balance sheet date, the Group had unused credit facilities amounting to € 9.8 million (previous year: € 54.3 million). The credit line utilisation rate amounted to 33.1 %. The decrease resulted from the termination of a € 50.0 million credit line taken out as a precaution and unused in the 2020 financial year. Of the total cash and cash equivalents, an amount of € 4.4 million as of the reporting date (previous year: € 3.7 million) was subject to restrictions in Ukraine relating to the transfer of currency abroad.

As HHLA has a large number of borrowing options at its disposal outside of the capital market, the Group currently sees no need for an external rating. Instead, it provides existing and potential creditors with comprehensive information to ensure that they can derive appropriate internal credit ratings. Furthermore, Deutsche Bundesbank once again confirmed the Group's eligibility for central bank finance.

Public subsidies awarded for individual development projects that are subject to specific conditions are of minor importance in terms of their volume at Group level.

### Acquisitions, disposals and other changes to the consolidated group

On 28 September 2020, HHLA International GmbH, Hamburg, signed a shareholding and partnership agreement for the acquisition of 50.01 % of shares in Piattaforma Logistica Trieste S.r.l., Trieste, Italy (PLT). The company was renamed HHLA PLT Italy S.r.l. on 7 January 2021. The object of the company is the planning, construction, maintenance and management of the logistics platform between Scalo Legnami and the former Italsider steelworks in the port centre of Trieste. Among other things, this includes conducting operations as a port company, storing materials and goods on behalf of third parties and the promotion, organisation, management and marketing of all services in connection with the exchange of goods, particularly intermodal exchange by ship, train and overland transport and the use of terminals that are equipped for goods transport and logistics of all kinds. The company was assigned to the Container segment.

With the shareholding and partnership agreement of 16 December 2020, HHLA AG acquired 80.0 % of shares in iSAM AG, Mülheim an der Ruhr, and its three subsidiaries. The object of the company is the development and distribution of IT software and the distribution of IT hardware; consultancy on the development of internal IT concepts, the design and implementation of system solutions, as well as consultancy, development and production with regard to automation concepts in manufacturing, trading and service companies. The company was assigned to the Logistics segment.

With the partnership agreement of 14 December 2020 and a name change, HHLA AG set up the company HHLA Digital Next GmbH, based in Hamburg. The company's objective is the development, spinning off, shareholding or acquisition, maintenance, administration and disposal of companies or participating interests in the fields of transport and logistics, particularly start-ups in the field of "trade and transport tech". The company was assigned to the Logistics segment.

With the partnership agreement of 16 December 2021, METRANS a.s., Prague, Czech Republic, set up the company METRANS Zalaegerszeg Kft., based in Budapest, Hungary. The company's objective is the acquisition of a plot of land. The company was assigned to the Intermodal segment. Notes to the consolidated financial statements, no. 3 Composition of the Group

There were no other significant acquisitions, changes in shareholdings in subsidiaries or changes to the consolidated group in the 2021 financial year. For details of company acquisitions after the balance sheet date, please refer to Events after the balance sheet date.

## Segment performance

### Container segment

#### Key figures

| in € million | 2021 | 2020 | Change |
|---|---|---|---|
| Revenue | 841.9 | 737.5 | 14.2 % |
| EBITDA | 256.7 | 160.4 | 60.0 % |
| EBITDA margin in % | 30.5 | 21.7 | 8.8 pp |
| EBIT | 155.3 | 65.4 | 137.4 % |
| EBIT margin in % | 18.4 | 8.9 | 9.5 pp |
| Container throughput in thousand TEU | 6,943 | 6,776 | 2.5 % |

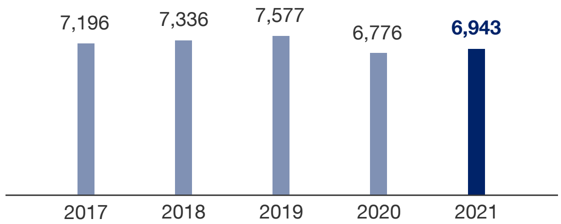
In the 2021 reporting year, there was a slight year-on-year increase in **container throughput** at **HHLA's container terminals** of 2.5 % on the whole to 6,943 thousand standard containers (TEU) (previous year: 6,776 thousand TEU).

At 6,328 thousand TEU, throughput volume at the three **Hamburg container terminals** was up 2.2 % on the prior-year figure (previous year: 6,193 thousand TEU). The positive development of cargo volumes was largely due to the Far East and North and South America shipping regions. This more than offset the pandemic-related volume shortfalls in the previous year and the loss of a Far East service in May 2020. Following a significant decline in volumes in the first quarter, the acquisition of an additional feeder service for the Baltic region in September 2021 led to a slight year-on-year increase in feeder traffic in the reporting period. The proportion of seaborne handling by feeders increased slightly to 20.4 % in the reporting period (previous year: 20.2 %).

Throughput volumes at the **international container terminals** rose significantly by 5.3 % to 615 thousand TEU (previous year: 584 thousand TEU). Container throughput therefore slightly exceeded the pre-pandemic level of 2019 by 0.4 %. This is primarily due to volume growth in Odessa and Tallinn. Only RoRo ships were processed at the Trieste terminal up to the end of November 2021. Container handling started in December.

### Container throughput

in thousand TEU




Segment **revenue** increased strongly year-on-year by 14.2 % to € 841.9 million for the 2021 financial year (previous year: € 737.5 million). The slight increase in volume of 2.5 % was significantly exceeded by the increase in average revenue. Revenue per container handled at the quayside rose strongly by 11.4 % year-on-year. This was due to a temporary spike in storage fees as a result of ongoing ship delays, some of which were extreme.

In addition to the pandemic-related delays in ship departures worldwide, the blocking of the Suez Canal in March also led to longer dwell times that boosted storage fees. Furthermore, the revenue from the Trieste container terminal was recognised for the first time during the reporting year.

EBIT costs increased slightly by 2.1 % year-on-year during the reporting period. In addition to the expected strong increase in project expenses for the efficiency programme, the additional expenses compared with the previous year were primarily attributable to the higher storage load, resulting in an increased use of both personnel and materials. Further burdens included additional provisions for the restructuring measures currently being implemented, increases in union wage rates, rising energy prices and start-up costs relating to the launch of container terminal operations in Trieste.

Against the backdrop of a rise in average revenue due to the spike in storage fees and the pandemic-related low comparative base of the previous year, and in spite of the above mentioned increase in expenses, the **operating result (EBIT)** more than doubled, rising by 137.4 % to € 155.3 million (previous year: € 65.4 million). The EBIT margin increased by 9.5 percentage points to 18.4 % and was thus slightly above the pre-pandemic level again (previous year: 8.9 % / 2019: 17.7 %).

In 2021, HHLA continued to invest in climate-friendly handling equipment. For example, HHLA Container Terminal Tollerort (CTT) took delivery of eight new hybrid transport vehicles and HHLA Container Terminal Burchardkai (CTB) took delivery of ten. These vehicles consume considerably less fuel than standard diesel-powered equipment. With the expansion and gradual retrofit of its block storage system, CTB also contributed to the ongoing efforts to modernise and enhance the efficiency of our terminals and made additional investments in ongoing improvements to the rail infrastructure to further boost the future of rail transport. HHLA Container Terminal Altenwerder (CTA) added further lower-emission, battery-powered automated guided vehicles (AGVs) to its fleet. Eleven more of these vehicles have been ordered and will be delivered in 2023. The energy infrastructure has also been expanded to accommodate these new vehicles. A total of 18 automatic charging stations will be available when the full AGV fleet goes into operation. Furthermore, the first battery-powered terminal tractor was put into operation. The findings from this pilot project will be used for the planned electrification of the entire tractor fleet. The international HHLA container terminals also invested in site expansion and the use of more energy-efficient equipment. For example, the container terminal in Tallinn acquired two container gantry cranes from CTB.

## Intermodal segment

### Key figures

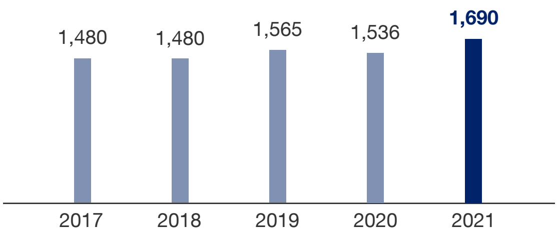
| in € million | 2021 | 2020 | Change |
|---|---|---|---|
| Revenue | 519.4 | 476.8 | 8.9 % |
| EBITDA | 151.1 | 131.8 | 14.6 % |
| EBITDA margin in % | 29.1 | 27.7 | 1.4 pp |
| EBIT | 104.3 | 88.3 | 18.2 % |
| EBIT margin in % | 20.1 | 18.5 | 1.6 pp |
| Container transport in thousand TEU | 1,690 | 1,536 | 10.0 % |

In the highly competitive market for container traffic in the hinterland of major seaports, HHLA's transport companies achieved significant volume growth in 2021. Container transport increased by 10.0 % to 1,690 thousand TEU (previous year: 1,536 thousand TEU). Rail continued to benefit more than road from the recovery in freight volumes that began in the second half of 2020. Rail transport increased strongly by 12.8 % year-on-year to 1,379 thousand TEU (previous year: 1,222 thousand TEU). Growth in the third and fourth quarters was slower, however, due to the strong recovery in volumes already recorded in the prior-year quarters. The volume growth achieved over the year as a whole was due both to traffic with the North European ports and a strong increase in continental transport volumes. In a persistently challenging market environment, road transport volumes of 312 thousand TEU were on a par with the previous year (previous year: 314 thousand TEU). In contrast to the general recovery in volumes, transport volumes in the Hamburg area continued to decline.

At € 519.4 million, **revenue** rose by 8.9 % year-on-year (previous year: € 476.8 million). However, this increase failed to match the development in transport volumes: although the advantageous rail share of HHLA's total intermodal transportation rose from 79.6 % to 81.6 %, average revenue per TEU decreased slightly as a result of changes to the structure of freight flows.

### Container transport

in thousand TEU




In light of the positive trend in volume and revenue, the **operating result (EBIT)** increased by 18.2 % to € 104.3 million in the reporting period (previous year: € 88.3 million). This figure includes a higher subsidy for route prices of € 11 million granted retroactively in the third quarter. At 20.1 %, the EBIT margin was 1.6 percentage points above the prior-year figure (previous year: 18.5 %).

HHLA continues to invest as needed in the expansion of its intermodal network. The decrease in route prices for German rail freight applied in mid-2018 is bolstering the development of the intermodal service portfolio. HHLA's rail subsidiary METRANS put seven new multi-system locomotives into operation during 2021. It now has approximately 130 shunters and locomotives, as well as a fleet of over 3,200 container wagons. The network consists of 17 terminals in the hinterland, of which five function as large hub terminals. Group overview/business activities

## Logistics segment

### Key figures

| in € million | 2021 | 2020 | Change |
|---|---|---|---|
| Revenue | 71.3 | 51.4 | 38.8 % |
| EBITDA | 9.3 | 6.9 | 34.1 % |
| EBITDA margin in % | 13.0 | 13.4 | - 0.4 pp |
| EBIT | - 3.0 | - 3.9 | pos. |
| EBIT margin in % | - 4.2 | - 7.5 | pos. |
| At-equity earnings | 3.9 | 3.4 | 13.7 % |

The key financial figures for the Logistics segment include the vehicle logistics and consultancy divisions, as well as business activities with which HHLA aims to tap new growth fields. iSAM AG (including its three subsidiaries), an automation technology specialist, was included in the group of consolidated companies in the first quarter of 2021. The results from dry bulk and fruit logistics are included in at-equity earnings.

The consolidated companies reported **revenue** of € 71.3 million in the 2021 financial year, up 38.8 % on the prior-year figure (previous year: € 51.4 million). This was largely due to the newly consolidated automation technology division and strong revenue growth in vehicle logistics.

The **operating result (EBIT)** recorded a loss of € 3.0 million in the reporting period (previous year: € - 3.9 million). This was due to start-up losses in connection with new activities. The vehicle logistics division was able to strongly improve its result.

Revenues of those companies included in at-equity earnings rose strongly in total during the reporting period. **At-equity earnings** rose to € 3.9 million in the 2021 financial year (previous year: € 3.4 million).

## Real Estate segment

### Key figures

| in € million | 2021 | 2020 | Change |
|---|---|---|---|
| Revenue | 38.1 | 38.1 | - 0.0 % |
| EBITDA | 22.6 | 20.0 | 13.3 % |
| EBITDA margin in % | 59.4 | 52.4 | 7.0 pp |
| EBIT | 15.3 | 12.9 | 18.0 % |
| EBIT margin in % | 40.0 | 33.9 | 6.1 pp |

In the fourth quarter, Hamburg's office rental market confirmed its significant recovery trend of the previous quarters. According to Grossmann & Berger's latest market report, 490,000 $m^2$ of office space was let in 2021; 44.1 % up on the very weak and pandemic-related prior-year figure. By contrast, the vacancy rate in Hamburg increased slightly year-on-year to 3.8 % (previous year: 3.5 %).

HHLA's properties in the Speicherstadt historical warehouse district and the fish market area, which were much less affected by strong market fluctuations during the Covid-19 pandemic, continued to make steady progress in the fourth quarter with almost full occupancy. **Revenue** remained stable in 2021 and matched the previous year's figure at € 38.1 million. The revenue-based rent agreements, which due to the pandemic were only reactivated during the course of the year, and a planned revenue shortfall caused by the renovation of a property could be offset by increased rental income from individual properties.

With a moderate decrease in maintenance volumes, the cumulative **operating result (EBIT)** increased strongly by 18.0 % to € 15.3 million as of year-end (previous year: € 12.9 million). This was primarily due to other operating income from the correction in the previous year due to receivables written down in the course of the Covid-19 pandemic.

# Events after the balance sheet date

On 21 September 2021, HHLA AG and COSCO SHIPPING Ports Limited (CSPL), a terminal operator and member of the COSCO Shipping Group listed on the Hong Kong stock exchange, signed an agreement regarding CSPL's strategic non-controlling interest of 35.0 % in HHLA Container Terminal Tollerort (CTT), a 100 % subsidiary of HHLA AG. The completion of the transaction is still subject to various conditions relating to competition law and foreign trade law (conditions precedent), which had not yet been met at the time these consolidated financial statements were approved by the Executive Board. HHLA AG's Supervisory Board has already approved the minority interest.

METRANS a.s, Prague, Czech Republic, acquired 100 % of the shares in CL EUROPORT Sp. z o.o. based in Malaszewicze, Poland, directly by means of a share purchase and transfer agreement dated 16 December 2021 and indirectly with the acquisition of the shares in CL EUROPORT s.r.o. based in Plzen, Czech Republic, by means of a share purchase and transfer agreement dated 16 December 2021. The company's purpose is to operate a container terminal offering intermodal services relating to the handling of container trains, road transport and container storage. The first-time consolidation of the companies took place on the acquisition date on 4 January 2022. The company will be assigned to the Intermodal segment. Both companies will be included in HHLA's group of consolidated companies as of 31 March 2022. Notes to the consolidated financial statements, no. 3 Composition of the Group

After the end of the reporting period, the conflict over the political future of Ukraine escalated dramatically. With the invasion by Russian troops on 24 February 2022, it must be assumed that the economic environment and economic development in Ukraine will deteriorate further. Moreover, the impact of the sanctions announced and possible retaliatory measures on the global economy cannot be determined with any certainty. As a result of the developments outlined above, effects may arise that could have a negative impact on the results of operations, net assets and financial position of the HHLA Group. The potential for future revaluations cannot be ruled out. Risk and opportunity report

HHLA is in a position to be able to bear these risks. The continued existence of the Group is therefore not at risk.

# Business forecast

## Macroeconomic environment

Following the pandemic-induced recession in 2020, the global economy returned to growth in 2021. More recently, however, the economic recovery suffered several setbacks, with the result that 2022 started on a slightly less positive footing. Infection rates and supply bottlenecks will continue to hamper macroeconomic activity in 2022, although their impact should gradually lessen as the year progresses. Signs of structural inflation are evident. It remains to be seen when the European Central Bank (ECB) will implement monetary policy measures so that the effects on further developments can be better assessed. According to the latest estimates of the International Monetary Fund (IMF) in January 2022, the **global economy** is set to expand by 4.4 % in 2022. This projection is 0.5 percentage points down on the previous forecast and reflects slower economic growth in the second half of 2021. Economic environment

### Growth expectations for GDP

| Growth expectation in % | **2022** | Trend vs. 2021 |
|---|---|---|
| World | 4.4 | ↘ |
| Advanced economies | 3.9 | ↘ |
| USA | 4.0 | ↘ |
| Emerging economies | 4.8 | ↘ |
| China | 4.8 | ↘ |
| Russia | 2.8 | ↘ |
| Eurozone | 3.9 | ↘ |
| Central and Eastern Europe (emerging european economies) | 3.5 | ↘ |
| Germany | 3.8 | ↗ |
| World trade | 6.0 | ↘ |

Source: International Monetary Fund (IMF); January 2022

The momentum of global trade will weaken somewhat in 2022 due to the slowing pace of economic growth. However, a renewed fall in demand and the expected weakening of the pandemic will help to reduce imbalances in global supply chains. According to IMF estimates, **global trade volumes** will rise by 6.0 % this year.

The outlook for the **economic regions of particular significance to HHLA** varies for 2022. The IMF expects economic growth in China to slow and has downgraded its updated economic outlook for the world's second-biggest economy by 0.8 percentage points to 4.8 % (as of January 2022). In particular, China's ongoing problems in its real estate sector, its zero-COVID policy and the slower than expected recovery in private consumption are restricting economic activity. By contrast, the recovery in oil-exporting countries like Russia is likely to