private investors

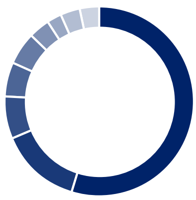
As of 31 December 2020, the free float portion amounted to 31.0 %. According to the voting rights notifications submitted to HHLA at the end of 2020, no single investor held more than 3 % of the remaining free float shares at this time. Among daily traded shares, ownership shifted in favour of private investors as of the reporting date. Although institutional investors continued to hold the majority of free float shares at year-end, accounting for 20.9 % of all shares (previous year: 23.2 %), the proportion of nominal capital held by private investors increased to 10.1 % (previous year: 8.4 %).

Dialogue with capital market maintained

Rapid reaction times and an open dialogue with financial analysts and investors played an even more significant role in HHLA's investor relations activities in 2020, given the volatile industry environment. In order to serve the needs of both institutional and private investors, HHLA used a wide range of digital formats to maintain its dialogue with investors during the coronavirus lockdown. Furthermore, the Executive Board provided details on business developments during quarterly conference calls. There was considerable interest in the information provided and the opportunities offered for discussion.

Regional distribution of institutional investors

as of 31.12.2020



- **55 %** North America incl. Canada
- **14 %** Scandinavia
- **7 %** UK & Ireland
- **6 %** Germany
- **6 %** Benelux
- **3 %** Switzerland
- **3 %** France
- **3 %** Rest of Europe
- **3 %** Rest of the world

With its proactive approach to communications, the Investor Relations department maintains a close dialogue with shareholders and potential investors. In addition to informing interested members of the public, the team also flags up issues of particular relevance to investors within the company. During the 2020 financial year, investors focused on the consequences of the coronavirus pandemic, e.g. the utilisation of terminals, the handling of planned investments and potential cost-cutting measures. Other key topics for the capital market were the progress in dredging the river Elbe – a crucial project for HHLA – and the automation of the HHLA Container Terminal Burchardkai (CTB).

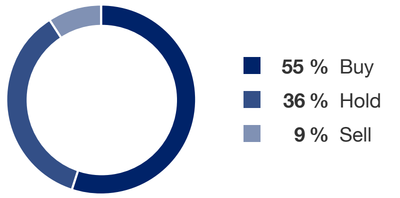
HHLA also provides a variety of digital channels, including its website, the HTML Annual Report and a dedicated investor portal, to inform potential and current investors about the HHLA share performance.

HHLA share still of interest for analysts

Despite changes in the macroeconomic environment resulting from more stringent MiFID II regulations, the HHLA share continues to enjoy well-informed coverage by financial analysts. This gives potential investors the possibility to find out about HHLA's business model and environment through independent analyses. The Executive Board and Investor Relations department therefore remain in close contact with all financial analysts in order to ensure a broad set of opinions.

Recommendations by financial analysts

as of 31.12.2020



A total of eleven financial analysts covered HHLA's business development and issued reports and recommendations concerning the share. As of the reporting date, six analysts recommended buying the share. They particularly emphasised the successful Intermodal business and growth potential resulting from the forthcoming dredging of the navigation channel. Those analysts who recommended holding the share primarily see risks arising from the fact that the river Elbe has still not been dredged, as well as the low level of cost flexibility. Analyst sentiment was also tempered by increasingly fierce competition among North Range ports and the potential worsening of current trade conflicts. As of the reporting date, there was one recommendation to sell.

Sustainability reporting and ratings

In addition to classic financial aspects, so-called non-financial or ESG (Environment, Social, Governance) figures play an increasingly important role in evaluating companies on the capital market. As a responsible company, HHLA has been reporting on its non-financial performance since 2011. In doing so, HHLA goes beyond the legally required disclosures of the non-financial report and issues a separate sustainability report, applying the internationally recognised reporting standards of the Global Reporting Initiative (GRI).

HHLA also champions the 17 Sustainable Development Goals (SDGs) adopted by the United Nations. Balanced Logistics

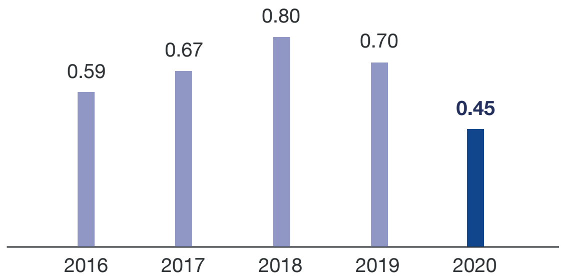
Based on this information, the company's sustainability credentials are regularly evaluated by ratings agencies, such as MSCI, ISS-oekom, S&P Global Ratings ESG, Gaia and the Carbon Disclosure Project (CDP).

Dividend proposal for 2020

The Executive Board and the Supervisory Board will propose to the Annual General Meeting on June 10, 2021, a script dividend of € 0.45 per class A share entitled to dividends. During the determination, the result was adjusted by the change in the restructuring provision affecting net income in the amount of € 43 million. The resulting payout ratio is at the lower end of the payout corridor of 50 to 70 % of the net profit for the year after non-controlling interests. Shareholders will thus again have the option of choosing between cash dividends and subscription to new shares.

Dividend per listed class A share

in €



2020: Dividend proposal