



EUROKAI

EUROKAI GmbH & Co. KGaA

**Interim Group Management Report
for the first half-year 2023**

Hamburg, September 2023

EUROKAI GmbH & Co. KGaA, Hamburg
Consolidated income statement for the period January 01 to June 30, 2023

	Jan 01 to June 30, 2023 TEUR	Jan 01 to June 30, 2022 TEUR
Revenue	110.006	131.087
Other operating income	11.366	5.067
Cost of materials	-44.660	-42.930
Personnel expenses	-31.847	-33.906
Depreciation, amortisation and impairment	-10.791	-10.008
Other operating expenses	-11.261	-11.339
Profit before income from investments, interest and taxes (EBIT)	22.813	37.971
Interest and similar income	5.561	2.694
Finance costs	-6.935	-4.723
Profit from equity investments accounted for using the equity method	12.483	54.711
Other finance costs (income)	38	-68
Earnings before taxes (EBT)	33.960	90.585
Income tax expense	-3.144	-15.397
Consolidated profit for the period	<u>30.816</u>	<u>75.188</u>
Attributable to:		
Equity holders of the parent	24.726	62.108
Non-controlling interests	6.090	13.080
	<u>30.816</u>	<u>75.188</u>
Diluted and basic Earnings per share (in EUR)	1,66	4,62

	Jan 01 to June 30, 2023 TEUR	Jan 01 to June 30, 2022 TEUR
Consolidated profit for the period	30.816	75.188
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of financial instruments	0	-117
Deferred taxes on remeasurement of financial instruments	0	32
Actuarial gains/losses from defined benefit pension plans from joint ventures	-1.151	26.640
Actuarial gains/losses from defined benefit pension plans	13	733
Deferred taxes on actuarial gains/losses	376	-8.807
	-762	18.481
Items that are or may be reclassified subsequently to profit or loss		
Remeasurement of financial instruments	-1.041	0
Deferred taxes on remeasurement of financial instruments	250	0
Remeasurement of financial instruments from joint ventures	75	106
Deferred taxes on remeasurement of financial instruments	-24	-34
Exchange differences arising on translation of joint ventures	471	1.077
Exchange differences arising on translation of foreign operations	947	161
	678	1.310
Other comprehensive income (after tax)	-84	19.791
Total comprehensive income	30.732	94.979
Attributable to		
Equity holders of the parent	24.955	81.825
Non-controlling interests	5.777	13.154
	30.732	94.979

EUROKAI GmbH & Co. KGaA, Hamburg
Consolidated Balance Sheet as at June 30, 2023

	June 30, 2023 TEUR	Dec 31, 2022 TEUR
ASSETS		
Non-current assets		
Intangible assets		
Other intangible assets	72.168	73.108
Property, plant and equipment		
Land, land rights and buildings including buildings on third-party land	53.373	55.363
Plant and machinery	52.450	54.782
Other equipment, fixtures and fittings	4.899	5.416
Prepayments and assets under construction	11.562	10.486
	<u>122.284</u>	<u>126.047</u>
Financial assets		
Equity investments accounted for using the equity method	247.873	243.952
Other equity investments	1.517	1.517
	<u>249.390</u>	<u>245.469</u>
Deferred tax assets	14.437	14.044
Other non-current financial assets	137.957	138.343
Other non-current non-financial assets	479	351
	<u>596.715</u>	<u>597.362</u>
Current assets		
Inventories	5.900	5.833
Trade receivables	48.729	47.403
Other current financial assets	28.267	46.963
Other current non-financial assets	16.203	16.858
Current tax receivables	11.506	7.224
Cash and cash equivalents	195.175	189.795
	<u>305.780</u>	<u>314.076</u>
	<u>902.495</u>	<u>911.438</u>
EQUITY AND LIABILITIES		
	June 30, 2023 TEUR	Dec 31, 2022 TEUR
Equity and reserves		
Issued capital	13.468	13.468
Equity attributable to Personally Liable General Partner	294	294
Capital reserves	1.801	1.801
Reserve from other changes in equity of associates	-5.802	-6.341
Retained earnings	153.498	145.992
Net retained profit	316.464	319.825
Equity attributable to equity holders of the parent	479.920	475.632
Equity attributable to non-controlling interest	100.302	103.989
	<u>580.222</u>	<u>579.621</u>
Liabilities and provisions		
Non-current liabilities and provisions		
Non-current financial liabilities, net of current portion	10.298	13.058
Government grants	4.407	4.095
Other non-current financial liabilities	197.746	202.895
Other non-current non-financial liabilities	1.776	1.776
Deferred tax liabilities	8.648	13.034
Provisions		
Provisions for pensions and other post-employment benefits	5.737	5.835
Other non-current provisions	14.254	14.813
	<u>242.866</u>	<u>255.506</u>
Current liabilities and provisions		
Current portion of non-current financial liabilities	3.583	4.718
Trade payables	35.893	36.490
Government grants	224	929
Other current financial liabilities	18.989	19.884
Other current non-financial liabilities	7.928	6.618
Current tax payables	11.687	6.480
Provisions		
Provisions for pensions and other post-employment benefits	683	746
Other current provisions	420	446
	<u>79.407</u>	<u>76.311</u>
	<u>322.273</u>	<u>331.817</u>
	<u>902.495</u>	<u>911.438</u>

EUROKAI GmbH & Co. KGaA, Hamburg
Consolidated cash flow statement for the period January 01 to June 30, 2023

	Jan 01 to Jun 30, 2023 TEUR	Jan 01 to Jun 30, 2022 TEUR
1. Cashflow from operating activities		
EBT	33.960	90.585
Depreciation, amortisation and impairment losses	10.791	10.008
Loss from the disposal of assets	-243	-47
Currency translation adjustments	-39	68
Profit/loss from investments accounted for using the equity method	-28.442	-54.711
Interest result	1.374	2.029
= Operating profit before changes in assets carried as working capital	<u>17.401</u>	<u>47.932</u>
Increase/decrease in trade receivables	-1.327	-7.934
Increase/decrease in other assets	2.280	-2.726
Increase/decrease in inventories	-68	-402
Increase/decrease in government grants	-832	299
Increase/decrease in provisions which affects income (excluding interest costs)	-739	-1.180
Increase/decrease in trade payables and other financial and non-financial liabilities	9.807	929
Non cash effective changes of derivatives in equity	395	0
= Cash flows used in/from changes in assets carried as working capital	<u>9.516</u>	<u>-11.014</u>
Interest received	3.620	2.728
Interest paid	-3.572	-3.172
Cash receipts from repayments of finance lease receivables	3.144	2.681
Income taxes received from tax refunds	0	1.169
Income taxes paid	-7.420	-11.212
= Cash paid/received for interest and income tax	<u>-4.228</u>	<u>-7.806</u>
= Net cash flows from operating activities	<u>22.689</u>	<u>29.112</u>
2. Cash flows from investing activities		
Proceeds from the disposal of intangible assets and property, plant and equipment	1.269	89
Investments in intangible assets and property, plant and equipment	-3.732	-6.739
Investments in non-current financial assets	0	-1.298
Investments in associated companies	-5.749	0
Dividends received	31.879	1.392
= Net cash flows used in investing activities	<u>23.667</u>	<u>-6.556</u>
3. Cash flows from financing activities		
Cash paid to equity holders	-20.587	-15.303
Cash received from the reimbursement of granted loans to associated companies	1.372	0
Repayment of non-current financial liabilities	-3.894	-3.215
Payment of finance lease liabilities	-8.323	-5.846
Payment to non-controlling interest	-9.544	-6.288
= Net cash flows used in financing activities	<u>-40.976</u>	<u>-30.652</u>
Net increase/decrease in cash and cash equivalents (subtotal of 1 to 3)	5.380	-8.096
Cash and cash equivalents at January 01	189.795	183.596
Cash and cash equivalents at the end of the period	<u>195.175</u>	<u>175.500</u>
<u>Composition of cash and cash equivalents</u>		
Cash and cash equivalents	195.175	175.500
Cash and cash equivalents at the end of the period	<u>195.175</u>	<u>175.500</u>

EUROKAI GmbH & Co. KGaA, Hamburg

Interim Group Management Report as of 30 June 2023

General

The companies incorporated in the EUROGATE Group are principally engaged in container handling in continental Europe and in North Africa. The companies operate container terminals, in some cases with partners, at La Spezia, Ravenna and Salerno in Italy, further in Hamburg, Bremerhaven, Wilhelmshaven, and finally in Tangier (Morocco), in Limassol (Cyprus), and in Ust-Luga (Russia). The EUROGATE Group further has stakeholdings in a number of inland terminals and railway-operating companies.

Secondary services are provided in the form of intermodal services (carriage of sea containers to and from the terminals), repairs, depot storage and trading of containers, cargo-modal services, and technical services.

EUROKAI GmbH & Co. KGaA has a direct shareholding of 66.6% in the CONTSHIP Italia Group via Contship Italia S.p.A., and an indirect shareholding of 16.7% via EUROGATE GmbH & Co. KGaA, KG of Bremen. Thus, calculated as an overall proportion, EUROKAI GmbH & Co. KGaA holds 83.3% of the shares in the CONTSHIP Italia Group.

Via EUROGATE GmbH & Co. KGaA, KG, with its subsidiaries and stakeholdings, EUROKAI GmbH & Co. KGaA has a 50% shareholding in the EUROGATE Group. It likewise holds 50% of the shares in its Personally Liable General Partner, EUROGATE Geschäftsführungs-GmbH & Co. KGaA of Bremen, and in the latter's Personally Liable General Partner, EUROGATE Beteiligungs-GmbH of Bremen.

The EUROKAI Group is controlled via the CONTSHIP Italia, EUROGATE and EUROKAI segments, the joint-venture company EUROGATE, under the rules of IFRS 11, being included at-equity in the EUROKAI Group.

Demand on the part of consumers and industry is depressed due to the continuing war in Ukraine, geopolitical tensions, inflation and rising interest rates, and by the downturn in the Chinese economy. As a result, post-pandemic economic recovery has been further frustrated. The forecast for economic growth in Germany has recently been downgraded correspondingly by the International Monetary Fund.¹

From the angle of storage charges, it is significant for EUROKAI GmbH & Co. KGaA that the disruptions to global supply chains and consequent delays to vessels already significantly lessened in the first quarter of 2023. As a result, standing times for containers at the terminals have been considerably reduced and are normalised again. This has led

¹ <https://www.handelsblatt.com/politik/konjunktur/nachrichten/iwf-prognose-deutschland-droht-anhaltende-rezession-/29276562.html>

overall to a significant drop in earnings from storage charges. In addition, due to the decline in handling volumes, which failed to reach expectations, the corresponding contribution margins are lacking. Consequently, both net profit and investment income at the EUROKAI Group in the first half-year 2023 were significantly down on the same period of the previous year.

Earnings at the EUROKAI Group in the period under review were down, due in particular to the decline in revenues at La Spezia Container Terminal S.p.A. (fully consolidated) to EUR 110.0 million (previous year: EUR 131.1 million). Consolidated profit for the first half-year 2023 stood at EUR 30.8 million (previous year: EUR 75.2 million). This anticipated decline was due to a fall in net profit (EBIT), viz. to EUR 18.5 million (previous year: EUR 38.0 million), and to a serious reduction in investment income to EUR 12.5 million (previous year: EUR 54.7 million). The fall in investment income was due in particular to the significant downturn in the pro rata result for the EUROGATE segment.

Volume trends

Handling volumes at the container terminals in the EUROKAI Group, including the terminals in Italy, Germany, Morocco, Cyprus and Russia, stood at 5.435 million² TEUs in the first half-year 2023, which was a total of 11.1% below the figure for the previous year (6.111 million TEUs).

The following table shows the current handling statistics:

Terminal	First half-year 2023 (in TEUs)	First half-year 2022 (in TEUs) ²	Change
Hamburg	948,565	1,072,930	-11.6%
Bremerhaven	1,984,904	2,335,108	-15.0%
Wilhelmshaven	293,535	349,017	-15.9%
Total Germany	3,227,004	3,757,055	-14.1%
La Spezia	487,204	620,535	-21.5%
Salerno	178,878	152,603	+17.2%
Ravenna	103,177	110,428	-6.6%
Total Italy	769,259	883,566	-12.9%
Tangier	1,256,914	1,265,407	-0.7%
Limassol	181,045	195,940	-7.6%
Ust-Luga	282	8,548	-96.7%
Total other	1,438,241	1,469,895	-2.2%
Total EUROKAI	5,434,504	6,110,516	-11.1%

² TEU = Twenty Foot Equivalent Unit, the measurement in container transport for a standard 20-foot container

The volumes shown represent total handling at each of the terminals in question. The handling volumes for the Bremerhaven terminal include figures for EUROGATE Container Terminal Bremerhaven GmbH and those for the joint venture North Sea Terminal Bremerhaven GmbH & Co. and MSC Gate Bremerhaven GmbH & Co. KG. The handling volumes for the Tangier terminal include figures for the two EUROATE container terminals EUROGATE Tanger S.A. and Tanger Alliance S.A.

Of these figures, only the handling volumes at the fully consolidated container terminal in La Spezia contribute to Group earnings.

Trends at the operating segments of the EUROKAI Group were as follows:

CONTSHIP Italia

Contship Italia S.p.A. of Melzo, Italy, is the holding company of the CONTSHIP Italia Group, which sets corporate strategy and coordinates operating activities. The most important stakeholdings continue to be La Spezia Container Terminal S.p.A. of La Spezia, Sogemar S.p.A. of Melzo, Milan, Hannibal S.r.l. of Melzo, Milan – the latter two both engaged in intermodal business – OCEANOGATE Italia S.r.l. of La Spezia, Rail Hub Milano S.r.l. of Milan and driveMybox S.r.l. of Milan (all in Italy).

The container terminals in the CONTSHIP Italia Group saw an overall fall of 12.9% in the period under review, to stand at 769,259 TEUs (previous year: 883,566 TEUs). Handling volumes in Salerno were up (+17.2%), while volumes at La Spezia (- 21.5%) and Ravenna (- 6.6%) were down.

Given this backdrop, and in conjunction with the decline in handling at La Spezia Container Terminal S.p.A., revenues in the CONTSHIP Italia segment fell to EUR 110.0 million (previous year: EUR 131.1 million). As a consequence of this development, half-yearly profit was down by a half, to EUR 14.3 million, compared with the previous year (EUR 28.4 million) and thus was naturally unable to compare with to the high profit of the previous year.

The handling volumes and IFRS results for the Italian companies showed the following trends in the period under review:

La Spezia Container Terminal S.p.A. is a 60% stakeholding of Contship Italia S.p.A. Given a decline in handling volumes of 21.5% to 487,204 TEUs (previous year: 620,535 TEUs), in conjunction with a significant decline in earnings from storage charges, the company has posted a considerable decline in half-yearly profit compared with the same period of the previous year.

The 100% Contship Italia subsidiary Sogemar S.p.A. continues to hold 100% of the shares in Hannibal S.r.l., OCEANOGATE Italia S.r.l., plus 90% of the shares in Rail Hub

Milano S.r.l. of Milan, Italy, for which it provides letting, management and IT services. Sogemar S.p.A. recorded a half-yearly profit slightly under the level of the previous year.

In addition, Kombiverkehr Deutsche Gesellschaft für kombinierten Güterverkehr mbH & Co. Kommanditgesellschaft of Frankfurt has a stakeholding of 10% in der Rail Hub Milano S.r.l.

Moreover Sogemar S.p.A, holds 80% of the shares in driveMybox Italia S.r.l. The remaining 20% of the shares are held by Go.Trans S.r.l. of Milan.

Hannibal S.r.l., along with international container carriage, also runs the national truck and rail operations of the CONTSHIP Italia Group. Despite transport volumes having risen by 18.5%, the company's half-yearly result was down, due to under-utilisation of existing capacity, and was therefore into slightly negative territory.

The number of trains run in the period under review by the railway operator OCEANO-GATE Italia S.r.l. grew by 25.3% on the previous year. This being so, the company's half-yearly result has also improved compared with the previous year and is in slightly positive territory.

Rail Hub Milano S.r.l. operates the inland terminals of the Contship Italia Group in Melzo and Rho. Handling volumes in the period under review were up slightly by 1.3% on the level of the previous year (108,018 TEUs), to stand at 109,429 TEUs. However, revenues from customs and warehousing business underwent a slight decline, so that the company is posting a half-yearly profit slightly down on the previous year.

Since 2022 driveMybox S.r.l. has been operating a digital platform for booking and handling road shipments of containers. In the first half-year 2023 the company has already earned a profitable result, with transport volumes standing at 15,034 TEUs.

EUROGATE Group

EUROGATE GmbH & Co. KGaA, KG of Bremen, in which EUROKAI GmbH & Co. KGaA and BLG Logistics Group AG & Co. KG of Bremen each have a 50% shareholding, is the EUROGATE Group's holding company. EUROGATE GmbH & Co. KGaA, KG supplies central services for its subsidiaries and stakeholdings. Its main stakeholdings comprise EUROGATE Container Terminal Hamburg GmbH, EUROGATE Container Terminal Bremerhaven GmbH, North Sea Terminal Bremerhaven GmbH & Co., MSC Gate Bremerhaven GmbH & Co. KG – all of Bremerhaven – and finally in Wilhelmshaven EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG. The EUROGATE Group also has a 33.4% stake in Contship Italia S.p.A. of Italy.

EUROGATE GmbH & Co. KGaA, KG has a 100% shareholding in both EUROGATE Container Terminal Hamburg GmbH and EUROGATE Container Terminal Bremerhaven GmbH. These companies are fully consolidated in the EUROGATE segment. The joint ventures North Sea Terminal Bremerhaven GmbH & Co. (EUROGATE stake: 50%),

MSC Gate Bremerhaven GmbH & Co. KG (EUROGATE stake: 50%), EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG (EUROGATE stake: 70%), and EUROGATE Container Terminal Limassol Limited (EUROGATE share 60%) have been included in the EUROGATE segment at-equity.

Handling volumes at the German terminals fell overall by 14.1%, to stand at 3,227 million TEUs (previous year: 3,757 million TEUs). While handling volumes in Bremerhaven were 15.0% below those of the same period in the previous year. Hamburg recorded a fall of 11.6%. At the Wilhelmshaven terminal handling volumes were likewise on a downward trend compared with the same period of the previous year, falling by 15.9%.

The decline in handling volumes was due mainly to the downward trend in transport and handling volumes already seen in the global economy in the second half of 2022, which was aggravated considerably yet again in the first half-year of 2023. As a counterpoint, the volume decline and normalised standing times for containers in the terminals are leading to more efficient operating flows and slightly increased productivity figures.

In the first half-year 2023 the EUROGATE segment saw group revenues decline by 9.1% to EUR 302.3 million (previous year: EUR 332.2 million).

This decline in revenues was principally due, along with the fall in handling, to the reduction in earnings from storage charges, felt significantly also in Germany, and normalised again. Therefore net profit, amounting to EUR 26.7 million (previous year: EUR 39.5 million), was also markedly reduced. In this context it should be noted that the figure for the previous year has been depressed by a one-off negative effect, viz. by the unscheduled write-down on intangible assets in connection with the STRADegy automation project amounting to EUR 8.3 million.

Consolidated profit in the period under review was down considerably, to EUR 22.2 million (previous year: EUR 103.0 million) and, as anticipated, was unable to compete with the high result of the previous year. This was due, along with the fall in revenues, mainly to the one-off effects comprised in the previous year resulting from the attribution of the at-equity stakeholding in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, amounting to EUR 70.7 million, and the countervailing full write-down made in the previous year of the at-equity stakeholding in JSC Ust-Luga Container Terminal, Russia, amounting to EUR 18.6 million. Furthermore, profits from affiliated companies showed a sharp downturn, due particularly to the decline in handling and earnings at the joint ventures MSC Gate Bremerhaven GmbH & Co. KG and EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG.

Handling volumes and IFRS profits at the domestic companies operating container terminals showed the following trends in the period under review:

In the first half-year 2023 EUROGATE Container Terminal Hamburg GmbH, with a handling volume of 948,565 TEUs (previous year: 1,072,930 TEUs), recorded a handling

volume which was 11.6% down. At the Hamburg terminal the decline in handling figures, in conjunction with the fall in earnings from storage charges, led to a half-yearly result significantly down on the same period of the previous year, but still in profit.

In the period under review EUROGATE Container Terminal Bremerhaven GmbH, with a handling volume of 360,193 TEUs (previous year: 355,777 TEUs), saw a slight rise in volume of 1.2%. Despite the slight recovery in handling figures, the company's half-yearly result, due to the decline in earnings from storage charges, recorded a corresponding downward trend compared with the same period of the previous year. Nevertheless, the company has continued to show a profitable half-yearly result.

North Sea Terminal Bremerhaven GmbH & Co., the joint venture with APM Terminals, in which APM Terminals Deutschland Holding GmbH – a direct 100% subsidiary of A.P. Moeller Maersk A/S of Copenhagen, Denmark – has a 50% stakeholding, with a handling volume of 1,155,792 TEUs (previous year: 1,314,704 TEUs) saw a volume decline of 12.1% in the first half-year 2023. Nevertheless, due to a rise in average earnings, the company's half-yearly profit improved slightly on the same period of the previous year.

MSC Gate Bremerhaven GmbH & Co. KG, the joint venture between EUROGATE GmbH & Co. KGaA, KG and Terminal Investment Limited Sàrl of Geneva, Switzerland, an affiliate of Mediterranean Shipping Company S.A. (MSC) of Geneva, has posted a significant 29.4% downturn in handling volume of 468,919 TEUs compared with the first half-year 2023 (previous year: 664,627 TEUs). Due to this considerable decline in volume, plus a severe downturn in earnings from storage charges, the company has posted a half-yearly result which is significantly down on the previous year but which is still in positive territory.

Handling volume at EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, in which HL Terminals of Hamburg – a 100% subsidiary of Hapag-Lloyd Aktiengesellschaft of Hamburg – has had a 30% stakeholding, with a handling volume of 293,535 TEUs (previous year: 349,017 TEUs), recorded a notable volume decline of 15.9%. Due to this decline in volume and the concurrent fall in earnings from storage charges, the company's half-yearly result has worsened substantially compared with the period under review of the previous year and is in negative territory.

Trends at the EUROGATE Group's stakeholdings abroad were as follows:

Handling volume at the two terminals in Tangier, Morocco (North Africa), standing in total at 1,256,914 TEUs, was down slightly by 0.7% on the comparable figure for the previous year (1,265,407 TEUs).

Handling volumes at EUROGATE Tanger S.A., in which Contship Italia S.p.A. and EUROGATE International GmbH each have an indirect 20% stakeholding, in which Terminal Link, a joint venture between CMA CGM S.A. and China Merchants Port Holding Limited, has a stakeholding directly and indirectly of 40%, and Terminal Investment Limited Sàrl has a direct stakeholding of 20%, fell in the period under review by 22.0% to

553,961 TEUs (previous year: 710,352 TEUs). The company's half-yearly result has correspondingly worsened considerably compared with the previous year but is still in positive territory.

Tanger Alliance S.A., of Tangier, Morocco, in which Contship Italia S.p.A. and EUROGATE International GmbH each have a 20% stakeholding, Société d'Exploitation des Ports S.A. (Marsa Maroc) a 50% stakeholding, and Hapag-Lloyd Aktiengesellschaft a 10% stakeholding, handled 702,953 TEUs in the first half of the business year (previous year: 555,055. up 26.6%). Following this welcome rise in volume, the company's half-yearly profit has shown an excellent improvement.

The EUROGATE Group has a 60% stakeholding in EUROGATE Container Terminal Limassol Limited of Limassol, Cyprus. The further 40% of shares are held by Zirando Investment Ltd. of Cyprus. In the first half-year 2023 the company handled 181,045 TEUs (previous year: 195,940 TEUs, down 7.6%). Despite this slight decline in handling, the company, due to a rise in average earnings, has posted an improved half-yearly profit compared with the half-yearly profit of the previous year.

Major transactions in the business year

CONTSHIP Italia segment

By a resolution of 31 March 2023, on cost grounds and to simplify administration, the legal form of Rail Hub Milano S.p.A., OCEANOGATE Italia S.p.A. und Hannibal S.p.A. – all companies operating in the intermodal sector – were each converted into the legal form of an S.r.l. (corresponding to German GmbH).

At the end of April 2023 the management of CONTSHIP Italia around its long-standing President Cecilia Eckelmann-Battistello was reorganised. While Matthieu Gasselin was appointed CEO, Tommaso Ferrario took over responsibility as CFO.

In May 2023 Tanger Alliance S.A. of Morocco recorded its highest handling volume so far since start of operations, standing at 143,000 TEUs.

EUROGATE segment

The building works at EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG to raise all eight gantry cranes by 11 meters are proceeding so far to plan and have already been brought to a successful conclusion on the first four gantry cranes. Moreover at the Wilhelmshaven terminal two further super-post-panamax gantry cranes are under construction, which are due go into service in spring 2024.

In April 2023 the complete renovation of the EUROGATE administration building in Hamburg was completed.

Since April 2023 EUROGATE Container Terminal Wilhelmshaven, as part of the FE 2 Container Service, has been part of the regular rotation in the timetable of THE Alliance

Partners (Hapag-Lloyd, Ocean Network Express, Yang Ming und Hyundai Merchant Marine).

On 13 June 2023 for the first time a container ship of Hapag-Lloyd's own in the FE2 service, the *Al Zubara* comprising almost 20,000 TEUs, called at the Wilhelmshaven Container Terminal.

Earnings

To show Group earnings, in the following overview we have used an income statement derived under business-management terms:

	1 January to 30 June 2023		1 January to 30 June 2022		Change
	EURk	%	EURk	%	EURk
Revenues	110,006		131,087		-21,081
Miscellaneous operating income	11,366		5,067		6,299
Operating performance	121,372	100	136,154	100	-14,782
Material costs	-44,660	-37	-42,930	-32	-1,730
Personnel costs	-31,847	-26	-33,906	-25	2,059
Depreciation	-10,791	-9	-10,008	-7	-783
Miscellaneous operating expenditure	-11,261	-9	-11,339	-8	78
Operating costs	-98,559	-81	-98,183	-72	-376
Earnings before investment income, interest and tax (EBIT)	22,813	19	37,971	28	-15,158
Interest and similar income	5,561		2,694		2,867
Financing costs	-6,935		-4,723		-2,212
Earnings from associated companies	12,483		54,711		-42,228
Other financial result	38		-68		106
Earnings before taxes (EBT)	33,960		90,585		-56,625
Revenue and income taxes	-3,144		-15,397		12,253
Half-yearly consolidated profit	30,816		75,188		-44,372

Which breaks down into the following groups:

Shareholders of parent company	24,726	62,108
Minority shareholders	6,090	13,080
	<u>30,816</u>	<u>75,188</u>

The principal factors influencing the change in individual items of the Profit & Loss Account are explained below:

The EUROKAI Group's external revenues stood at EUR 110.0 million in the period under review (previous year: EUR 131.1 million). The decline in Group revenue resulted mainly from the fall in handling figures, with severe concurrent reduction in earnings from storage charges, at the fully consolidated La Spezia Container Terminal S.p.A.

The rise in miscellaneous operating income is to be explained mainly from the revaluation of a purchase option of Sogemar S.p.A. for acquisition of the 20% shareholding in driveMybox S.r.l. currently held by Go Trans S.r.l.

The increase in material costs by EUR 1.7 million to EUR 44.7 million (previous year: EUR 42.9 million) is the result mainly of a rise in external services.

Personnel costs, impacted mainly by the overall decline in volumes, fell to EUR 31.8 million (previous year: EUR 33.9 million).

Miscellaneous operating expenditure, at EUR 11.3 million, is at the level of the previous year (EUR 11.3 million).

Earnings before interest, investment income and tax (EBIT) stood in the first half-year 2023 at EUR 22.8 million (previous year: EUR 38.0 million).

The significant decline in profit from associated companies to EUR 12.5 million (previous year: EUR 54.7 million) resulted principally from the considerable decline in pro-rata earnings by the EUROGATE Group to EUR 9.4 million (previous year: EUR 48.4 million). This was due, along with the handling-related decline in revenues, mainly on the one hand to the attribution in the previous year of the at-equity stakeholding in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG amounting to EUR 70.7 million, and on the other hand to the full countervailing write-down of the at-equity stakeholding in JSC Ust-Luga Container Terminal, Russia, of EUR 18.6 million. Furthermore, in the EUROGATE segment the earnings from associated companies recorded a significant downward trend, due in particular to the decline in handling and earnings at MSC Gate Bremerhaven GmbH & Co. KG and EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG.

Thus in the period under review the EUROGATE Group showed a correspondingly marked fall in earnings before tax (EBT) of EUR 34.0 million (previous year: EUR 90.6 million).

Overall, half-yearly consolidated profit fell considerably on the same period of the previous year, to stand at EUR 30.8 million (previous year: EUR 75.2 million).

Assets

The overview below shows the trends in asset and capital structure in the first half-year 2023:

Assets	30 June 2023		31 December 2022		Change EURk
	EURk	%	EURk	%	
Intangible assets	72,168	8	73,108	8	-940
Fixed assets	122,284	14	126,047	14	-3,763
Financial assets	249,390	27	245,469	26	3,921
Deferred tax claims	14,437	2	14,044	2	393
Other long-term assets	138,436	15	138,694	15	-258
Long-term assets	596,715	66	597,362	65	-647
Inventories	5,900	1	5,833	1	67
Trade receivables	48,729	5	47,403	5	1,326
Other current financial and tax assets	55,976	6	71,045	8	-15,069
Liquid funds	195,175	22	189,795	21	5,380
Short-term assets	305,780	34	314,076	35	-8,296
Total assets	902,495	100	911,438	100	-8,943

Liabilities	30 June 2023		31 December 2022		Change EURk
	EURk	%	EURk	%	
Subscribed capital	13,468	1	13,468	1	0
Capital of the Personally Liable General Partner and Reserves	149,988	17	142,339	16	7,649
Balance-sheet profit	316,464	35	319,825	36	-3,361
Share of minorities in capital	100,302	11	103,989	11	-3,687
Shareholders' equity	580,222	64	579,621	64	601
Long-term loans less short-term percentage	10,298	1	13,058	1	-2,760
Long-term percentage of public grants	4,407	0	4,095	0	312
Miscellaneous liabilities	199,522	24	204,671	23	-5,149
Deferred tax liabilities	8,648	1	13,034	1	-4,386
Reserves	19,991	2	20,648	2	-657
Long-term liabilities	242,866	28	255,506	27	-12,640
Short-term percentage of long-term loans	3,583	0	4,718	1	-1,135
Trade payables	35,893	4	36,490	4	-597
Short-term percentage of public grants	224	0	929	0	-705
Miscellaneous payables and tax liabilities	38,604	4	32,982	4	5,622
Reserves	1,103	0	1,192	0	-89
Short-term liabilities	79,407	8	76,311	9	3,096
Total capital	902,495	100	911,438	100	-8,943

The main changes to the asset and capital structure are as follows:

Fixed assets fell through scheduled depreciation and through additions and disposals by EUR 3.8 million to EUR 122.3 million.

Financial assets rose, almost exclusively through the change in at-equity figures for associated companies, by EUR 3.9 million to EUR 249.4 million.

Trade receivables marked a rise as of the accounting cut-off day amounting to EUR 1.3 million, to stand at EUR 48.7 million.

Liquid funds rose by EUR 5.4 million to EUR 195.2 million.

The rise in the entry for capital of the Personally Liable General Partner and reserves by EUR 7.6 million to EUR 150.0 million was almost wholly due to the allocation of EUR 7.5 million to the profit reserves

Following the dividend distribution for the business year 2022, in accordance with the resolution of the Annual General Meeting in June 2023, and the addition of EUR 7.5 million to the profit reserves, a balance-sheet profit down by EUR 3.4 million was posted, based on the result earned in the Group in the first half-year.

Balance-sheet profit for the EUROKAI Group fell in the first half of 2023 overall by EUR 8.9 million to EUR 902.5 million. The Group equity ratio has remained constant at 64% (previous year: 64%).

Financial position

The following cashflows were earned in the first half-years 2023 and 2022:

	1 January bis 30 June 2023 EURk	1 January bis 30 June 2022 EURk
Inflow of funds from current business activity	22,689	29,112
Inflow of funds from investment	23,667	-6,556
Outflow of funds from financing	-40,976	-30,652
Change to financial funds on the payments side	5,380	-8,096
Financial funds on 1 January	189,795	183,596
Financial funds at end of period	<u>195,175</u>	<u>175,500</u>
<u>Composition of financial funds</u>		
Liquid funds	<u>195,175</u>	<u>175,500</u>
Financial funds at end of period	<u>195,175</u>	<u>175,500</u>

Based on earnings before tax in the first half-year 2023 of EUR 34.0 million (previous year: EUR 90.6 million), a cashflow of EUR 22.7 million (previous year: EUR 29.1 million) was earned from current business activity.

Personnel and welfare

The average number of employees in the Group (not including management board, temporary staff and trainees) as of 30 June 2023 was as follows:

	30 June 2023	30 June 2022
Industrial workers	472	418
Office staff	384	389
	856	807

The rise in the workforce was due mainly to new industrial workers in the intermodal sector. These were principally HGV drivers and locomotive drivers at Hannibal S.r.l. and OCEANOGATE Italia S.r.l., both companies of Melzo, Milan.

Addendum

No significant events have occurred following the accounting cut-off day impacting on this present Financial Statement.

Tom H. Eckelmann was appointed to the management board of EUROKAI GmbH & Co. KGaA with effect as of 1 July 2023 and has formed the management board since that time along with his father, Thomas H. Eckelmann (chairman) and Cecilia E.M. Eckelmann-Battistello.

In the wake of this appointment a change of generations has taken place at EUROGATE: likewise with effect as of 1 July 2023, Tom H. Eckelmann has replaced Thomas H. Eckelmann as co-chairman of the Group management board of EUROGATE GmbH & Co. KGaA, KG. In the Group management board, consisting of Michael Bach (co-chairman), Marcel Egger (CFO) and Christian Lankenau (CHRO), he has taken charge of the international, intermodal and corporate-communication sections.

On 11 September 2023, EUROGATE GmbH & Co. KGaA, KG and Terminal Investment Limited Sàrl, Geneva, belonging to Mediterranean Shipping Company S.A. (MSC), Geneva, have extended their partnership in relation to the joint venture MSC Gate Bremerhaven GmbH & Co. KG until 2048. MSC Gate, founded in 2004 operates a container terminal in Bremerhaven.

On 13 September 2023, the Senate of the Free and Hanseatic City of Hamburg (FHH) announced that MSC intended to make a voluntary public offer to acquire shares in Hamburger Hafen und Logistik AG (HHLA) through a wholly owned indirect subsidiary, Port of Hamburg Beteiligungsgesellschaft SE (PHB). FHH and MSC have reached an agreement that FHH will contribute its Class A shares in HHLA held via HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH (HGV) to PHB by way of a contribution in kind after completion of the takeover bid, after which HGV will hold 50.1% and MSC 49.9% of PHB. The public offer and the agreements reached are subject

to the granting of the necessary competition law and other regulatory approvals as well as the approval of the Hamburg Parliament.

MSC has been an important customer and partner at various EUROKAI Group locations for decades, both in Germany at EUROGATE as well as in Italy. In the medium and long term, a close partnership between HHLA and MSC could lead to significant cargo losses at EUROGATE. On the other hand, HHLA customers could switch to EUROGATE in return.

The timing of the transaction and the resulting concrete effects are not yet foreseeable in precise terms.

Opportunities and risks of future development

With regard to the risks and opportunities of the EUROKAI Group, unless set out otherwise in this Report, the statements made in the Group Management Report for 2022 remain valid.

Report on Forecasts and other Information regarding anticipated development

The main forecasts and other statements made in the Group Management Report for 2022 regarding the anticipated development of the Group for the business year 2023 have been confirmed so far in the period under review. The risk position of the Group, however, deteriorated slightly in the first half-year 2023 compared with 31 December 2022.

No potential threats to the continued existence of the Group, such as over-indebtedness, insolvency or other risks with a particular impact on assets, financial position and earnings, exist at the present time.

Further geopolitical developments and the impacts resulting therefrom are still difficult to foresee and, this being so, are linked with persistent uncertainties. Those risks which have been identified continue to be of a kind not to endanger the further survival of the business. Nor, from the present point of view, can any risks be recognised which would endanger the continued existence of the company.

Since the existing container terminals will still dispose of capacity reserves at least in the medium term and, as a result of investment plans by third parties, additional capacity is being created, given the market power of the remaining consortia and shipping lines, and the pressure on earnings associated therewith, the need continues unchanged to identify and realise sustainable cost reductions and productivity increases at the container terminals. Account is being taken of this need in the EUROGATE segment through the realisation of the Transformation Programme and further cost-reduction measures.

Forecast for the CONTSHIP Italia segment

For the CONTSHIP Italia Group the further extension of the La Spezia container terminal and associated expansion of capacity will be of particular importance.

On a present view, given the decline in handling volume in conjunction with the significant fall in earnings from storage charges in La Spezia, a significant deterioration in profit is expected compared with the previous year. The original forecast for this segment, in which for the business year 2023 a slight fall in profit was anticipated, has therefore deteriorated.

Forecast for the EUROGATE segment

For the business year 2023, due mainly to the positive one-off and special effects resultant upon considerably increased earnings from storage charges and income from the value recovery of the stakeholding in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG contained in the annual profit for 2022, a marked decline in consolidated result, but a result still in very profitable territory, was anticipated for EUROGATE Group.

On a current view, this original forecast has deteriorated due to the significant decline in handling figures compared with original expectations, so that an even more marked decline in consolidated result is to be expected compared with the previous year and with the forecast, but a result still in very profitable territory.

Thus the previous forecast for the EUROGATE segment for the business year 2023 has slightly deteriorated.

Forecast for the EUOKAI Group 2023

On a current view, based on the foregoing forecasts for the CONTSHIP Italia and EUROGATE segments, a marked decline in Group profit is expected for the EUOKAI group in 2023 overall compared with the previous year. This being so, the forecast for the EUOKAI Group for the business year 2023 has deteriorated compared with forecast set out in the Management Report of 2022.

Group profit continues to be impacted largely by the container terminals, and these in turn by the essential factors of handling volumes and handling rates.

Overall, the EUOKAI Group, through both its Europe-wide and North African diversification, is relatively independent and continues to be well positioned in its competitive environment.

Given these unforeseeable trends, the actual course of business may deviate from the expectations based on assumptions and estimates made by the corporate management. We undertake no obligation, beyond the statutory requirements, to update our forecast statements in the light of new information.

On a present view, the liquidity of the EUROGATE Group is sufficient to meet its payment obligations at all times.

Report on significant transactions with closely related companies

In the first half-year 2023 no significant changes in relations with closely-related companies and in the type of transactions with the same are to be recorded in the first half-year 2022 compared with the business year 2022.

Hamburg, September 2023

The Personally Liable General Partner

Kurt F. W. A. Eckelmann GmbH, Hamburg

Cecilia E. M. Eckelmann-Battistello Thomas H. Eckelmann Tom H. Eckelmann

Responsibility Statement

Declaration by legal representatives:

“We hereby declare, to the best of our knowledge, that, in conformity with the accounting principles applicable to the production of interim financial reports, the Interim Group Financial Statement gives an accurate picture of the assets, financial position and earnings of the Group, and that the Interim Group Management Report presents the course of business in the Group, including its business results and position, in such a way as to convey an accurate picture, and that it sets out the main risks and opportunities involved in the Group’s anticipated development in the remaining business year.”

Hamburg, September 2023

The Personally Liable General Partner

Kurt F. W. A. Eckelmann GmbH, Hamburg

Cecilia E. M. Eckelmann-Battistello

Thomas H. Eckelmann

Tom H. Eckelmann