Condensed notes

1. Basic information on the Group

The Group's parent company (hereinafter also referred to as "HHLA" or "the HHLA Group") is Hamburger Hafen und Logistik Aktiengesellschaft, Bei St. Annen 1, 20457 Hamburg, Germany (HHLA AG), registered in the Hamburg Commercial Register under HRB 1902. The holding company above the Group is HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH, Hamburg (HGV).

To illustrate the results of operations, net assets and financial position of the subgroups, the annex to these Condensed Notes to the Consolidated Financial Statements contains the income statement, the statement of comprehensive income, the balance sheet, the cash flow statement and the statement of changes in equity for each subgroup.

The Condensed Interim Consolidated Financial Statements, and therefore the information in the Notes, are presented in euros (€). For the sake of clarity, the individual items are shown in thousands of euros (€ thousand) unless otherwise indicated. Due to the use of rounding procedures, it is possible that some figures do not add up to the stated sums.

2. Significant events in the reporting period

The first-time consolidation of 100 % of shares in the companies CL EUROPORT s.r.o., based in Plzen, Czech Republic, and CL EUROPORT Sp.z o.o., based in Malaszewicze, Poland, took place on the acquisition date of 4 January 2022. The companies were included in HHLA's consolidated group as fully consolidated companies as of 31 March 2022. Further information about the acquisition of the companies can be found under Note 4.

With the invasion by Russian troops on 24 February 2022, the economic environment and economic developments in Ukraine have deteriorated. Even now, it is still not possible to determine the further impact on the global economy in the future with any certainty. Consequently, effects may arise that could have a negative influence on the future results of operations, net assets and financial position of the HHLA Group. Further information can be found under Note 3.

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

There were no other particular events during the period under review that had an impact on the Group's results of operations, net assets and financial position.

3. Consolidation, accounting and valuation principles

3.1 Basis for preparation of the financial statements

The Condensed Interim Consolidated Financial Statements for the period from 1 January to 30 June 2022 were prepared in compliance with the rules of IAS 34 *Interim Financial Reporting*.

The IFRS requirements that apply in the European Union have been met in full.

The Condensed Interim Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements as of 31 December 2021.

3.2 Principal accounting and valuation methods

The accounting and valuation methods used for the preparation of the Condensed Interim Consolidated Financial Statements correspond to the methods used in the preparation of the Consolidated Financial Statements as of 31 December 2021. When calculating the income tax expense during the year, the currently applicable tax rate is used in principle for domestic companies. For certain domestic companies, a tax rate is determined in order to calculate the income tax expense. This involves extrapolating the interim earnings before tax (EBT) of these companies for the calendar year and then applying Hamburg's tax rate of 32.28 %. The effective tax rate of the entire Group for the interim reporting period ending 30 June 2022 was 31.4 % (30 June 2021: 31.8 %).

Based on the current implementation status, HHLA has reassessed the restructuring provision as of 30 June 2022 for the organisational restructuring in the Container segment. As a result of this reassessment, the provision decreased by around € 3 million compared with the original assumptions regarding implementation. In addition, the provision decreased by approximately another € 7 million due to changes to the applicable discount rate as of 30 June 2022 in the amount of 2.0 to 2.5 % (as of 31 December 2021: in the amount of 0.1 to - 0.1 % p.a.).

The company started applying the following new standards on 1 January 2022:

- Amendments to IFRS 3, IAS 16, IAS 37 and Annual Improvements 2018–2020

No effects on the Interim Consolidated Financial Statements arose from the application of these new provisions.

The following amendments to standards can be applied on a voluntary basis for the financial year under review. They have not been applied by HHLA:

- IFRS 17 Insurance Contracts including Amendments to IFRS 17
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies

Impairment of assets

As of the measurement date of 31 December 2021, a recoverable amount for the cash-generating unit HHLA PLT Italy S.r.l., Trieste, Italy (CGU PLT) was calculated as part of the annual testing of goodwill. This amount was approximately € 3.1 million higher than the carrying amount for valuation purposes. As the recoverable amount was close to the carrying amount, the management considered it possible as of the measurement date of 31 December 2021 that there could be a change in material assumptions which would lead to the carrying amount exceeding the recoverable amount. A change that would have led to parity between the recoverable amount and the carrying amount would have been an increase of 0.15 pp in the discount rate.

As of the measurement date of 30 June 2022, an increase in the discount rate from 7.0 to 8.0 % was observed. The management thus regarded this increase as indicative of the need to conduct an impairment test for the CGU PLT. The estimate of cash flows in the detailed planning period was updated based on new information. With an unchanged growth factor of 1.0 %, the recoverable amount as of 30 June 2022 was still approximately € 0.9 million higher than the carrying amount for valuation purposes. As the recoverable amount is close to the carrying amount for valuation purposes, even a marginal change in the valuation parameters would lead to parity between the recoverable amount and the carrying amount for valuation purposes.

Due to the Russia-Ukraine war, the management conducted an impairment test of the assets of SC Container Terminal Odessa in Odessa, Ukraine. For this, the management developed scenarios based on the original planning. The scenarios are based on the assumption of the continued existence of the container terminal. For both scenarios, it is assumed that seaborne container handling will not resume in 2022. For the subsequent years, one scenario envisages a medium-term recovery and a return to the original volumes planned before the Russia-Ukraine war. The other scenario envisages a recovery in the short term. Both scenarios describe the upper and lower points of possible developments based on current information and were therefore taken as equally probable for the impairment test. The weighted cash flows were discounted at a rate of 10.9 %, while a growth factor of 1.0 % was applied. Based on the impairment test, the recoverable amount is approximately € 8 million higher than the carrying amount for valuation purposes. An increase in the discount rate of around 1.2 percentage points would lead to parity between the recoverable amount and the carrying amount for valuation purposes.

For the CGU Bionic, the recoverable amount was calculated as the fair value of the intangible assets and property, plant and equipment as of 30 June 2022. This resulted in an impairment of around € 4 million.

As there were no indications for an impairment of the other CGUs, the Executive Board did not update the other impairment calculations.

3.3 Changes in the group of consolidated companies

As of 31 March 2022, the companies CL EUROPORT s.r.o., based in Plzen, Czech Republic, and CL EUROPORT Sp. z o.o., based in Malaszewicze, Poland, which were acquired in January 2022, were included in HHLA's group of consolidated companies. Further information about the acquisition of the companies can be found under Note 4.

Likewise, as of 31 March and 30 June 2022, respectively, the following companies which were newly established in the 2021 financial year were included in HHLA's group of consolidated companies: METRANS Szeged Kft., based in Budapest, Hungary, and allocated to the Intermodal segment, as well as HHLA Next GmbH, based in Hamburg, and omoqo GmbH, based in Hamburg, both of which were allocated to the Logistics segment.

All of the companies mentioned are fully consolidated.

No other changes in the group of consolidated companies took place during the reporting period.

4. Purchase and sale of shares in subsidiaries

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 companies are assigned to the Intermodal segment. Both companies were included in HHLA's group of consolidated companies as of 31 March 2022.

The following tables depict the consideration transferred for the acquisition of the company and the values of the assets identified, and liabilities acquired, on the date of acquisition:

Composition of the consideration transferred

in € thousand	
Acquisition of 100 % of the shares in CL EUROPORT s.r.o., Plzen/Czech Republic	17,893
Acquisition of 20.8 % of the shares in CL EUROPORT Sp. z o.o., Malaszewicze/Poland	4,690
Transferred consideration	**22,583**

Fair value of assets and liabilities (identifiable net assets) and derivation of goodwill

in € thousand	100 %
Cash and cash equivalents	**5,313**
Property, plant and equipment	17,318
Other assets	740
Current and non-current liabilities	- 1,463
Deferred taxes	- 1,105
Fair value of assets and liabilities (identifiable net assets)	**20,803**
Plus derived goodwill	1,780
Transferred consideration	**22,583**

The derived goodwill reflects the opportunities for a further expansion and therefore the future development of the container terminal as well as the leveraging of synergies and new entry points for the METRANS Group's existing network. The goodwill has been allocated to the Intermodal segment, to the cash-generating unit METRANS. It is not anticipated that a portion of the recorded goodwill will be tax deductible.

The fair value of trade receivables amounts to € 520 thousand and is collectable in full.

Between 1 January and 30 June 2022, the acquired business operations contributed to the HHLA Group's result with revenue of € 3,066 thousand and a profit after tax of € 587 thousand.

With a transfer agreement dated 9 May 2022, METRANS a.s., Prague, Czech Republic, acquired the remaining shares from the minority shareholder in METRANS Rail Profi Austria GmbH, Krems a. d. Donau, Austria, thus increasing its stake from 80.0 % to 100 %. The purchase price for these shares was taken directly to equity in accordance with the entity concept with a corresponding reduction in non-controlling interests.

There were no other significant acquisitions or disposals of shares in subsidiaries in the reporting period.

5. Earnings per share

Basic earnings per share in €

	Group		Port Logistics subgroup		Real Estate subgroup	
	1–6 | 2022	1–6 | 2021	**1–6 | 2022**	1–6 | 2021	**1–6 | 2022**	1–6 | 2021
Share of consolidated net profit attributable to shareholders of the parent company in € thousand	43,901	38,811	38,411	34,901	5,490	3,911
Number of common shares in circulation	75,219,438	74,404,715	72,514,938	71,700,215	2,704,500	2,704,500
	0.58	**0.52**	**0.53**	**0.49**	**2.03**	**1.45**

The capital increase carried out in July 2021 in connection with the dividend distribution to the holders of class A shares in return for contributions in kind caused the number of common shares in circulation to increase by 814,723. This change is reflected in the table above and did not have any significant effect on the earnings per share.

Basic earnings per share are calculated in accordance with IAS 33 by dividing the Group earnings attributable to the shareholders of the parent company by the average number of shares.

The diluted earnings per share are identical to basic earnings per share since there were no conversion or option rights in circulation during the reporting period.

6. Dividends paid

At the Annual General Meeting held on 16 June 2022, shareholders approved the proposal by the Executive Board and Supervisory Board to distribute a dividend of € 0.75 per share to the shareholders of the Port Logistics subgroup and of € 2.10 per share to the shareholders of the Real Estate subgroup. The total dividend of € 60,066 thousand was paid accordingly on 21 June 2022.

The remaining undistributed profit will be carried forward to new account.

7. Segment reporting

The segment report is presented as an annex to the Condensed Notes to the Consolidated Financial Statements.

The Group's segment report is prepared in accordance with the provisions of IFRS 8 and requires reporting on the basis of the internal reports to the Executive Board for the purpose of controlling commercial activities. The segment performance indicator used is the internationally customary key figure EBIT (earnings before interest and taxes), which serves to measure the success in each segment and therefore aids internal control. For further information, please refer to the Consolidated Financial Statements as of 31 December 2021.

The accounting and valuation principles applied to internal reporting comply with the principles applied by the Group described in Note 6 "Accounting and valuation principles" in the Notes to the Consolidated Financial Statements as of 31 December 2021.

The HHLA Group still operates in four segments: the Container, Intermodal, Logistics and Real Estate segments. "Holding/Other" still does not constitute an independent operating segment under IFRS 8.

The reconciliation of the segment variable EBIT to consolidated earnings before taxes (EBT) incorporates transactions between the segments and the subgroups for which consolidation is mandatory, along with the proportion of companies accounted for using the equity method, net interest income and the other financial result.

Reconciliation of the segment EBIT with consolidated earnings before taxes (EBT)

in € thousand	**1–6 | 2022**	1–6 | 2021
Segment earnings (EBIT)	**100,804**	**89,468**
Elimination of business relations between the segments and subgroups	487	1,045
Group earnings (EBIT)	**101,291**	**90,513**
Earnings from associates accounted for using the equity method	2,017	1,335
Net interest income	- 17,430	- 14,960
Earnings before tax (EBT)	**85,879**	**76,889**

8. Equity

The development of the individual components of HHLA's equity for the period from 1 January to 30 June of the years 2022 and 2021 is presented in the Statement of Changes in Equity.

9. Pension provisions

Provisions for pensions include pension obligations and liabilities from working lifetime accounts.

The calculation of pension obligations as of 30 June 2022 was based on an discount rate of 3.20 % (31 December 2021: 0.80 %; 30 June 2021: 0.60 %). The calculation of pension obligations was also based on an discount rate of 3.30 % as stated in the HHLA capital plan as of 30 June 2022 (31 December 2021: 1.00 %; 30 June 2021: 0.70 %).

Following the change of external expert, a different interest structure curve was used as a basis as of the reporting date. In comparison with the interest structure curve used previously, the interest rates were 10 base points higher, which led to both a general reduction in the pension obligation as a result of the increase in the discount rate and a further reduction in the pension obligations in the amount of around € 6 million.

Actuarial gains/losses from provisions for pensions changed as follows. These are recognised in equity without effect on profit and loss.

Development of actuarial gains/losses from pension provisions

in € thousand	2022	2021
Cumulative actuarial gains (+)/losses (-) as of 1 January	**- 89,316**	**- 136,958**
Changes in the financial year due to experience adjustments and changes in financial assumptions	120,824	28,980
Cumulative actuarial gains (+)/losses (-) as of 30 June	**31,508**	**- 107,978**

10. Investments

As of 30 June 2022, total capital expenditure throughout the HHLA Group amounted to € 86,397 thousand (previous year: € 90,335 thousand). The largest investments up to the end of the first half of 2022 were made in the Container and Intermodal segments and are primarily categorised as investments for expansion work. As of 30 June 2022, the Container and Intermodal segments accounted for the bulk of investment commitments at € 130,670 thousand (previous year: € 114,210 thousand).

11. Financial instruments

The tables below show the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy.

Financial assets as of 30 June 2022

	Carrying amount				Fair Value			
in € thousand	Amortised cost	Fair value through profit or loss	Fair value through other compre-hensive income	**Balance sheet value**	Level 1	Level 2	Level 3	**Total**
Financial assets measured at fair value								
Financial assets		469	4,704	5,173	5,173			5,173
	0	**469**	**4,704**	**5,173**				
Financial assets not measured at fair value								
Financial assets	16,284			16,284				
Trade receivables	225,724			225,724				
Receivables from related parties	75,802			75,802				
Cash, cash equivalents and short-term deposits	146,925			146,925				
	464,735	**0**	**0**	**464,735**				

Financial assets as of 31 December 2021

in € thousand	Carrying amount: Amortised cost	Carrying amount: Fair value through profit or loss	Carrying amount: Fair value through other compre-hensive income	Carrying amount: Balance sheet value	Fair Value: Level 1	Fair Value: Level 2	Fair Value: Level 3	Fair Value: Total
Financial assets measured at fair value								
Financial assets		683	4,256	4,939	4,939			4,939
	0	**683**	**4,256**	**4,939**				
Financial assets not measured at fair value								
Financial assets	14,845			14,845				
Trade receivables	188,271			188,271				
Receivables from related parties	86,140			86,140				
Cash, cash equivalents and short-term deposits	155,533			155,533				
	444,789	**0**	**0**	**444,789**				

Financial liabilities as of 30 June 2022

in € thousand	Carrying amount: Amortised cost	Carrying amount: Fair value through profit or loss	Carrying amount: Balance sheet value	Fair Value: Level 1	Fair Value: Level 2	Fair Value: Level 3	Fair Value: Total
Financial liabilities measured at fair value							
Financial liabilities		209	209	209			209
	0	**209**	**209**				
Financial liabilities not measured at fair value							
Financial liabilities	**744,274**		**744,274**				
Liabilities from bank loans	350,587		350,587		326,325		326,325
Liabilities from leases	296,064		296,064				
Liabilities from Settlement obligation, current	33,434		33,434				
Other financial liabilities, non-current	41,678		41,678		41,678		41,678
Other financial liabilities, current	22,511		22,511				
Trade liabilities	**128,299**		**128,299**				
Liabilities to related parties	**493,161**		**493,161**				
Liabilities from leases	471,845		471,845				
Other Liabilities to related parties	21,316		21,316				
	1,365,734	**0**	**1,365,734**				

Financial liabilities as of 31 December 2021

in € thousand	Carrying amount: Amortised cost	Carrying amount: Fair value through profit or loss	Carrying amount: Balance sheet value	Fair Value: Level 1	Fair Value: Level 2	Fair Value: Level 3	Fair Value: Total
Financial liabilities measured at fair value							
Financial liabilities		58	58	58			58
	0	**58**	**58**				
Financial liabilities not measured at fair value							
Financial liabilities	**723,024**		**723,024**				
Liabilities from bank loans	334,568		334,568		334,051		334,051
Liabilities from leases	293,693		293,693				
Liabilities from Settlement obligation, current	33,434		33,434				
Other financial liabilities, non-current	44,210		44,210		44,210		44,210
Other financial liabilities, current	17,119		17,119				
Trade liabilities	**107,936**		**107,936**				
Liabilities to related parties	**501,119**		**501,119**				
Liabilities from leases	482,280		482,280				
Other Liabilities to related parties	18,839		18,839				
	1,332,079	**0**	**1,332,079**				

If there are no material differences between the carrying amounts and fair values of the financial instruments reported under non-current financial liabilities with details of fair value, they are recognised at their carrying amount. Otherwise, the fair value must be stated.

In the reporting period, changes in value were reported in the income statement on financial assets and liabilities netted in the amount of € 260 thousand (31 December 2021: € 625 thousand) that are held at fair value through profit and loss.

The valuation methods and key unobservable input factors for calculating fair value are described in the Notes to the Consolidated Financial Statements as of 31 December 2021.

12. Transactions with respect to related parties

There are various contracts between the Free and Hanseatic City of Hamburg and/or the Hamburg Port Authority and companies in the HHLA Group for the lease of land and quay walls in the Port of Hamburg and in the Speicherstadt historical warehouse district. Moreover, the HHLA Group lets office space to other enterprises and public institutions affiliated with the Free and Hanseatic City of Hamburg. Further information about these business relationships can be found in the Consolidated Financial Statements as of 31 December 2021.

As of 30 June 2022, both the amounts reported for receivables from related parties and liabilities to related parties remained largely the same as those recorded as of 31 December 2021.

13. Events after the balance sheet date

There were no significant events after the balance sheet date of 30 June 2022.

Hamburg, 1 August 2022

Hamburger Hafen und Logistik Aktiengesellschaft

The Executive Board

Angela Titzrath | Jens Hansen | Dr. Roland Lappin | Torben Seebold

Assurance of the legal representatives

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the Interim Consolidated Financial Statements give a true and fair view of the results of operations, net assets and financial position of the Group, and the Interim Management Report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remainder of the financial year.

Hamburg, 1 August 2022

Hamburger Hafen und Logistik Aktiengesellschaft

The Executive Board

Angela Titzrath   Jens Hansen   Dr. Roland Lappin   Torben Seebold

Review report

To Hamburger Hafen und Logistik Aktiengesellschaft, Hamburg

We have reviewed the condensed consolidated interim financial statements - comprising the statement of financial position, income statement, statement of comprehensive income, statement of cash flows, statement of changes in equity and selected explanatory notes - and the interim group management report of Hamburger Hafen und Logistik Aktiengesellschaft, Hamburg, for the period from January 1 to June 30, 2022 which are part of the half-year financial report pursuant to § (Article) 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Hamburg, August 1, 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Marko Schipper
Wirtschaftsprüfer [German Public Auditor]

ppa. Sebastian Hoffmann
Wirtschaftsprüfer [German Public Auditor]