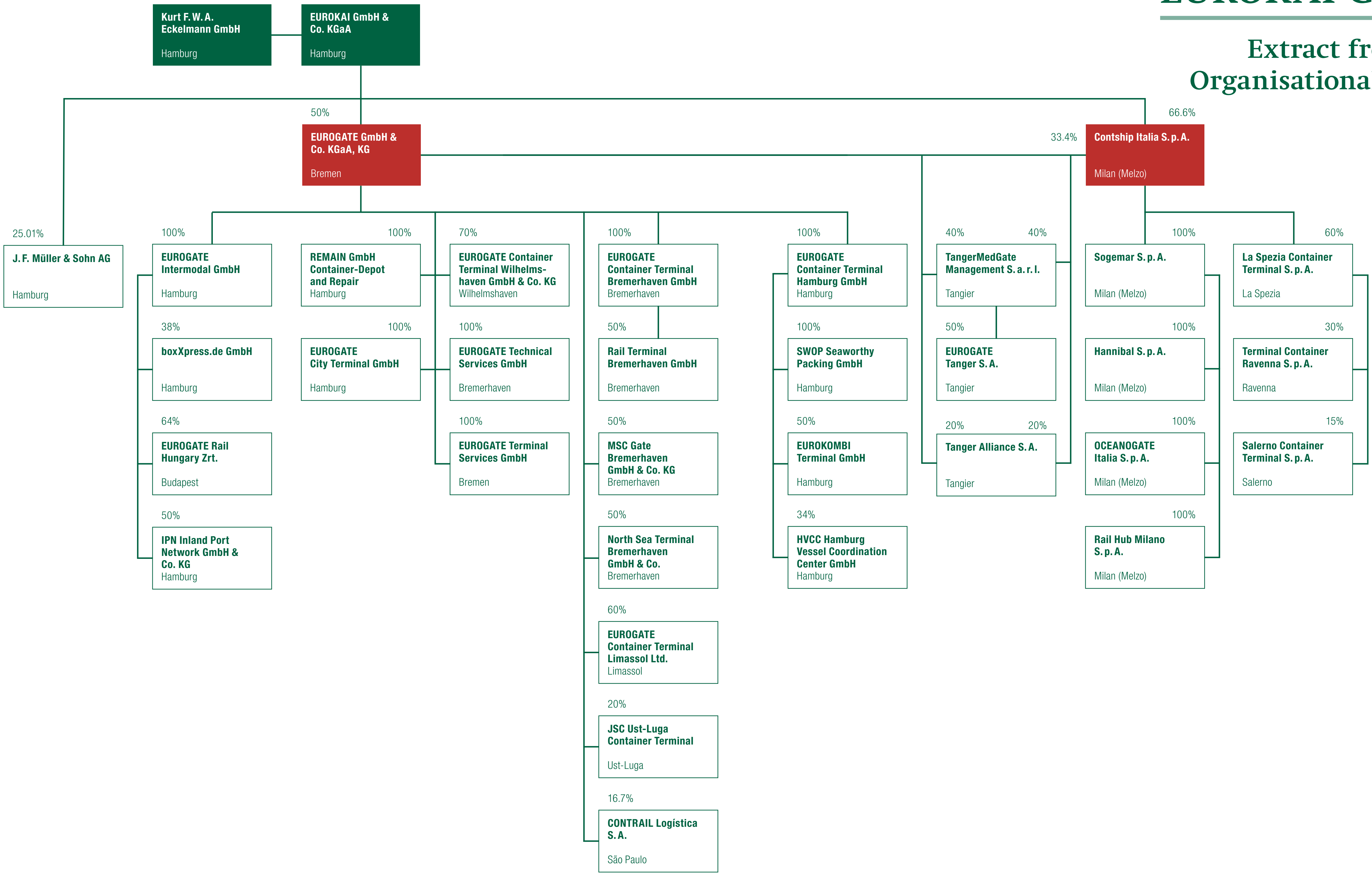
# EUROKAI

## ANNUAL REPORT 2021

**Short Version**

# EUROKAI Group

## Extract from the Organisational Chart




As at April 2022

# Balance Sheet Figures and Corporate Data

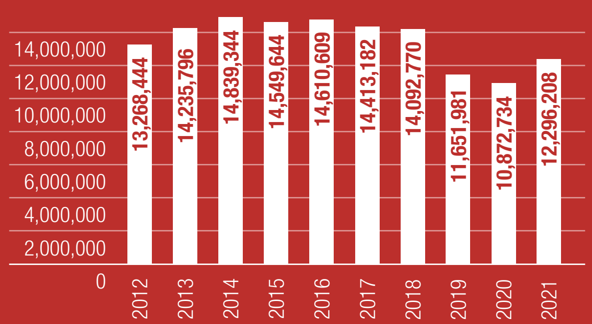
## Figures in accordance with IFRSs

| | 2021<br>EUR '000 | 2020<br>EUR '000 |
|---|---|---|
| REVENUE | 233,399 | 197,209 |
| NET PROFIT FOR THE YEAR (2020: NET LOSS) | 95,001 | –30,578 |
| TOTAL ASSETS | 799,405 | 727,765 |
| EQUITY AND RESERVES | 471,849 | 403,014 |
| EQUITY RATIO | 59 % | 55 % |
| CAPITAL EXPENDITURE ON INTANGIBLE ASSETS AND PPE (EXCLUDING EFFECTS OF APPLYING IFRS 16) | 11,573 | 7,783 |
| DEPRECIATION AND AMORTISATION EXPENSE | 18,828 | 19,054 |
| CASH FLOW FROM CONTINUING OPERATIONS | 56,088 | 45,301 |
| PERSONNEL EXPENSES | 64,383 | 58,420 |
| EMPLOYEES | 813 | 980 |
| EARNINGS PER SHARE IN EUR (UNDER IAS 33) | 5.34 | –3.51* |

*adjusted (cf. Section 34 of the Notes to the consolidated financial statements)

**DEVELOPMENT OF EUROKAI CONTAINER HANDLING**

TEUs




**SHARE PRICE DEVELOPMENT EUROKAI**
PREFERENCE SHARE ISIN DE0005706535

EUR


# Contents

# Foreword by the Chairman of the Management Board


EUROGATE Container Terminal Hamburg:
“CMA CGM PALAIS ROYAL” at Berth 6.

**THOMAS H. ECKELMANN**
Chairman of the Management Board

## To all our shareholders,

We look back on a financial year 2021 that, despite difficult general conditions and huge imponderables for the global economy due to the impacts of the pandemic, ultimately closed on a very successful note for the EUROKAI Group. The reasons for this are manifold, but in central points they have to do with important decisions we have made in the past two years. Decisions, as we now know, that turned out to be the right ones.

The net profit for the financial year shown in the single-entity financial statements for EUROKAI amounted to EUR 12.2 million (2020: EUR 15.8 million), while the consolidated net profit for the EUROKAI Group was EUR 95.0 million (2020: consolidated net loss of EUR –30.6 million). While the earnings shown in the single-entity financial statements declined slightly compared with the previous year due to higher income taxes, the consolidated net profit is significantly higher than the previous year and also significantly higher than the original forecast for 2021. This can be attributed in particular to exceptional factors and one-off effects in the CONTSHIP Italia and EUROGATE Segments.

As a consequence, earnings per share in accordance with IAS 33 increased appreciably to EUR 5.34 (2020: EUR –3.51) and were thus also back in clearly positive territory.

The trading price of the EUROKAI preference shares developed well during the 2021 calendar year. While at the end of 2020 EUROKAI shares stood at EUR 25.00, the price at the end of 2021 was EUR 35.00. The preference shares are currently trading at EUR 30.60 (as at 9 March 2022), due to a decline in the share price linked to the Ukraine crisis.

On the basis of EUROKAI's unchanged sound liquidity situation, we propose a dividend payment of EUR 1.00 per ordinary and preference share, as in the previous year.

The CONTSHIP Italia Group posted earnings after taxes of EUR 45.2 million for 2021, which was 63.8% higher than the previous year's level of EUR 27.6 million, mainly due to the significantly improved earnings of La Spezia Container Terminal. EUROGATE's consolidated net profit for 2021 improved markedly by EUR 244.8 million year-over-year to EUR 123.7 million, mainly as a result of exceptional factors and one-off effects (2020: consolidated net loss of EUR –121.1 million). In addition to the positive development of transhipment volumes, significantly increased average revenue due to additional and unexpectedly high storage fee and reefer revenue, the disposal of the shares in the LISCONT equity investment, coupled with the first positive transformation effects, were reflected in the earnings development. In addition, extraordinary income in connection with the partial reversal of provisions recognised in the previous year for the restructuring of individual group entities had a positive effect on the consolidated net profit of the EUROGATE Group in 2021.

## OUR WORLD IS OUT OF STEP

The SARS-CoV-2 virus still had the world firmly in its grip in 2021 with the new Delta and Omicron variants. But unlike in the first year of the pandemic, large parts of the world were able to implement effective countermeasures in 2021, among other things thanks to the increasing availability of vaccines. This also enabled the global economy to reopen, which subsequently led to positive bounce-back effects. The pandemic also brought about a noticeable change in consumer behaviour. Contact and travel restrictions, along with massive constraints on the retail sector in industrialised countries, led to a boom in global online trade. As a result of all this, we saw demand rebound from the 4th quarter of 2020 followed by disproportionate growth in demand from the beginning of 2021, with a corresponding increase in container traffic throughout the year and expected to continue well into the current year 2022.

This strong growth is both a blessing and a curse for the entire industry. On the one hand, shipowners, shippers, freight forwarders and thus also we terminal operators are recording high volume growth. All terminal locations in the EUROKAI Group, with the exception of the sanction-hit terminal in Ust-Luga, Russia, ended the financial year with a clearly positive throughput development. At our Italian terminals, the number of containers handled year-over-year increased by 13.4% to 1.76 million TEUs (2020: 1.55 million TEUs). With a total of 7.95 million TEUs, the EUROGATE terminals in Germany handled 8.2% more standard containers than in the previous year (2020: 7.35 TEUs). Our international terminals and shareholdings even closed the year with a clear increase in handling volumes of 31.2% to 2.58 million TEUs (2020: 1.97 million TEUs). Taken together, the terminals of the EUROKAI Group transhipped 12.30 million TEUs, a gratifying plus of 13.1% compared with the previous year (10.87 TEUs).

However, managing this growth presented a major challenge for all involved. Temporary terminal closures in China due to the pandemic already caused major disruptions to the schedules of shipping lines at the beginning of 2021. The blockage of the Suez Canal by the 'EVER GIVEN' in March further exacerbated this situation, with knock-on effects that are still being felt today. According to recent statistics released by the market researcher Sea Intelligence (as of February 2022), only 35.8% of all ships of the top 14 shipping lines operated to schedule in the entire year 2021. This means that around two out of three ships called at the terminals with delays – in some cases even significant delays – averaging 6.7 days. An imbalance of this nature in the schedules also has an enormous impact on handling operations. Increased volumes combined with longer container dwell times on the terminal areas due to delayed ship arrivals at times brought many of our terminals to the edge of their capacity and performance limits. And while the full utilisation of a terminal is in principle highly gratifying, its over-utilisation leads to considerable operational disadvantages for all concerned. In the western ports of Rotterdam and Antwerp, for example, the load limit has currently been reached, in turn leading to waiting times for ships in the roadstead of several days. Breaking this cycle as quickly as possible will be the industry's task in 2022. The terminals of the EUROKAI Group will play their part.

We are proud and happy that we were able to maintain business operations at all locations despite the pandemic and all the associated problems and uncertainties. The many measures we have implemented in our Group companies to contain the spread of the virus have so far successfully prevented a major outbreak of infections at our terminals or in the service operations. My special thanks go to all those who work tirelessly to keep our workforces healthy.

## WAR IN THE EAST OF EUROPE

Since the end of February, Russia has been at war with Ukraine. We are appalled by this development and stunned at the aggression shown by the Russians. Until very recently, to many Europeans a war on European soil seemed unimaginable. Now, however, we have to painfully wake up to the fact that authoritarian regimes are still undeterred from using armed violence to advance their interests. This illustrates once again that our values are not shared everywhere. It is a poignant reminder that we live in an extremely fragile world and should always be mindful of how valuable the really important things in life are: peace, health and democratic coexistence characterised by understanding and respect. War does not solve problems! Our thoughts are with all those who are exposed to the immediate horrors of this war in Ukraine.

At present, it is impossible to estimate just what the war in Ukraine will mean for the EUROKAI Group in concrete terms. However, we have to assume that new or tightened sanctions will lead to further disruptions in the supply chains. The rapidly rising energy prices will also be reflected in our Group's results.

## PREPARING FOR THE TIME AFTER THE CRISES

The current situation in our industry cannot be permanent. Even if no end to the pandemic or the war in Ukraine, with their consequences for our business, is yet in sight, we are nevertheless hoping for a return to normality. Then it will depend on whether we have used the intervening time to position ourselves even better relative to the competition. The decisions and measures we have taken in the past two years are aimed precisely at this and are now beginning to bear fruit.

The restructuring of the activities of the CONTSHIP Italia Group is progressing apace. The reorganisation of the container handling operations with La Spezia Container Terminal S.p.A., including its equity interests in Ravenna and Salerno, and of the intermodal and international activities of the SOGEMAR Group was largely implemented. The further planning of La Spezia Container Terminal S.p.A. in respect of the expansion of the Angelo Ravano Terminal was coordinated with the responsible port authority. The tendering procedures for both the construction measures and the large-scale equipment to be procured are scheduled for the first half of 2022. The construction measures to build the terminal-related infrastructure are scheduled to begin in the second half of 2022. From today's perspective, operations are expected to start at the end of 2024.

In the intermodal sector, we have transferred the business model of our German start-up driveMybox to the Italian market and created a local software platform in Italy for the brokerage of container transports on the last mile to the end customer. The advantages of this novel booking platform have already been impressively demonstrated in Germany and will certainly usher in and promote the digital transformation in the rail and truck transport sector in Italy.

On the international front, the new Tanger Alliance Terminal in Tangier, Morocco, stands out particularly positively. In its first year of operation, the terminal already proved its operating efficiency with a gratifying 933,554 TEUs handled. From the beginning of 2021, the Hapag Lloyd services were transferred in full from the adjacent EUROGATE Tanger Terminal to the Tanger Alliance Terminal. The EUROKAI Group is now ideally positioned with two out of four terminals at what is now the largest container port in the Mediterranean region, a strategically very important transhipment hub.

Another important step in our internationalisation is already in the pipeline. We assume that we will soon be granted the concession by the Egyptian government for the construction and operation of a container terminal in Damietta. Together with an international container shipping company, CONTSHIP Italia and EUROGATE International will operate the terminal with a total capacity of 3.3 million TEUs. In addition, intermodal connections and the operation of several inland terminals in the Egyptian hinterland are also being explored. With its emerging and ambitious economy, Egypt offers enormous growth potential for containerised cargo.

However, starting something new often also means cutting old ties. On 8 October 2021, we sold the 16.34% minority interest of EUROGATE International GmbH in LISCONT Operadores de Contentores S.A., Lisbon, Portugal, to the majority shareholder YILPORT IBERIA S.A., which belongs to the YILDIRIM Group. This marks the end of our Group's 38-year presence in Portugal, which in recent years, however, was troubled by recurrent trade union strikes. The transfer of shares took place on 2 November 2021. The disposal of the LISCONT investee resulted in a high, almost tax-free book profit for EUROGATE

## EUROKAI ALSO ON COURSE FOR THE FUTURE IN GERMANY

In Germany, too, we made some important first steps towards securing the future. As part of the "Future EUROGATE" transformation process, we were able to reach an agreement with the works councils of all affected EUROGATE companies on the implementation of the necessary restructuring measures. This means that we are now in the decisive implementation phase, which will bring both significant productivity increases and an annual cost reduction of EUR 84 million in the core companies of the German EUROGATE Group. With the measures that we have so far initiated, we are confident that we will be able to complete the transformation in two years at the latest. However, in the intervening period we must not let up and must continue to consistently implement the necessary changes.

The greatest success in 2021 and the driving force behind the future positioning of the EUROGATE Group is, however, the imminent takeover by Hapag-Lloyd of the shares in EUROGATE Container Terminal Wilhelmshaven previously owned by APM Terminals. After 12 difficult years, the new partner's ambitions will give the location a new and clearly positive development perspective. It has always been our firm conviction that Wilhelmshaven is enormously important in securing the competitiveness of the German seaports in the North Range in light of the trend towards ever larger ship sizes with capacities of up to 24,000 TEUs, and this is now also echoed in the joint planning with Hapag-Lloyd. Together we intend to grow the site and develop it into the central hub of Hapag-Lloyd's Far East-Europe services. Completion of the electrification of the Oldenburg-Wilhelmshaven railway line this year will give additional momentum to this development.

We have thus embarked on the path to modernise our German terminals. In the medium to long term, this will lead us to the successive automation of our operational workflows. We must and we will rise to the challenges posed by this irreversible trend in our industry. It is therefore only logical that, in light of the new development prospects in Wilhelmshaven, we decided in December 2021 to incrementally convert manual operations at the EUROGATE Container Terminal Wilhelmshaven to an automated system. Preparatory measures got underway in January 2022, including raising the existing eight container gantry cranes, procuring two additional gantries and asphalting still unpaved open areas in the north of the terminal. Automated operation of the first ship berth is planned for as early as 2024.

## OUTLOOK FOR 2022

In the ongoing financial year, the EUROKAI Group will continue to do everything in its power both to successfully overcome the impacts of the pandemic and the war in Ukraine – however these may develop – and to consistently pursue the development measures initiated in our Group companies. As a result, we expect a stable, positive development and an equally clearly positive economic outcome.

I wish to offer my sincere thanks for the trust you have placed in us during these challenging times. I would also like to express many thanks to all employees of the EUROKAI Group companies, who have once again given their all in a year beset by uncertainties and pandemic-related restrictions.

## THANK YOU, HANS-JOACHIM RÖHLER!

I would like to conclude my foreword with a few words remembering our long-standing Supervisory Board Chairman and subsequently Honorary Chairman of the Supervisory Board until his passing, and good friend, Dr Hans-Joachim Röhler, who passed away on 7 January 2022 at the age of 87.

From 1980, Dr Röhler represented the interests of the Eckelmann family and the Group with his extraordinary commitment far beyond the call of duty, also in German and European port politics. His work was not only characterised by his excellent legal expertise and his outstanding business acumen, but also in particular by his unfailing grasp of the details. For this we thank him from the bottom of our hearts.

Dr Röhler occupies a firm place in the history of our company. We will always retain fond memories of the man, his services to the company and his friendly ties to the family.

Hamburg, April 2022

Yours,
Thomas H. Eckelmann
Chairman of the Management Board

Dr Hans-Joachim Röhler (1934–2022).

# Group Management Report 2021

Shipping line flagship "CMA CGM JACQUES SAADE" at EUROGATE Container Terminal Wilhelmshaven.



## 1. BUSINESS ENVIRONMENT AND MACROECONOMIC CONDITIONS

The focus of the business activities of the companies consolidated in the EUROKAI Group is on container handling in continental Europe. These companies operate container terminals, in some cases with partners, at La Spezia, Ravenna and Salerno (Italy), in Hamburg, Bremerhaven, Wilhelmshaven (Germany), as well as in Tangier (Morocco), in Limassol (Cyprus), in Ust-Luga (Russia) and, until the beginning of November 2021, in Lisbon (Portugal). The EUROKAI Group also has shareholdings in a number of inland terminals and railway operating companies.

Secondary services are also provided in the form of intermodal services (carriage of sea containers to and from terminals), repairs, depot storage and trading of containers as well as cargomodal services and technical services.

EUROKAI GmbH & Co. KGaA directly holds 66.6% of the shares in the CONTSHIP Italia Group via the holding company Contship Italia S.p.A. and an indirect 16.7% shareholding via EUROGATE GmbH & Co. KGaA, KG, Bremen. Calculated proportionally, EUROKAI GmbH & Co. KGaA thus holds a stake of 83.3% in the CONTSHIP Italia Group.

EUROKAI GmbH & Co. KGaA has a 50% shareholding in the EUROGATE Group via EUROGATE GmbH & Co. KGaA, KG, Bremen. It also has a 50% shareholding in the Personally Liable General Partner of EUROGATE GmbH & Co. KGaA, EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, as well as its Personally Liable General Partner, EUROGATE Beteiligungs-GmbH, Bremen.

Control of the EUROKAI Group is vested in three business segments, "CONTSHIP Italia" "EUROGATE" and "EUROKAI", with the EUROGATE joint venture being included in the consolidated EUROKAI financial statements using the equity method of accounting in line with the provisions of IFRS 11.

The 2021 financial year was characterised by high growth in handling volumes, particularly in the first half of the year, which was attributable to catch-up effects in connection with the coronavirus pandemic. This resulted in a significant increase in the time containers spent at our terminals, due in particular to the non-adherence of shipping companies to schedules, accompanied by extended delays. While this, in turn, put a strain on capacity utilisation with corresponding constraints on operating efficiency, it also meant significantly higher storage fees were collected. In addition, temporary events, such as the blockage of the Suez Canal in the spring and the temporary partial closure of individual ports worldwide, had a significant impact on global logistics chains.

Economic development in Germany and worldwide continued to be strongly influenced by coronavirus infection rates in 2021. However, the global economy bounced back quite robustly from its pandemic-induced slump and thus outperformed the previous year, although supply and material bottlenecks had a dampening effect. According to first calculations of the Federal Statistical Office (Destatis), the price adjusted gross domestic product (GDP) was 2.7% higher in Germany in 2021 than in 2020, partly due to a strong recovery in foreign trade (exports +9.4%, imports +8.6%)[1].

In its World Economic Outlook published in October 2021, the International Monetary Fund (IMF) expects the world economy to grow 5.9% in 2021. For 2022, the IMF is assuming a plus in global economic output of 4.9%. It forecasts an increase of 5.2% for the USA, of 4.3% for the eurozone, of 4.6% for Germany and of 5.6% for China, a comparatively low rate by local standards . To what extent these projections for 2022 can be met in light of the war in Ukraine, remains to be seen.

Against this background, revenue within the EUROKAI Group increased in the reporting period to EUR 233.4 million (2020: EUR 197.2 million). At EUR 95.0 million, consolidated net profit for the year was up significantly following the EUR –30.6 million consolidated net loss in 2020. In addition to a higher operating result (EBIT) of EUR 60.8 million (2020: EUR 43.4 million), this positive development was attributable in particular to increased investment income amounting to EUR 64.6 million (2020: EUR –60 million). The increase in profit from operations is mainly due to higher throughput and transport volumes in the CONTSHIP Italia Segment. The higher investment income was attributable in particular to the significantly improved pro rata earnings of the EUROGATE Segment.

At 12.296 million TEUs , handling volumes at the container terminals of the EUROKAI Group – i.e. the terminals in Germany, Italy, Morocco, Cyprus, Portugal and Russia – were 13.1% higher overall than in the previous year (2020: 10.873 million TEUs).

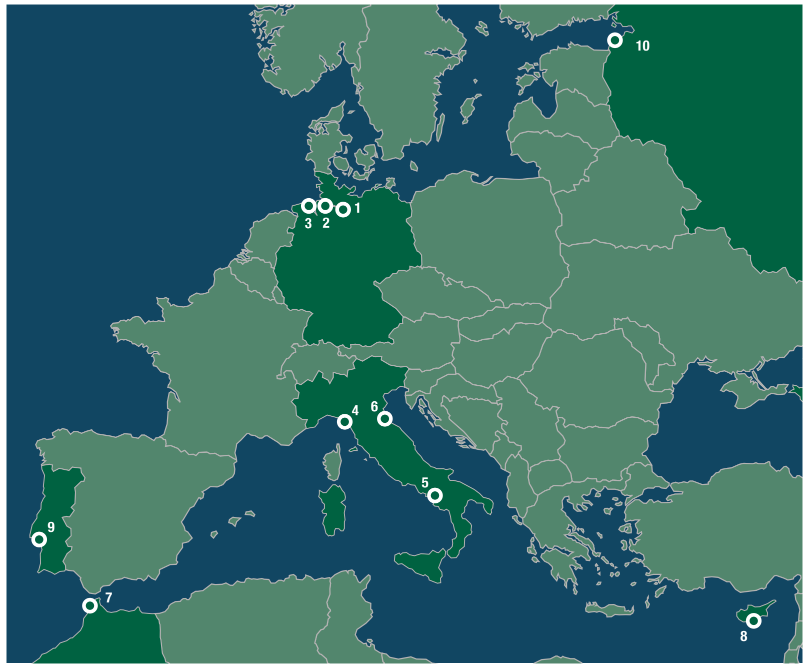
### CONTSHIP ITALIA SEGMENT

CONTSHIP Italia S.p.A. of Melzo, Milan, is the holding company of the CONTSHIP Italia Group, which sets corporate strategy and coordinates operating activities. Its main investees are La Spezia Container Terminal S.p.A. as well as Sogemar S.p.A. Melzo/Milan, Hannibal S.p.A., Melzo/Milan and OCEANOGATE Italia S.p.A., La Spezia, and Rail Hub Milano S.p.A., Milan, which are engaged in intermodal business (all in Italy).

The container terminals in the Italian group recorded a rise in handling volumes overall of 13.4% to 1.763 million TEUs (2020: 1.555 million TEUs), primarily due to the positive development of container

[1] https://www.destatis.de/DE/Presse/Pressemitteilungen/2022/01/PD22_020_811.html
[2] https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021
[3] TEU = Twenty Foot Equivalent Unit/unit of measurement in container transport for a 20-foot standard container

EUROKAI container terminal sites




| | Site | 2021 | 2020 | Change |
|---|---|---|---|---|
| | | TEUs | TEUs | % |
| | **Germany** | | | |
| 1 | Hamburg | 2,204,298 | 2,161,898 | 2.0 |
| 2 | Bremerhaven | 5,036,239 | 4,766,870 | 5.7 |
| 3 | Wilhelmshaven | 712,953 | 423,243 | 68.5 |
| | **Total Germany** | **7,953,490** | **7,352,011** | **8.2** |
| | **Italy** | | | |
| 4 | La Spezia | 1,263,518 | 1,081,071 | 16.9 |
| 5 | Salerno[4] | 316,167 | 309,777 | 2.1 |
| 6 | Ravenna | 183,553 | 164,044 | 11.9 |
| | **Total Italy** | **1,763,238** | **1,554,892** | **13.4** |
| | **Other** | | | |
| 7 | Tangier (Morocco) | 2,057,911 | 1,446,685 | 42.3 |
| 8 | Limassol (Cyprus) | 403,573 | 390,448 | 3.4 |
| 9 | Lisbon (Portugal) (until 2 Nov. 2021) | 88,701 | 78,928 | 12.4 |
| 10 | Ust-Luga (Russia) | 29,295 | 49,770 | –41.1 |
| | **Total Other** | **2,579,480** | **1,965,831** | **31.2** |
| | **Total** | **12,296,208** | **10,872,734** | **13.1** |

Figures show total handling volumes at the respective terminals, whereby the handling volumes in Lisbon are only shown on a pro rata temporis basis due to the disposal of the shares in the company as of the beginning of November 2021.

Only the handling volumes of the fully consolidated container terminal in La Spezia contribute to Group revenue.

[4] Previous year's figures were adjusted

throughput in La Spezia (+16.9%). Handling volumes in Ravenna (+11.9%) and Salerno (+2.1%) also developed positively.

The restructuring in the CONTSHIP Italia Group, which got underway in the 2020 financial year, led to further substantial savings in 2021, which will continue in 2022. As part of this process, the number of employees was also reduced.

Based on the significantly increased handling volumes of the fully consolidated La Spezia Container Terminal S. p. A., the CONTSHIP Italia Segment generated revenue of EUR 233.4 million in the 2021 financial year (2020: EUR 197.2 million). At EUR 64.4 million, segment earnings (EBT) were significantly higher than the previous year's level (2020: EUR 42.4 million).

The trend in throughput and earnings under IFRSs for the Italian companies over the period under review was as follows:

La Spezia Container Terminal S. p. A. is a 60% shareholding of Contship Italia S. p. A. At 1.264 million TEUs, (2020: 1.081 million TEUs), the company recorded a substantial 16.9% rise in local handling volumes and, as a result of this positive volume development coupled with increased income from storage fees, posted considerably improved earnings year-over-year.

The fully-owned CONTSHIP Italia subsidiary Sogemar S. p. A. continues to hold 100% of the shares in Hannibal S. p. A., OCEANOGATE Italia S. p. A. and Rail Hub Milano S. p. A., Milan, Italy, for which it provides leasing, administration and IT services. The company recorded a decrease in operating profit for the 2021 reporting period compared to the previous year due to lower income from investments.

In addition to handling international container transports, Hannibal S. p. A. manages the national truck and rail activities of the CONTSHIP Italia Group. With a handling figure of 0.250 million TEUs (2020: 0.242 million TEUs), the intermodal transport volume surpassed the previous year's level by 3.4%. The company's year-end result also improved year-over-year, and was once again slightly positive.

The number of trains operated by OCEANOGATE Italia S. p. A. was down by 10.6% in 2021. Nevertheless, due to the higher capacity utilisation of round trips carried out, the company recorded an improved, but still slightly negative year-end result compared to the previous year.

Rail Hub Milano S. p. A. operates the inland terminals of the CONTSHIP Italia Group in Melzo and Rho. With a slight decline in the handling figure of 0.242 million TEUs (2020: 0.246 million TEUs/–1.6%), the company's annual result was slightly down on the previous year, albeit still in positive territory.

**EUROGATE SEGMENT**

EUROGATE GmbH & Co. KGaA, KG, 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 affiliated companies. Its principal shareholdings are EUROGATE Container Terminal Hamburg GmbH, Hamburg, EUROGATE Container Terminal Bremerhaven GmbH, North Sea Terminal Bremerhaven GmbH & Co., MSC Gate Bremerhaven GmbH & Co. KG – all of Bremerhaven – and EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven. The EUROGATE Group also has a 33.4% stake in Contship Italia S. p. A., Italy.

EUROGATE GmbH & Co. KGaA, KG, the EUROGATE Group's holding company, 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 share: 50%), MSC Gate Bremerhaven GmbH & Co. KG (EUROGATE share 50%), and EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG (EUROGATE share 70%), have been incorporated in the EUROGATE Segment using the equity method.

EUROGATE Container Terminal Hamburg GmbH saw a 2.0% rise in handling volumes from 2.162 million TEUs in 2020 to 2.204 million TEUs in 2021. With a handling figure of 5.036 million TEUs (2020: 4.767 million TEUs), the container terminals in Bremerhaven recorded a rise in handling volumes of 5.7%.

Handling volumes at EUROGATE Container Terminal Wilhelmshaven increased by 68.5% to 0.713 million TEUs in particular due to a sharp rise in the number of inducement calls and pandemic-related temporary rescheduling of services from other ports in Northern Europe (2020: 0.423 million TEUs). Thus, taken together, the handling volume of the German terminals was 7.953 million TEUs, which was 8.2% above the previous year's level of 7,352 million TEUs handled.

On the back of an increase in handling and transport volumes of the fully consolidated companies in Germany, the EUROGATE Segment saw segment revenue rise by 16.1% to EUR 611.9 million in financial year 2021 (2020: EUR 527.0 million).

In addition to the positive development of transhipment volumes, a significant increase in average revenue due to additional and unexpectedly high storage fee and reefer revenue, coupled with the first positive transformation effects were reflected in the earnings development (regarding the transformation, see "Key events in the course of the financial year"). In addition, extraordinary income in connection with the partial reversal of provisions recognised in the previous year for the restructuring of individual group entities had a positive effect on the segment result in 2021. Consequently, at EUR 118.6 million, the EUROGATE Group's operating result (EBIT) was considerably higher than the previous year's figure (EUR –31.7 million) and again comfortably in positive territory. Overall, with considerably improved and substantially positive net investment income of EUR 26.7 million (2020: EUR –11.2 million) in the reporting period, the Group recorded segment net profit of EUR 123,7 million (2020: segment net loss of EUR –121.1 million). The ownership interests from CONTSHIP Italia included in the segment net profit must be eliminated in order to determine the income from associates attributable to EUROKAI, as CONTSHIP Italia is fully consolidated within the EUROKAI Group.

The trend in throughput and earnings under IFRSs for the EUROGATE companies operating container terminals in financial year 2021 was as follows:

With a handling figure of 2.204 million TEUs (2020: 2.162 million TEUs), EUROGATE Container Terminal Hamburg recorded a slight increase in handling volumes of 2.0%. Thus, the company's operating profit for the year also improved considerably, whereby this result was mainly attributable to high storage fee revenue as a consequence of extended ship delays and the longer time containers spent at the terminal, as well as income from the reversal of provisions. Overall, the company recognised a significantly improved and clearly positive year-end result year-over-year before profit transfer to the EUROGATE holding company.

EUROGATE Container Terminal Bremerhaven GmbH saw a volume increase of 44.0% in the 2021 reporting period, with a handling figure of 0.709 million TEUs (2020: 0.492 million TEUs). The company thus reported a considerably improved and positive operating profit for the year before profit transfer to EUROGATE GmbH & Co. KGaA, KG (EUROGATE holding company), whereby this result was mainly attributable to high storage fee revenue as a consequence of extended ship delays and the longer time containers spent at the terminal, as well as income from the reversal of provisions.

As a dedicated terminal for Maersk Line shipping company, North Sea Terminal Bremerhaven GmbH & Co. recorded handling figures of 2.926 million TEUs in financial year 2021, an increase in volume of 1.5% year-over-year (2020: 2.883 million TEUs). In the previous year, the year-end result was exceptionally positively influenced by a one-off effect in connection with the settlement of an insurance claim. The company's operating profit was at the same level as in the previous year.

With a throughput figure of 1.402 million TEUs (2020: 1.392 million TEUs), MSC Gate Bremerhaven GmbH & Co. KG, a joint venture between the EUROGATE holding company and Terminal Investment Limited Sàrl., Geneva (Switzerland), a related company of Mediterranean Shipping Company S. A. (MSC), Geneva, Switzerland, recorded a slight increase of 0.7% in handling volumes in 2021 compared with the previous year. The company nevertheless posted significantly improved net profit for the period compared with the corresponding period of the previous year due to appreciably higher storage fee revenue coupled with improved consignment structure and higher average revenue.

At the reporting date, EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG was jointly owned by the EUROGATE holding company (70%) and APM Terminals Wilhelmshaven GmbH, an indirectly wholly-owned subsidiary of the A. P. Moeller Maersk Group, Copenhagen, Denmark, with 30% (cf. "Key events in the course of the financial year" for expected developments after the reporting date). In the 2021 financial year, handling volumes stood at 0.713 million TEUs, a substantial rise of 68.5% compared to the previous year (0.423 million TEUs). On the back of this positive throughput development, the company's operating profit also improved significantly, but was still very much in negative territory.

The transhipment volume of the two terminals in Tangier (North Africa) discussed below totalled 2.058 million TEUs, which was 42.3% higher than the comparable figure for the previous year (1.447 million TEUs handled).

On the one hand, handling volumes at EUROGATE Tanger S. A., Tangier, Morocco, in which EUROGATE International GmbH and Contship Italia S. p. A. each indirectly hold a 20% interest, declined by 22.3% to 1.124 million TEUs in the reporting period (2020: 1.447 million TEUs). This decline in throughput is related to the rescheduling of the services of the THE Alliance consortium to the adjacent Tanger Alliance terminal, in which Hapag-Lloyd AG holds a stake. The company's net profit for the year was correspondingly lower compared with the previous year.

On the other hand, Tanger Alliance S. A., Tangier, Morocco, in which EUROGATE International GmbH S. p. A. and Contship Italia S. p. A. each have a 20% interest, Société d'Exploitation des Ports S. A. (Marsa Maroc) holds 50% and Hapag-Lloyd AG has a 10% stake, started operations on 1 January 2021. In the first financial year, the company already handled 0.934 million TEUs and thus reported a satisfyingly positive annual result for its first year of operations.

The EUROGATE Group holds a 60% interest in EUROGATE Container Terminal Limassol Limited (Cyprus). The other consortium partners are Interorient Navigation Company Ltd. (20%), Limassol, Cyprus, and East Med Holdings S. A. (20%), Luxembourg. In the 2021 financial year, the company handled 0.404 million TEUs (2020: 0.390 million TEUs). On the back of this volume increase of 3.4%, the company's net profit thus significantly improved.

The 16.34% equity interest in LISCONT Operadores de Contentores S. A., Lisbon (Portugal), was disposed of at the beginning of November 2021. Cf. "Key events in the course of the financial year" for further details.

Intermodal transport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CONTSHIP Italia Intermodal

JSC Ust-Luga Container Terminal, Ust-Luga, Russia, in which the EUROGATE Group holds a 20% stake, handled only 0.029 million TEUs over the period under review (2020: 0.050 million TEUs/–41.1%) due to the ongoing Russia crisis and the overcapacities in the greater St. Petersburg area. The handling of coal here since December 2018 has so far proved successful, with nearly 1.5 million tonnes of coal handled in 2021 (2020: 1.4 million tonnes). The company nevertheless posted lower operating profit year-over-year due to the declining container handling volumes.

**KEY EVENTS IN THE COURSE OF THE FINANCIAL YEAR**

**CONTSHIP Italia Segment**

At the end of May 2021 – a few days after EcoVadis, a leading Italian company in the field of corporate social responsibility assessments, awarded Hannibal S. p. A. its Silver Medal – the company took an important step in its efforts to reduce its environmental impact by renewing the fleet used for container transport. Thus, Hannibal S. p. A. will deploy five new IVECO S-Way Natural Power trucks for road transport, which run on LNG (liquefied natural gas). The manufacturer IVECO provides data for these vehicles with the following characteristics: 90% reduction in $NO_2$ (nitrogen dioxide) emissions, 95% reduction in particulate emissions and 95% reduction in $CO_2$ emissions due to the use of biomethane.

Together with the EUROGATE Group and an international shipping company partner, CONTSHIP Italia is in negotiations to obtain a concession for the construction and operation of a container terminal on the Mediterranean coast in Damietta, Egypt. It is planned to operate the terminal, which will have a water draught of 18 m and thus be suitable for ultra-large container vessels, under this concession with a 30-year term. On completion, the terminal will have a capacity of 3.3 million TEUs p. a.

La Spezia Container Terminal S. p. A. set a new personal record on 21 August 2021 with the handling of the 15,000 TEU Zephyr Lumos, operated by Ocean Network Express (ONE) in THE Alliance Asia-Med MD2 service, with transhipment of 6,307 containers – equivalent to 10,053 TEUs.

In the course of the 2021 financial year, the further planning of La Spezia Container Terminal S. p. A. in respect of the expansion of the Angelo Ravano Terminal was coordinated with the responsible port authority. The tendering procedures for both the construction measures and the large-scale equipment to be procured are scheduled for the first half of 2022. The construction measures to build the terminal-related infrastructure are scheduled to begin in the second half of 2022. From today's perspective, operations are expected to start at the end of 2024.

The liquidation of CICT Porto Industriale Cagliari S. p. A., whose business operations were already discontinued in mid-2019, has not yet been completed due to the pending formal court order. However, this is not expected to lead to any further burden on earnings.

**EUROGATE Segment**

**General**

The new container terminal of Tanger Alliance S. A., Tangier, Morocco, took up operations on 1 January 2021 and has since recorded very satisfactory throughput and positive earnings development.

MSC Gate Bremerhaven GmbH & Co. KG commissioned two new Super Post-Panamax container gantry cranes on 25 March 2021. These two gantry cranes, which had been assembled on the Bremerhaven terminal site since autumn 2020 and placed on the crane rails at the quay in mid-February 2021, were thus officially put into service.

On 19 April 2021, EUROGATE Container Terminal Hamburg GmbH officially commissioned the six new Super Post-Panamax container gantry cranes at berth 6 with the handling of the "CMA CGM Palais Royal". All new container gantries are capable of handling container ships with up to 24 container rows on deck without restrictions. With these technical specifications, the new container gantry cranes are designed to be utilised with all container ship classes currently in operation, including the new Megamax 24 class.

The unexpectedly high capacity utilisation of container ships in the 2021 financial year, especially on the Far East-Europe trades, combined with the shipping companies' continued non-adherence to schedules in the ports of the North Range, led to temporary peak loads and, in some cases, to overutilisation of existing handling capacities. This particularly affected the Hamburg location. In order to take the strain off the Hamburg terminal and to remedy the operational bottlenecks in the shipping company network, individual customers therefore decided to temporarily transfer the handling of individual services to other EUROGATE Group terminal locations.

Founded as a start-up, driveMybox GmbH has developed a cloud-based, digital trucking platform that enables customers to quickly and easily enter orders for the transport of containers and gives truckers direct access to orders. The process is quick and easy and similar to booking a flight. Live tracking, automatic payment processing, direct communication and digital documents are just some of the advantages. driveMybox handles the transports on its own responsibility and is thus a fixed contractual partner for both sides. The company was able to continue its growth course in the 2021 financial year. The focus is on continuing to grow the business and expanding the platform to locations outside Germany.

**Transformation**

The ramifications outlined in the risk reporting and evident for some time now of the increasing concentration on the customer side, hand in hand with increased market power due to substantial overcapacities on the part of the transhipment companies in the North Range and growing pressure on rates, already had a very negative impact on the earnings results of the EUROGATE Group from the 2019 financial year. This situation has been exacerbated by capacity expansions in the Baltic Sea region/Scandinavia, as well as further concentrations in the Mediterranean region and the sustained increase in activities on the New Silk Road.

On the expense side, continuous cost increases, uneconomical processes and organisational structures as well as poor, uncompetitive productivity in the operating performance of the principal subsidiaries have led to unsatisfactory operating results.

Given that the negative impacts of these prevailing conditions on the expense and income structure of the EUROGATE Group have intensified drastically, the consulting firm McKinsey was commissioned in the fourth quarter of 2019 to review the organisational and operational structure of the principal EUROGATE Group companies. The purpose of this review was to identify and quantify potential for increasing efficiency and saving costs, as well as to prioritise measures for realising this potential. Based on the results of this analysis, a transformation project team headed up by an experienced interim manager in the role of Chief Transformation Officer was set up in the second quarter of 2020, which is tasked with overseeing and implementing these measures under the leadership of the Group Management Board and the Managing Directors of the individual companies.

The individual measures identified in the transformation project were incorporated into detailed implementation-ready concepts, which were presented to the respective employee representatives at the end of 2020. The target is to reduce the total costs of the corporate group in Germany by EUR 84 million p. a. as early as possible, but no later than the 2024 financial year.

On 1 April 2021, the "Future EUROGATE – Group-level transformation agreement" was concluded, setting out standardised Group-wide conditions for volunteer programmes in the EUROGATE Group companies for implementing the operational changes pending at the level of the individual companies/operations. In addition, agreements on a reconciliation of interests and a redundancy plan were concluded for the EUROGATE holding company, EUROGATE Container Terminal Bremerhaven GmbH, EUROGATE Container Terminal Hamburg GmbH and EUROGATE Technical Services GmbH. Negotiations on further components concerning EUROGATE Container Terminal Hamburg GmbH are set to continue at the beginning of 2022.

On this basis, a large number of individual measures were implemented in the 2021 financial year, ranging from dismantling dual leadership positions at top-management level in the EUROGATE holding company as well as outsourcing functions, flexibilising container operations and introducing initial changes in operational areas. A further focus was arrangements covering early retirement and partial retirement, which were made in corresponding individual contracts.

**Standardisation and automation**

In financial year 2020, the STRADegy research project for the automation of straddle carriers on the test site at EUROGATE Container Terminal Wilhelmshaven was completed. Based on the knowledge gained from this, a newly created organisational unit was set up at the beginning of 2021 as a separate division of the EUROGATE holding company to develop automation. The personnel capacities from the STRADegy project were transferred to this new EUROGATE Automation organisational unit, which will assume responsibility for the development of all system components necessary for the commercial deployment of automated straddle carriers and any alternative systems that may be used through to preparation of a rollout.

**Foreign operations**

Under a contract dated 8 October 2021, EUROGATE International GmbH sold its 16.34% minority interest in LISCONT Operadores de Contentores S. A., Lisbon, Portugal, to the majority shareholder YILPORT IBERIA S. A., which belongs to the YILDIRIM Group. The transfer of shares took place on 2 November 2021. This resulted in a high book profit.

**Infrastructure aspects**

Progress on the westward expansion project of EUROGATE Container Terminal Hamburg continues to play an important role for the EUROGATE Group. The project foresees the complete filling of the Petroleumhafen and the direct extension of the Predöhlkai by some 650 m, as well as the creation of an additional 400 m of berths at the Bubendey-Ufer. Another major goal of the measures to improve the nautical conditions at the Port of Hamburg being pursued with the planning approval procedure is the enlargement of the turning basin at the Waltershof Harbour to provide a turning radius of 600 m for large container ships.

In its ruling of 12 May 2021, the Hamburg Higher Administrative Court (OVG) confirmed the planning approval decision for the westward expansion. The court thus upheld the first-instance decision from 2019, which had already dismissed the lawsuit filed by residents against the project. Individual plaintiffs have applied to the Federal Administrative Court for permission to appeal against the decision.

This measure has not yet been included in the Hamburg Port Authority's (HPA) business plan. The current budget of the Free and Hanseatic City of Hamburg also does not contain any budget estimates for this project. Discussions are currently being held with the HPA to decide on the next steps in the preparation and implementation of this project and define the parameters for a long-term lease agreement.

According to the current schedule, possible construction measures by the HPA will probably take five years before it is possible to hand over the land to the terminal operator, so that from today's perspective – even with financing still to be secured – construction of the superstructure for the terminal can begin at the earliest from 2027. As a result, commissioning of the entire site is likely to be delayed until 2028 at the earliest. By then, more than 30 years will have passed since the project was initiated.

The number of large container vessels in service has continued to increase. Parallel to this, the container shipping lines have additional large container ships with a current capacity of up to 24,000 TEUs on their order books. These figures underscore the present trend towards a highly disproportionate rise in the number of large container vessels in service on the main world trades.

Given this trend, the EUROGATE Group has also seen an increase in the number of ultra-large container ships calling at its terminals.

The navigational difficulties in the approach and departure of these container ships to and from the German North Sea ports of Bremerhaven and Hamburg have improved in the meantime, at least with respect to Hamburg. Ultimately, the Wasser- und Schifffahrtsverwaltung des Bundes (WSW – Federal Waterways and Shipping Administration) completed the measures on the Lower and Outer Elbe fairway adjustment within the original schedule, as did the Hamburg Port Authority for the Elbe shipping channel that lies within its territory.

In contrast, a reliable timetable for the approval and implementation of the fairway adjustment of the Outer Weser is still outstanding. However, the project was included in the Measures Act Preparation Act (MgvG) at the beginning of 2020, granting it the status of a particularly important infrastructure measure. The MgvG provided for a procedure that allows new construction or expansion as well as modification of transport infrastructure to be authorised by law instead of an administrative act.

Independently of this, the Wilhelmshaven terminal continues to have very good prospects over the medium to long term.

**Exceptional factors**

On 28 September 2021, Hapag-Lloyd AG announced its intention to acquire an equity interest in JadeWeserPort, namely a 30% stake in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG and a 50% stake in Rail Terminal Wilhelmshaven GmbH and to indirectly take over the corresponding shares from APM Terminals. As terminal operator, EUROGATE continues to hold the remaining shares.

With Hapag-Lloyd AG as a new partner and customer, the deep-water port of Wilhelmshaven will have very good growth prospects in the coming years due to the trend towards ever larger container ships.

The completion of the share purchase by Hapag-Lloyd Aktiengesellschaft is still subject to the approval of the EU antitrust authorities. The merger control proceedings have not yet been completed.

## 2. FINANCIAL PERFORMANCE

The individual revenues and expenditures of the EUROGATE Segment, which is consolidated using the equity method, are not recognised in the consolidated statement of profit and loss for the EUROKAI Group. Instead, the contribution to earnings of the EUROGATE Group is shown under investment income. Consequently, the notes to the individual items of the consolidated statement of profit and loss relate only to the CONTSHIP Italia and EUROKAI Segments.

To show the results of operations, the following table uses an earnings statement based on operational management:

| | 2021 | | 2020 | | Change | |
|---|---|---|---|---|---|---|
| | EUR m | % | EUR m | % | EUR m | % |
| Revenue | 233.4 | 94 | 197.2 | 93 | 36.2 | 18 |
| Other operating income | 14.1 | 6 | 14.1 | 7 | 0.0 | 0 |
| **Gross operating revenue** | **247.5** | **100** | **211.3** | **100** | **36.2** | **17** |
| Cost of materials | –81.3 | –33 | –71.6 | –34 | –9.7 | –14 |
| Personnel expenses | –64.4 | –26 | –58.4 | –28 | –6.0 | –10 |
| Depreciation, amortisation and impairment | –18.8 | –8 | –19.1 | –9 | 0.3 | 2 |
| Other operating expenses | –22.1 | –9 | –18.9 | –9 | –3.2 | –17 |
| **Operating expense** | **–186.6** | **–76** | **–168.0** | **–80** | **–18.6** | **–11** |
| **Net operating profit** | **60.8** | **24** | **43.4** | **20** | **17.6** | **41** |
| Interest and similar income | 5.7 | | 5.7 | | 0.0 | |
| Finance costs | –9.3 | | –9.6 | | 0.3 | |
| Net investment income | 64.6 | | –60.0 | | 124.6 | |
| Other finance costs (income) | 1.4 | | 0.1 | | 1.3 | |
| **Earnings before taxes (EBT)** | **123.2** | | **–20.4** | | **143.8** | |
| Current tax expense | –25.7 | | –16.0 | | –9.8 | |
| Deferred taxes | –2.5 | | 5.8 | | –8.3 | |
| **Consolidated profit for the year (2020: consolidated loss)** | **95.0** | | **–30.6** | | **125.7** | |
| Attributable to: | | | | | | |
| Equity holders of the parent | 73.8 | | –44.9 | | | |
| Non-controlling interests | 21.2 | | 14.3 | | | |
| | **95.0** | | **–30.6** | | | |

The influences on changes in the individual line items of the statement of profit and loss are explained below:

External revenue of the EUROKAI Group stood at EUR 233.4 million (2020: EUR 197.2 million) and resulted exclusively from the CONTSHIP Italia Segment. The increase in Group revenue reflects the upward trend in handling volumes at La Spezia Container Terminal S.p.A alongside rising average revenue due to significantly higher income from storage fees and an upturn in intermodal transport volumes.

Other operating income was at the same level as in the previous year.

The increase in the cost of materials was attributable to higher expenses in connection with the provision of an increasing number of transhipments at the fully consolidated La Spezia Container Terminal S. p. A. as well as increased transport volumes in the intermodal segment. In addition, higher energy costs as a result of volume and price factors had an impact.

The increase in personnel expenses mainly resulted from higher reimbursements in connection with short-time work recognised in the previous year and higher remuneration for overtime work due to the volume development at La Spezia Container Terminal S. p. A. The disproportionately low increase in personnel expenses compared to revenue is mainly explained by the increase in income from storage fees, which is independent of personnel expenses.

Other operating expenses increased year-over-year, particularly as a result of higher repair and maintenance expenses as well as municipal taxes.

Operating profit (EBIT) for the 2021 financial year amounted to EUR 60.8 million (2020: EUR 43.4 million), which was significantly higher than the previous year's total.

Investment income increased sharply by EUR 124.6 million to EUR 64.6 million (2020: EUR –60.0 million) and is well into positive figures. The main changes here relate to the proportionate improvement in earnings of the EUROGATE Group to EUR 56.6 million (2020: EUR –63.3 million) and of J. F. Müller & Sohn AG to EUR 2.6 million (2020: EUR –2.3 million).

Earnings before taxes (EBT) grew substantially by EUR 143.6million to EUR 123.2 million (2020: –20.4 million) and were back in clearly positive territory.

Considerably improved consolidated net profit compared to the previous year was forecast for the financial year 2021, especially against the background of the exceptional factors recognised in the previous year's result for the EUROGATE Segment. However, due to the renewed recognition of special factors in the 2021 financial year, consolidated net profit in fact developed significantly better than projected.

Overall, on the back of the pandemic- and volume-related much improved operating results of the operating companies, the EUROKAI Group reported consolidated net profit for the 2021 financial year of EUR 95.0 million (2020: consolidated net loss of EUR –30.6 million).

Thus, the consolidated net profit for 2021 was significantly above the original forecast.

## 3. CASH FLOWS

The following cash flows were posted in 2021 and 2020:

| | 2021 | 2020 |
|---|---|---|
| | EUR m | EUR m |
| Net cash inflows from operating activities | 56.1 | 45.3 |
| Cash inflows/outflows from investing activities | 23.7 | –0.1 |
| Net cash used in financing activities | –46.2 | –75.6 |
| **Net change in cash and cash equivalents** | **33.6** | **–30.4** |
| **Cash and cash equivalents at 1 January** | **150.0** | **180.4** |
| **Cash and cash equivalents at end of period** | **183.6** | **150.0** |
| | | |
| **Composition of cash and cash equivalents** | | |
| Cash | 183.6 | 150.0 |
| **Cash and cash equivalents at end of period** | **183.6** | **150.0** |

Based on the pre-tax earnings for the 2021 financial year of EUR 123.2 million (2020: EUR –20.4 million), cash flows from ordinary operating activities of EUR 56.1 million (2020: EUR 45.3 million) were generated.

### CAPITAL EXPENDITURE AND FINANCING

Capital expenditure by the Group on property, plant and equipment and intangible assets amounted to EUR 11.6 million in the 2021 financial year (2020: EUR 7.8 million). Capital expenditure related primarily to investments in large-scale equipment.

The Group took up new bank loans in the amount of EUR 8.0 million during the 2021 financial year. Bank loan repayments of EUR 7.5 million were made as scheduled.

## 4. FINANCIAL POSITION

The structure of assets and equity and liabilities in 2021 was as follows:

| **Assets** | 2021 | | 2020 | | Change |
|---|---|---|---|---|---|
| | EUR m | % | EUR m | % | EUR m |
| Intangible assets | 72.4 | 9 | 75.3 | 10 | –2.9 |
| Property, plant and equipment | 119.8 | 15 | 122.9 | 17 | –3.1 |
| Financial assets | 171.0 | 21 | 108.0 | 15 | 63.0 |
| Deferred tax assets | 18.0 | 2 | 21.2 | 3 | –3.2 |
| Other non-current assets | 150.8 | 19 | 156.4 | 21 | –5.6 |
| **Non-current assets** | **532.0** | **66** | **483.8** | **66** | **48.2** |
| Inventories | 5.3 | 1 | 5.9 | 1 | –0.6 |
| Trade receivables | 54.6 | 7 | 44.8 | 6 | 9.8 |
| Other current assets and current tax receivables | 23.9 | 3 | 43.2 | 6 | –19.3 |
| Cash and cash equivalents | 183.6 | 23 | 150.1 | 21 | 33.5 |
| **Current assets** | **267.4** | **34** | **244.0** | **34** | **23.4** |
| **Total assets** | **799.4** | **100** | **727.8** | **100** | **71.6** |

| **Equity and liabilities** | | | | | |
|---|---|---|---|---|---|
| Issued capital | 13.5 | 2 | 13.5 | 2 | 0.0 |
| Equity capital attributable to the Personally Liable General Partner and Reserves | 118.4 | 15 | 107.5 | 15 | 10.9 |
| Net retained profit | 252.1 | 32 | 202.1 | 27 | 50.0 |
| Equity attributable to non-controlling interests | 87.8 | 11 | 79.9 | 11 | 7.9 |
| **Equity and reserves** | **471.8** | **60** | **403.0** | **55** | **68.8** |
| Non-current financial liabilities, net of current portion | 16.3 | 2 | 14.5 | 2 | 1.8 |
| Non-current portion of government grants | 2.4 | 0 | 2.5 | 0 | –0.1 |
| Other non-current liabilities | 211.0 | 26 | 214.2 | 31 | –3.2 |
| Deferred tax liabilities | 8.9 | 1 | 9.5 | 1 | –0.6 |
| Provisions | 18.6 | 2 | 17.6 | 2 | 1.0 |
| **Non-current liabilities** | **257.2** | **31** | **258.3** | **36** | **–1.1** |
| Current portion of non-current financial liabilities | 6.3 | 1 | 7.8 | 1 | –1.5 |
| Trade payables | 32.2 | 4 | 30.5 | 4 | 1.7 |
| Current portion of government grants | 0.3 | 0 | 0.3 | 0 | 0.0 |
| Other current liabilities and current tax payables | 29.7 | 4 | 26.0 | 4 | 3.7 |
| Provisions | 1.9 | 0 | 1.9 | 0 | 0.0 |
| **Current liabilities** | **70.4** | **9** | **66.5** | **9** | **3.9** |
| **Total equity and liabilities** | **799.4** | **100** | **727.8** | **100** | **71.6** |

Total assets of the EUROKAI Group increased in the 2021 reporting period by EUR 71.6 million to EUR 799.4 million. This was primarily accounted for by the increase in financial assets and the increase in cash and cash equivalents with a simultaneous decrease in other assets and current tax receivables.

The appreciable increase in financial assets related with EUR 63.3 million mainly to the interest in the EUROGATE Group investment accounted for using the equity method.

The decline in other non-current assets related in particular to non-current receivables from leases and is explained on the one hand by the payments made by lessees for the current year in the amount of EUR 7.4 million, as well as by adjustments made to existing leases in the reporting year amounting to EUR 2.1 million.

At the balance sheet date, non-current assets were covered in full by equity and non-current financial liabilities.

The increased trade receivables reflected the upward revenue trend.

The decline in other current assets and current tax receivables of EUR 19.3 million to EUR 23.9 million resulted principally from the repayment of a short-term loan by Tanger Alliance S. A. to Contship Italia S. p. A. in the amount of EUR 21.3 million.

Cash and cash equivalents of EUR 183.6 million (2020: EUR 150.1 million) reflected the sustained positive liquidity situation of the Group at the reporting date.

The change in net retained profit was accounted for principally by the appropriation based on a resolution of the General Meeting of EUR 7.5 million to retained earnings and the dividend distribution of EUR 15.8 million to the shareholders, as well as by the consolidated net profit of EUR 73.8 million attributable to the equity holders of the parent in the financial year 2021.

Accordingly, equity increased in the 2021 financial year by EUR 68.8 million to EUR 471.8 million (2020: EUR 403.0 million), a rise of 17.1%. Thus, the EUROKAI Group reported a much improved and very robust equity ratio of 59% (2020: 55%).

The increase in non-current financial liabilities, including current portion, resulted from offsetting investment loans taken out in the amount of EUR 8.0 million and repayments made in the financial year of EUR 7.5 million.

Other non-current liabilities were down mainly due to the repayment of lease liabilities and, with the opposite effect, adjustments made to existing leases in the reporting year and the interest cost of lease liabilities.

## 5. PERSONNEL AND WELFARE

Once again in financial year 2021, Group companies provided their staff with further training courses, both internal and external, in order to continue to improve their standard of qualification.

The following shows average employee numbers in the fully consolidated Group companies (excluding Management Board, temporary staff and trainees):

| | 2021 | 2020 |
|---|---|---|
| Industrial workers | 418 | 502 |
| Office staff | 395 | 478 |
| | **813** | **980** |

## 6. EXCERPT FROM THE SEPARATE NON-FINANCIAL GROUP REPORT PURSUANT TO SECTIONS 315B AND 315C IN CONJUNCTION WITH SECTIONS 289C TO 289E OF THE GERMAN COMMERCIAL CODE (HGB)

The activities of the EUROKAI Group are characterised by profit-driven business practices and responsibility towards staff, society and the environment. Due to the high capacity intensity and long useful lives involved, anyone building up and operating transhipment facilities and hinterland networks needs to think in large dimensions and focus their business on long-term success extending beyond individual economic cycles.

The material non-financial key performance indicators for us affect environmental matters (energy consumption and $CO_2$ emissions), the employee dimension (occupational health and safety) , anti-corruption and anti-bribery and IT security.

### ENVIRONMENTAL MATTERS – ENERGY CONSUMPTION AND $CO_2$ EMISSIONS

Energy consumption is a key performance indicator for the management of resources and has a direct impact on incurred costs, and hence on financial performance. At the same time, energy consumption substantially impacts the environment, because it uses natural resources and produces greenhouse gas emissions. Together with the cost aspect associated with energy consumption, efforts to limit climate change and minimise the Group's own carbon footprint also drive EUROKAI's energy management activities.

The most important key performance indicator at CONTSHIP Italia and EUROGATE in the area of energy consumption is consumption in total megawatt hours.

The following table shows the current status of target attainment:

| | CONTSHIP Italia* | EUROGATE** |
|---|---|---|
| Target | Lower energy consumption | Lower energy consumption |
| Status 2020 | 44,575 MWh (of which 3,912 MWh renewables) | 420,180 MWh (of which 12,418 MWh renewables) |
| **Status 2021** | **49,183 MWh (of which 2,579 MWh renewables)** | **435,999 MWh (of which 12,376 MWh renewables)** |
| Comment | There was a slight increase in energy consumption in the 2021 financial year. This is attributable to the recovery in container throughput and the associated higher handling volume compared to the previous year. The container throughput and workload at the terminals was lower overall in the previous year due to the COVID-19 pandemic, which had a corresponding effect on energy consumption. | There was a slight increase in energy consumption in the 2021 financial year. This is attributable to the recovery in container throughput and the associated higher handling volume compared to the previous year. The container throughput and workload at the terminals was lower overall in the previous year due to the COVID-19 pandemic, which had a corresponding effect on energy consumption. Energy consumption has risen disproportionately in relation to the increase in handling volume.<br><br>In the 2021 financial year, the non-financial key performance indicator was adjusted in order to present total energy consumption transparently and because a key performance indicator relating to the number of containers moved would have been distorted in particular by coronavirus-related effects (high yard utilisation). |

* Excluding fuel volumes from purchased intermodal services and excluding heating energy consumption in office buildings in La Spezia.

** When calculating the key performance indicator MWh, the consumption figures for the principal companies (the German EUROGATE terminal operations in Bremerhaven, Hamburg and Wilhelmshaven and the respective service companies at each location, and EUROGATE holding company) were taken into consideration.

The most important key performance indicator at CONTSHIP Italia and EUROGATE in the area of emissions is total $CO_2$ emissions in tonnes (t $CO_2$).

The following table shows the current status of target attainment:

| | CONTSHIP Italia* | EUROGATE** |
|---|---|---|
| Target | Lower $CO_2$ emissions | Lower $CO_2$ emissions |
| Status 2020 | 12,278 t $CO_2$ | 101,649 t $CO_2$ |
| **Status 2021** | **12,912 t $CO_2$** | **104,415 t $CO_2$** |
| Comment | There was a slight increase in $CO_2$ emissions in the 2021 financial year. This is attributable to the recovery in container throughput and the associated increase in energy consumption and resulting $CO_2$ emissions. The container throughput and workload at the terminals was lower overall in the 2020 financial year due to the COVID-19 pandemic, which had the effect of temporarily reducing energy consumption and $CO_2$ emissions. However, $CO_2$ emissions increased to a lesser degree than total energy consumption in the 2021 financial year, which is also attributable to the adjustment of the underlying conversion factors for the Italian electricity mix. | There was a slight increase in $CO_2$ emissions in the 2021 financial year. This is attributable to the recovery in container throughput and the associated increase in energy consumption and resulting $CO_2$ emissions. The container throughput and workload at the terminals was lower overall in the 2020 financial year due to the COVID-19 pandemic, which had the effect of temporarily reducing energy consumption and $CO_2$ emissions. However, $CO_2$ emissions increased to a lesser degree than total energy consumption in the 2021 financial year.<br><br>In the 2021 financial year, the non-financial key performance indicator was adjusted in order to present total emissions transparently and because a key performance indicator relating to the number of containers moved would have been distorted in particular by coronavirus-related effects (high yard utilisation). |

* When calculating total $CO_2$ emissions, direct emissions (Scope 1) from diesel combustion as fuel for the vehicles of the various companies were taken into account, as well as indirect emissions (Scope 2) that result from electricity consumption. The $CO_2$ emissions resulting from the consumption of natural gas are not included in the calculation due to its limited use (exclusively in the canteens of the intermodal terminals).

** When calculating the key performance indicator t $CO_2$, the consumption figures for the principal companies (the German EUROGATE terminal operations in Bremerhaven, Hamburg and Wilhelmshaven and the respective service companies at each location, and EUROGATE holding company) were taken into consideration.

The changed supply chain situation in the 2021 financial year due to the COVID-19 pandemic resulted in heavy capacity utilisation at the terminals, with negative impacts on productivity and thus on energy consumption.

**EMPLOYEE DIMENSION – OCCUPATIONAL HEALTH AND SAFETY**

Protecting the Group's own employees and employees of external companies against work-related injuries or sickness and safeguarding their health and well-being is a top priority. Most work is performed using heavy equipment at the terminals (mainly straddle carriers and container gantries), and is susceptible to prevailing weather conditions. Considering the manual nature of this work and the deployment of much of the workforce in a three-shift system, promoting and protecting their health is especially important. Due to the pandemic, a special focus in the past year continued to be on the development, implementation and follow-up of infection prevention and control measures.

The key ratios for CONTSHIP Italia and EUROGATE in the area of occupational health and safety are the number of reportable work-related accidents (accidents at the workplace and on the way to/from work) and the number of fatal accidents.

The following table shows the current status of target attainment:

| | CONTSHIP Italia* | EUROGATE** |
|---|---|---|
| Target | Minimise the number of work-related accidents and to prevent accident-related fatalities | |
| Status 2020 | Work-related accidents: 14 | Work-related accidents: 326 |
| | Accident-related fatalities: none | Accident-related fatalities: none |
| **Status 2021** | **Work-related accidents: 27** | **Work-related accidents: 344** |
| | **Accident-related fatalities: none** | **Accident-related fatalities: none** |
| Comment | The target to prevent accident-related fatalities was met in the past financial year.<br><br>The rise in the number of work-related accidents at CONTSHIP Italia and EUROGATE is attributable to the renewed increase in handling volume in the 2021 financial year after a temporary decline in the 2020 financial year due to the pandemic.<br><br>Furthermore, as part of the defined monitoring process in the area of occupational safety, measures that sustainably support the target of minimising the number of work-related accidents are developed based on the analysis of hazardous situations, accident severity and cause. | |

* In Italy, all accidents must be reported that result in death or injury that prevents a person from working for more than one day. Some processes at the operating facilities are carried out by external contractors. Their employees account for around 40% of the total workforce on site. The CONTSHIP Italia figure does not include accidents involving temporary contract workers and external contractors.

** In Germany all accidents must be reported that result in death or injury that prevents a person from working for more than three days. The EUROGATE figure includes accidents involving not only the company's own employees, but also temporary contract workers It does not record accidents involving employees of external contractors.

**ANTI-CORRUPTION AND ANTI-BRIBERY**

To achieve long-term success, a company must conduct its activities in a compliant, fair and reliable way. Within the EUROKAI Group, the umbrella term "compliance" relates to the adherence to statutory standards as well as internal corporate guidelines and policies and working to ensure their observance in the EUROKAI Group companies. Responsibility for the respective regulations lies with the individual sub-groups, including the relevant policies and principles for preventing bribery and corruption.

The central key performance indicator at CONTSHIP Italia and EUROGATE in relation to anti-corruption and anti-bribery is the number of confirmed cases of corruption.

The following table shows the current status of target attainment:

| | CONTSHIP Italia | EUROGATE |
|---|---|---|
| Target | No cases of corruption | No cases of corruption |
| Status 2020 | none | none |
| **Status 2021** | **none** | **none** |
| Comment | The target was met. There were no confirmed cases of corruption in the reporting year. | |

**IT SECURITY**

Secure and reliable IT-assisted processes are the prerequisite to enable a container terminal to operate efficiently. This applies not only from an entrepreneurial point of view, but is also important economically. Efficient IT security protects the processes at the container terminal and consequently the entire port system.

The ever-growing number of IT-based business processes that have emerged in recent years, as well as the dovetailing of the CONTSHIP Italia and EUROGATE Segments' systems with those of other providers along the logistics chain, increase the demand for a secure IT infrastructure. Cyber threats are on the increase all the time and are constantly changing. At the same time, the reliance on IT systems is growing, especially in light of the planned automation projects. IT security is therefore crucial to enabling and ensuring efficient business processes across the companies in both Segments.

At CONTSHIP Italia, work continues on establishing the IT security management system. The implementation is being rolled out and managed by the IT security department of CONTSHIP Italia's holding company, which also has the technical competence regarding this topic. Responsibility for the topic lies with the Group Management Board or the management boards of the respective companies in the CONTSHIP Italia Group. The main focus of the concept is on the availability and integrity of IT systems and data, with the aim of minimising potential damage and downtimes. In 2021, the focus at CONTSHIP Italia was on improving the IT infrastructure. As the implementation of relevant processes continues, the Group intends to appoint an IT security officer and define the necessary organisational structures, procedures, roles and accountabilities.

Technical competence for the EUROGATE information security management system (ISMS) lies with the IT department of the EUROGATE holding company. Overall responsibility lies with the Group Management Board and the management boards of the respective companies in the EUROGATE Group. An IT security officer and an OT security architect have been appointed. An IT and an OT security board have also been set up and equipped with resources from the IT department and EUROGATE Technical Services. The ISMS covers all German EUROGATE terminals with the exception of North Sea Terminal Bremerhaven GmbH & Co. (NTB), operated as a joint venture between EUROGATE and APMT, which is managed separately. An IT security guideline and policy regulates the organisational and technical requirements of the EUROGATE ISMS.

The main focus of the existing concept at EUROGATE is on the availability and integrity of the IT systems and data, with the aim of creating a resilient infrastructure based on risk assessment and of minimising potential damage and times to restore services. A key element of the ISMA is a risk management system geared towards minimising risk or creating an acceptable level of residual risk for EUROGATE. The security management approach at EUROGATE follows the NIST Cybersecurity Framework and in its practical implementation is based on the IEC 62443 standard and the security catalogue that forms the basis of the two-yearly critical infrastructure (KRITIS) audit. In addition, the Group coordinates and exchanges information with local and European logistics partners (for example via EU-ISAC), as well as with relevant authorities and EUROGATE service providers. These help to ensure that new risks can be promptly identified and addressed. The EUROGATE ISMS includes information technology and operating technology, as well as the cloud services and platforms used.

The goals and targets are set on the basis of a general risk assessment for EUROGATE and concrete risk analyses for the respective projects. The EUROGATE ISMS was successfully audited in the 2020 financial year in accordance with the guidelines of the Federal Office for Information Security (BSI), since EUROGATE is classified as an operator of critical infrastructure (KRITIS) pursuant to the IT Security Act (ITSG). In addition, self-assessments based on NIST, IEC62443 are used for modelling the measurability of the level of protection achieved through non-financial performance indicators. Furthermore, various external assessments are being rated at EUROGATE with the use of security scorecards.

The separate non-financial Group report pursuant to Sections 315 b and 315 c in conjunction with Sections 289 c to 289 e of the German Commercial Code (HGB) is published on the corporate website at http://www.eurokai.de/Investor-Relations/Corporate-Governance.

## 7. REPORT ON EXPECTED DEVELOPMENTS, OPPORTUNITIES AND RISKS AS WELL AS RISK MANAGEMENT SYSTEM

**RISK MANAGEMENT SYSTEM**

Risk management is regarded within the EUROKAI Group as a permanent task of management and is practised as a system that is actively implemented across all the Group's companies and organisational units. As such, risk management has for years been an integral part of management control. The main aims of risk management within the Group are to recognise and identify critical developments – as well as opportunities – at an early stage, to take measures to remove such risks, and to promote risk-aware and opportunity-led thinking at all levels within the Group. In general, the risk policy is characterised by a conservative approach.

**RISK POSITIONS**

Via the CONTSHIP Italia Group as well as the EUROGATE Group, the EUROKAI Group is principally exposed to market risks, operational risks and financial risks.

**Market risks and operational risks and opportunities**

As a financial holding company, the EUROKAI holding company is exposed via its subsidiaries and associates to the individual risks of the various business fields. Risks are identified and inventoried as part of the process of preparing the annual financial statements and management commentary. The subsequent assessment of the impact of these risks on the overriding corporate objectives defined for EUROKAI, taking into account the probability of their occurrence, is condensed into a risk portfolio for each undertaking. The risks documented therein encompass the entire spectrum of operational activities, especially those arising from the operation of several container terminals.

For the EUROKAI Group, the completed adjustment of the Elbe fairway and the still outstanding deepening of the Outer Weser was and continues to be of great importance to secure and position the German seaports in the North Range so that ever larger container vessels can operate without problems into and out of Hamburg and Bremerhaven. In the course of the implementation of the fairway adjustment measures in the Elbe, the nautical problems encountered by the ever-growing number of ever larger mega carriers has improved slightly, especially at the Hamburg location. Should the still outstanding measure to deepen the Outer Weser fail to materialise or be seriously delayed, this could have a highly adverse effect on the future development of transhipment at the Bremerhaven location.

With the facilities of EUROGATE Container Terminal Wilhelmshaven, the EUROKAI Group is, however, fortunate in being able to offer its customers an excellent alternative for the handling of mega carriers with corresponding draughts at Germany's only deep-water port. The intended investment and acquisition on the part of Hapag-Lloyd Aktiengesellschaft marks another important step in the further development of this location.

In addition to general economic trends, the Group is exposed to other factors and risks associated with future transhipment and transport demand and corresponding handling volumes at our container terminals. As in the previous years, these also include:

- commissioning additional terminal handling capacities in the North Range and the Baltic,
- commissioning additional large container vessels and the related operational challenges in transhipment handling (peak situations) as well as
- changes in the market, network and processes resulting from changes in the structure of the shipping consortia (mergers or consortium changes).
- price structures in the market.

Possible insolvencies could also negatively impact the shipping line consortia as well as the structure of services and handling volumes.

On the customer side, three major consortia continue to dominate the market

- 2M with the individual shipping companies Maersk and MSC;
- Ocean Alliance, with the individual shipping companies CMA CGM, COSCO, Evergreen and OOCL
- THE Alliance, with the individual shipping companies Hapag-Lloyd, HMM, ONE and Yang Ming.

The trend on the part of the shipping lines to commission the building of additional ultra-large container vessels – in the meantime with capacities of up to 24,000 TEUs – continues unabated. Given this trend, the EUROKAI Group will also see an increase in the number of ultra-large container ships calling at its terminals.

Because the container terminals still have capacity reserves, at least in the medium term, the market power of the remaining consortia or shipping companies is increasing as a result of consolidation, and with it the pressure on earnings and the need to identify and further implement sustainable cost reductions and efficiency improvements as well as standardisation and automation measures at the container terminals.

In the EUROGATE Segment in the reporting year, the individual measures identified in the transformation project were incorporated into detailed implementation-ready concepts that were presented to the respective employee representatives at the end of 2020. The target is to reduce the total costs of the EUROGATE Group in Germany by EUR 84 million p. a. as early as possible, but no later than the 2024 financial year and in doing so to secure the competitiveness and a viable and sustainable basis for the future of the EUROGATE Group.

After intensive negotiations with the Group works council, a Group-level agreement was concluded in the 2021 financial year, on the basis of which individual works agreements were successfully concluded for the companies affected by the transformation. For the Hamburg site, further prospectively significant components are still to be negotiated as of the beginning of 2022.

If the Group falls short of the planned cost-savings as well as the productivity- and efficiency-enhancing targets set out in the transformation programme, this would seriously jeopardise the competitiveness and future viability of the EUROGATE Group. However, so far all sides have approached the preparation and conclusion of the negotiations judiciously, and the management remains confident of being able to successfully implement the planned measures and associated positive effects within the foreseen timeframe.

Against the background of increasing cyberattacks, the company has for some time now significantly stepped up IT security measures. In addition to the general basic protection of systems, software tools are used to monitor and identify anomalies in system and network behaviour. In the EUROGATE Segment, insurance has also been taken out against cyberrisks, as despite all the security measures in place, the risk of suffering economic loss as a result of a cyberattack cannot be entirely ruled out.

On a geopolitical level, the recent hostilities between Russia and Ukraine are to be considered a risk. It is currently impossible to assess whether and to what extent the ongoing military conflict and the subsequent repercussions of tighter sanctions against Russia will have a sustained impact on the throughput or transport volumes of our subsidiaries and investees, as well as on the development of EUROGATE International GmbH's 20% minority interest in JSC Ust-Luga Container Terminal. At least temporarily, a decline in handling volumes in Germany in the mid-single-digit percentage range is to be expected. With regard to the carrying amount of the investment in Ust-Luga, it may become necessary over time for the EUROGATE Segment to adjust the book value. The investment in JSC Ust-Luga Container Terminal is secured against political risks through conclusion of federal guarantees on direct foreign investments. These cover a significant portion of the carrying amount of the investment in the event of war or expropriation, as well as in the event of a breach of legally binding commitments by state or state-controlled bodies.

The beginning of the war has also been accompanied by a significant hike in energy prices. This can be expected to lead at least temporarily to higher expenses for the Group companies than originally planned.

In connection with the conflict between Russia and Ukraine, potential cyberattacks by certain state-supported criminal groups on critical infrastructure in countries showing support for Ukraine are a very real threat. Against this background, we have already identified and implemented extensive additional measures to protect our systems.

**Legal risks**

Legal risks continue to exist in connection with disputed property taxes relating to La Spezia Container Terminal S. p. A. for the financial years 2013 until 2018. Provisions have been recognised for claims arising in connection with this matter, which from today's perspective are considered probable.

**Financial risks**

**Financial risk management objectives and policies**

The Group's principal financial instruments, other than derivatives, comprise loans, finance leases and hire purchase contracts, as well as cash and short-term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has access to various other financial instruments, such as trade receivables and payables, that arise directly as part of its operations.

Derivatives for hedging interest rates are only used for the purposes of hedging open risks. Interest derivatives are used exclusively to optimise loan terms and minimise interest rate risks as part of matching-maturity financing strategies. Derivatives are not used for trading or speculation.

The material risks for the Group resulting from financial instruments are interest rate risks, liquidity risks, foreign currency risks and credit risks. In our opinion the aforementioned interest rate risk, foreign currency risk and liquidity risk are also to be viewed as opportunities. The Management Board creates and reviews policies for managing each of these risks, which are summarised below. At Group level, the existing market price risk, as well as the opportunity it represents for all financial instruments, is also monitored. The Group's accounting and measurement policies in relation to financial instruments, as well as quantitative details relating to the financial instruments used within the Group, are set out in Sections 2 and 29 of the Notes to the consolidated financial statements.

**Interest rate risk**

The Group's exposure to interest rate risks relates primarily to the Group's non-current financial liabilities

The Group's policy is to manage its interest rate risks with a combination of fixed-interest and variable-interest loan capital. The vast majority of the liabilities to banks are covered by short-dated interest rate agreements on the basis of the 3- or 6-month EURIBOR, plus the agreed credit margin.

Giving loans a short-term wrapper on the one hand gives rise to an interest rate risk if interest rates increase. On the other hand, if interest rates drop, this presents the opportunity of lower interest charges. Nevertheless, on expiry of each interest rate period, it is in principle possible to give loans a long-term wrapper and to hedge a certain interest rate level; in this respect, movements in interest rates are continuously monitored.

The stated values of financial instruments are presented in Section 29 of the Notes to the consolidated financial statements.

**Foreign currency risk**
All fully consolidated entities denominate their invoices exclusively in euros. In this respect, currency risks can only arise in isolated cases, such as from foreign dividend income or the purchase of goods and services from abroad or the granting of foreign currency loans. Currently there are no noteworthy currency risks in the Group arising from such specific cases. Translation of the investment in JSC Ust-Luga Container Terminal, Ust-Luga (Russia), from Russian roubles into euros gives risk to an increased foreign currency risk on account of the current high volatility.

**Credit risk**
The Group's credit risk principally results from trade receivables, in particular from shipping companies. Significant trade receivables pertain to just a few, internationally operating container shipping lines. The amounts shown in the balance sheet do not include allowance accounts for expected irrecoverable receivables estimated on the basis of historical credit loss ratios and the current economic environment. The economic situation of the shipping companies improved significantly in 2021 due a return to a very positive earnings development. Nevertheless, the unclear medium-term market and competitive situation gives rise to risks, albeit with significantly reduced exposure. The Group will therefore continue to counter this exposure through intensive and regular monitoring of receivables on all levels – and on management level in particular. However, despite appropriate monitoring and warnings, in the current environment the risk of future credit losses cannot be eliminated entirely.

Furthermore, EUROGATE has ongoing insurance coverage in order to minimise the risk of loss or default on receivables from key account customers. A significant change in the financial situation of individual debtors, the sector as a whole or the market may lead insurers to limit the amount of coverage for new receivables from these debtors or to no longer guarantee coverage. The same applies in the event of non-compliance with contractual obligations to cooperate in accordance with the insurance policy.

In the CONTSHIP Italia Segment, the payment performance of the key account customer remained stable, so that it was again decided not to take out insurance against losses from outstanding receivables. Nevertheless, CONTSHIP Italia also places strong emphasis on monitoring outstanding and past-due trade receivables.

The credit risk in respect of cash and cash equivalents and derivative financial instruments is limited, as these are held at banks or transacted with banks which are awarded a high credit rating by international rating agencies.

The Group's maximum credit risk is equivalent to the amount of total financial assets recognised on the balance sheet.

**Liquidity risk**
The EUROKAI Group's liquidity is ensured by autonomous and independent cash pooling of the subsidiaries with the respective holding companies of the sub-groups, both within the CONTSHIP Italia Group and the EUROGATE Group, as well as by centralised cash management functions within the respective corporate groups.

Due to the control of capital expenditure and credit management, which is also performed centrally in the Segments at holding level, financial resources (loans/leases/rent) can be provided in good time to meet all payment obligations.

There are currently no significant concentrations of financing risk within the Group. No potential risks to the company's continued existence as a going concern, such as excessive indebtedness or insolvency, are currently evident or identifiable.

On the basis of the present estimates, the EUROKAI Group has sufficient liquidity to be able to satisfy all due payment obligations for the whole of 2022.

**Accounting-related internal control system**
The objective of the internal control system (ICS) with regard to the accounting process is to ensure with reasonable certainty that the financial statements are prepared in compliance with the applicable regulations.

With respect to the financial reporting process, the following structures and processes are implemented within the EUROKAI Group, which also apply to the Group financial reporting process:

- The principles, operational and organisational structure, as well as processes underlying the accounting-related internal control and risk management system are laid down in guidelines and operating procedures that are adapted to reflect ongoing internal and external developments.
- Within the EUROKAI Group, as well as within the CONTSHIP Italia and EUROGATE segments, there is a clear management and corporate structure.
- The functions of the main divisions involved in the reporting process – finances, accounting and cost controlling – are clearly separated. Responsibilities and accountabilities are clearly assigned. The separation of functions and the dual control principle are key principles of control in the accounting process.
- The IT systems used for financial reporting are protected against unauthorised access by means of corresponding security systems.
- Uniform reporting practice is guaranteed in particular through Group-wide terms of reference (e. g. investment guideline, purchasing guideline, travel expenses guideline). These are regularly updated.
- Reporting-relevant processes are regularly reviewed through an external audit. Furthermore, the respective IT processes are subject to external reviews.

The Management Board of the Personally Liable General Partner bears overall responsibility for the internal control and risk management system with respect to the reporting process within the company. This integrates all divisions via a predetermined management and reporting organisation.

To enable a rapid response to unexpectedly arising negative developments, regular – at least once monthly – reports to the Management Board form part of the control and risk management system.

The expectations and goals form the basis of annual medium-term planning, which is presented to the Supervisory Board. For the current financial year, deviations from budgeted values are analysed in the monthly reporting and forecasts are prepared for the current year taking actual values into account. Reporting also covers the operating profit/loss of the company's investees and thus reflects all operating activities of the EUROKAI Group.

## 8. DISCLOSURE REQUIREMENTS IN ACCORDANCE WITH SECTION 315 A HGB

### ISSUED CAPITAL

The issued capital of EUR 13,468,000 has been fully paid up. It is divided into 6,759,480 ordinary voting shares with a nominal value of EUR 1.00 each, 6,708,494 non-voting preference shares with a nominal value of EUR 1.00 each, and one preference voting share with a nominal value of EUR 520.00.

The ordinary voting shares are made out to bearer.

The preference voting share is registered and pursuant to Section 5 of the Articles of Association carries a preference dividend of 15% of the residual profit for the year in accordance with the internal balance sheet pursuant to Section 16 of the Articles of Association, which ranks above dividends from other share classes.

A nominal value of EUR 1.00 for each voting share entitles its holder to one vote.

The non-voting preference shares are made out to bearer and are endowed with a preference profit participation within the scope of Section 139 of the German Stock Corporation Act (AktG), which comprises an advance dividend of 5% (Section 5 (1) of the Articles of Association).

The following entities directly or indirectly hold more than 10% of the voting shares:

- Familie Thomas Eckelmann Verwaltungsgesellschaft mbH, Hamburg
- Familie Thomas Eckelmann GmbH & Co. KG, Hamburg
- Thomas H. Eckelmann GmbH, Hamburg
- J. F. Müller & Sohn AG, Hamburg
- J. F. Müller & Sohn Beteiligungs GmbH, Hamburg

Furthermore, Mr Thomas H. Eckelmann indirectly holds more than 10% of the voting shares.

For disclosures relating to the shareholders of the company pursuant to the provisions of the German Securities Trading Act (WpHG) we refer to the information contained in the Notes to the financial statements of EUROKAI GmbH & Co. KGaA.

### EQUITY ATTRIBUTABLE TO THE PERSONALLY LIABLE GENERAL PARTNER

As at 31 December 2021, the Personally Liable General Partner, Kurt F. W. A. Eckelmann GmbH, Hamburg, made a capital contribution of EUR 294,000 pursuant to Section 5 of the Articles of Association. The share of EUR 282,000 of the fixed capital contribution carrying dividend rights participates in the profit for the year proportionately to the share capital of the company, which is calculated on the basis of an internal balance sheet prepared in accordance with Section 16 of the Articles of Association. In the case of future capital increases, under Section 5 of the Articles of Association the Personally Liable General Partner is authorised at any time to raise the fixed capital contribution by up to 20% of the respective amount of the capital increase.

The Personally Liable General Partner may instead of or in addition to the fixed capital contribution also acquire preference shares of the company or convert the already paid-in contribution wholly or in part into preference shares of the company.

### APPOINTMENT AND TERMINATION OF MANAGEMENT MANDATES AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In the case of a Kommanditgesellschaft auf Aktien (partnership limited by shares), the duties of the Management Board of a stock corporation are incumbent upon the Personally Liable General Partner. In accordance with Section 278 (2) of the German Stock Corporation Act (AktG) in conjunction with Section 164 of the German Commercial Code (HGB), and lacking any specific provisions in the Articles of Association of the company, management is thus incumbent upon the Personally Liable General Partner, Kurt F. W. A. Eckelmann GmbH, represented by its management. The appointment and dismissal of members of the management is governed by Section 6 of the

Articles of Association of the company. Under these provisions, the Administrative Board of Kurt F. W. A. Eckelmann GmbH appoints the management for a maximum period of five years. Reappointments or extensions of the term of office – in each case for a maximum of five years – are also permitted.

In the case of exceptional business transactions, the Personally Liable General Partner must seek the prior approval of the Supervisory Board.

Amendments to the Articles of Association affecting the organisational framework of the company are made in accordance with Sections 285 and 179 AktG in conjunction with Sections 161 and 119 HGB. Pursuant to Section 179 AktG in conjunction with Section 19 of the Articles of Association, the Supervisory Board has the powers to decide on amendments and additions to the Articles of Association provided these affect this version only.

## 9. EXPECTED DEVELOPMENTS

Because the container terminals still have capacity reserves, at least in the medium term, there is a continued need to identify and further implement sustainable cost reductions and productivity improvements at the container terminals in light of the market power gained by the remaining consortia/shipping lines in the wake of their consolidation, and with it the pressure on earnings.

The development of handling volumes at the EUROKAI locations may be negatively affected by the ongoing coronavirus pandemic and the measures and restrictions that may have to be introduced in connection with this. Increased sick leave or the need to comply with pandemic-related quarantine requirements may also significantly curtail staff capacities.

In addition, the current war in Ukraine and tighter sanctions against Russia may have an impact on the flow of goods and freight. It is currently not possible to assess either the scope or the timescale of the potential consequences in each case.

### CONTSHIP ITALIA SEGMENT

The further expansion of La Spezia Container Terminal is of particular importance for the CONTSHIP Italia Group.

In the CONTSHIP Italia Segment, earnings for financial year 2022 are expected to be at the previous year's level.

### EUROGATE SEGMENT

From today's perspective, EUROGATE Container Terminal Hamburg is forecast to record a slight volume increase for the 2022 financial year, based on the return of a Far East service operated by the 2M consortium that was temporarily handled in Bremerhaven during 2021 and on expected largely stable volumes of the other services.

For the Bremerhaven site, a rise in handling volumes in 2022 is likewise expected.

Achieving reasonable capacity utilisation of the EUROGATE Container Terminal in Wilhelmshaven remains of high importance for the EUROGATE Group. The development of container throughput in 2021 was already very encouraging and was positively influenced by effects of the pandemic and a high number of inducement calls. Given the trend towards ever larger container ships and the increasing nautical restrictions that this imposes on the navigation channels of the Outer Weser and Elbe – even once the deepening and widening measures currently underway have been completed – Wilhelmshaven is becoming more and more relevant for the handling of ultra-large vessels.

Against this background, the announcement made by Hapag-Lloyd AG on 28 September 2021 that it would acquire a 30% stake in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG and take over the corresponding shares from APMT Wilhelmshaven GmbH was an important step towards the further development of this location.

Independently of this, Wilhelmshaven has good chances of acquiring additional liner services given that most of the leading container shipping companies will commission more ultra-large container vessels with a capacity of up to 24,000 TEUs in the next few years.

Furthermore, the double-track upgrading of the Oldenburg–Wilhelmshaven railway line by DB Netz, including renewal and electrification, will be completed in autumn 2022. This will create additional capacity and provide the site with an efficient rail-based connection.

In the 2022 financial year, transhipment volumes at the Wilhelmshaven site are still expected to stagnate or even decline slightly. From today's perspective, a significant improvement in the capacity utilisation is forecast from 2023 onwards. In the meantime, operational capacities will be enhanced by raising the existing eight container gantry cranes and procuring two more Super Post-Panamax gantries with booms capable of handling container ships with up to 26 container rows on deck. With these technical specifications, these container gantry cranes are designed to be utilised with all container ship classes currently in operation, including the new Megamax 24 class. In addition, it is planned to convert a first section of the landside operations to an automated system by spring 2024.

For the individual companies in the EUROGATE Group, the 2022 financial year will continue to be dominated by the transformation, which has the in-house working title "Future EUROGATE", and the accompanying further implementation of cost-saving measures and organisational measures designed to increase efficiency and productivity.

Against the background of the ongoing ship delays and the resulting capacity and handling problems at the container terminals, the container shipping companies cannot rule out temporary reschedulings of container liner services between the ports in the North Range. Whether and to what extent such reschedulings will take place cannot be estimated at present.

For 2022, the EUROGATE Group expects consolidated net profit to decline considerably, while remaining comfortably in positive territory, taking into account the general conditions for the subsidiaries and long-term investees described above, as well as the exceptional factors arising from significantly increased income from storage fees and income from the reversal of provisions included in the previous year's result. To some extent – albeit on a low level – restructuring expenses will continue to impact on earnings in 2022 and subsequent years.

Following conclusion of the merger control proceedings currently underway and the fulfilment of further conditions under the terms of the capital share purchase agreement concluded between APM Terminals and Hapag-Lloyd Aktiengesellschaft, the reasons for the permanent impairment of the carrying amount of the investment in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG should cease to apply in the course of the 2022 financial year and a reversal of the impairment loss on the investment will become possible and necessary. This would have a significant positive impact on the result of the EUROGATE Segment for the 2022 financial year.

### EUROKAI GROUP

Overall, a slightly declining consolidated net profit is expected for the EUROKAI Group in 2022, in particular due to the one-off and exceptional factors included in the result of the EUROGATE Segment for the 2021 financial year.

The Group's overall profit continues to be strongly influenced by the earnings of the container terminals, and here by handling volumes and throughput rates as the key influencing parameters.

A reversal of the impairment loss on the carrying amount of the investment in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG in the EUROGATE segment in the 2022 financial year would also have a significant positive impact on the EUROKAI Group result in 2022.

The EUROKAI Group remains relatively independent thanks to its diversified European positioning and continues to be well positioned in the competitive environment.

Based on continued sound balance sheet ratios and with an equity ratio of 59%, the EUROKAI Group is well prepared to face the challenges still to come.

Unforeseen developments may cause the actual business trend to deviate from expectations, which are based on assumptions and estimates made by the Group Management Board. We are not under any obligation to update our forward-looking statements in the light of either new information or unexpected events.

### REPORT ON POST-BALANCE SHEET DATE EVENTS

For information regarding significant events after the reporting period, we refer to No. 33 of the Notes to the consolidated financial statements.

## 10. CORPORATE GOVERNANCE STATEMENT PURSUANT TO SECTIONS 289 AND 290 AND 315 D HGB

The Corporate Governance Statement pursuant to Section 315 d of the German Commercial Code (HGB) is published on the corporate website at http://www.eurokai.de/Investor-Relations/Corporate-Governance.

## 11. CLOSING REMARKS

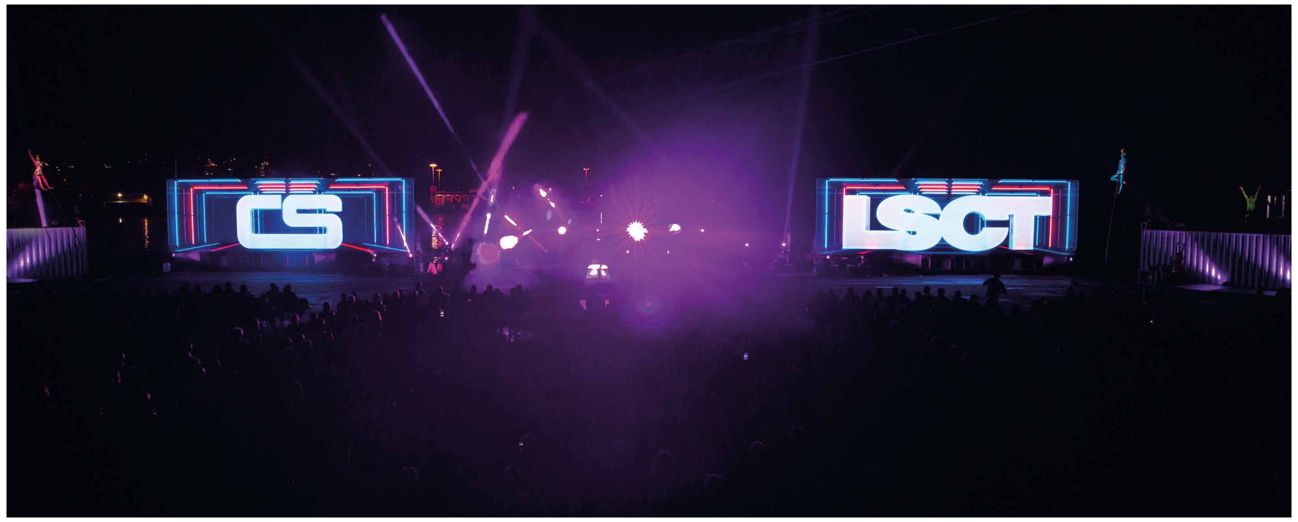
The Personally Liable General Partner has prepared a Dependency Report on legal and business relations with affiliated companies and related parties, containing the following closing remarks:

"We declare that the company has received appropriate compensation for all transactions and activities listed in the report on relations with affiliated companies and related parties, according to the circumstances which were known to us on the date at which the transactions were performed. No other action has been taken or omitted on the initiative or in the interest of the companies to be reported on."

Hamburg, 30 March 2022

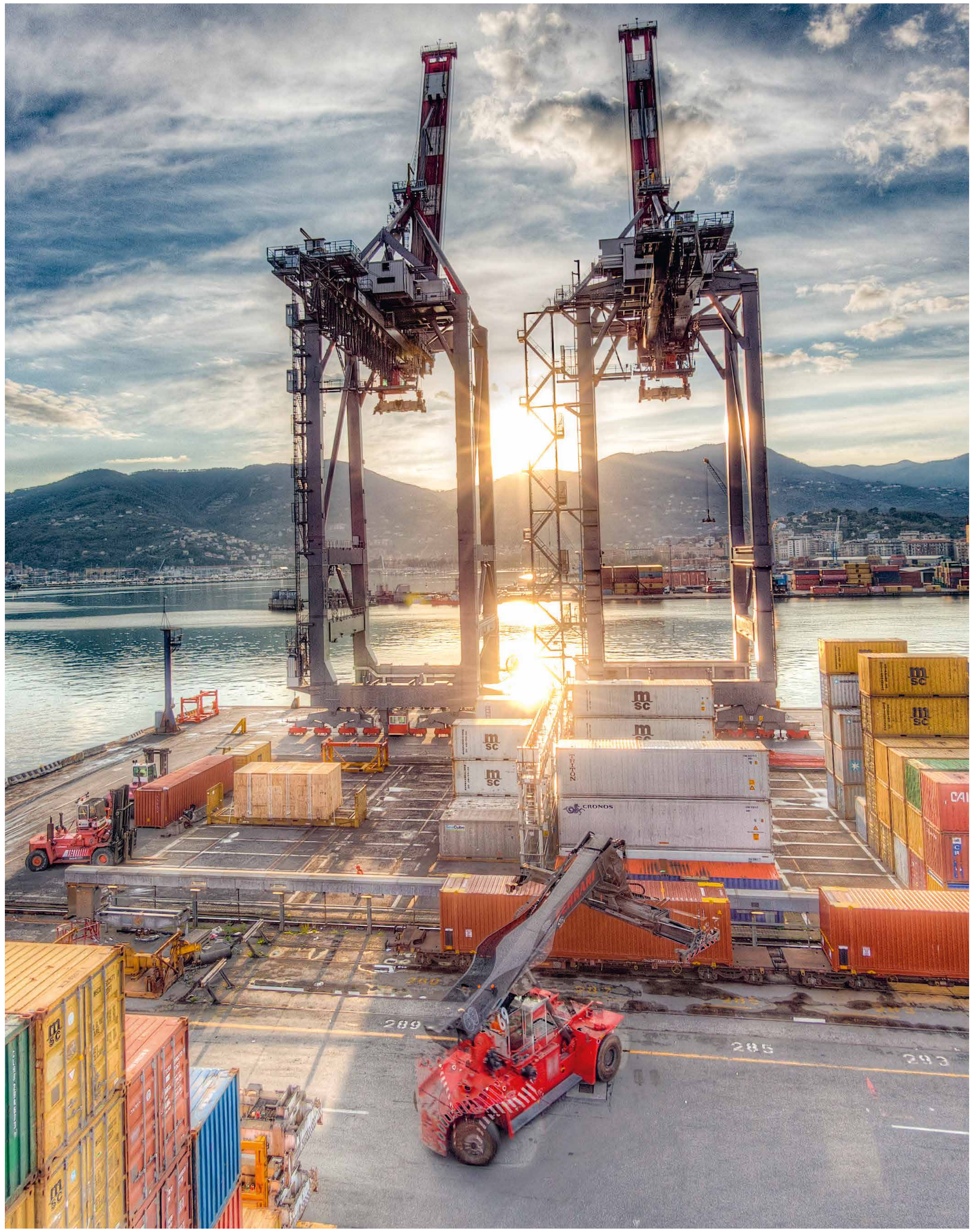
Personally Liable General Partner
Kurt F. W. A. Eckelmann GmbH, Hamburg

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




In 2021, La Spezia Container Terminal celebrated its 50th anniversary.


OCEANOGATE train at Rail Hub Milano.



La Spezia Container Terminal.

# Report of the Supervisory Board


The “PUERTO LIMON EXPRESS” in Wilhelmshaven.
In the background, the “OOCL UNITED KINGDOM”.

**DR WINFRIED STEEGER**
Chairman of the Supervisory Board

Once again in 2021 the Supervisory Board carried out the duties entrusted to it by law, under the terms of the company’s Articles of Association, its own rules of procedure and the German Corporate Governance Code (in the following “Code”). The Supervisory Board regularly advised and continuously monitored all business activities of the Management Board of the Personally Liable General Partner. It was guided in this by the principles of responsible and good corporate governance.

In the course of the 2021 financial year, the Supervisory Board was briefed in a timely and comprehensive manner by the Management Board of the Personally Liable General Partner, through both written and verbal reports, on the current situation and all matters relating to the company and the EUROKAI GmbH & Co. KGaA Group (in the following EUROKAI), as well as joint ventures included in the Group reporting entity. These reports related in particular to significant business transactions and ventures, corporate strategy, business policy, corporate planning (in particular personnel, financial and investment planning including liquidity and refinancing planning), as well as the business development. The Management Board also reported on container handling volumes, revenue, the current financial position of the company and of the Group, the cash flows and financial performance, as well as profitability. It also explained any deviations – stating reasons – from projections and agreed targets. Further points of discussion included risk exposure and development, especially transactions having a possible material impact on the profitability or liquidity of the company and of the Group, and finally major investment projects and the risk management system, the internal control system and auditing practices, as well as the compliance management system. The disclosures made by the Management Board always included information relevant to the non-financial Group report, such as environmental, employee and social aspects, IT security and combating corruption and bribery (Section 289c HGB).

The key focuses of extensive reports and the main issues discussed at the ordinary Supervisory Board meetings in 2021 were

- the current business development of EUROKAI’s Contship Italia S. p. A. and EUROGATE GmbH & Co. KGaA, KG investment holdings, as well as their respective subsidiaries and major affiliates,
- the operational performance and the strategic forward planning of the EUROKAI Group,
- progress reports relating to various port projects,
- issues relating to compliance, corporate governance and sustainability,
- business development of competitors,
- cost-reduction measures,
- progress of the transformation process in the EUROGATE Segment,
- IT security/cyber risks,
- talks and negotiations with Hamburger Hafen und Logistik Aktiengesellschaft on merging German container activities in a joint venture,
- acquisition of the shares previously held by APM Terminals in EUROGATE Terminal Wilhelmshaven GmbH & Co. KG (30%) and in Rail Terminal Wilhelmshaven GmbH (50%) by Hapag Lloyd Aktiengesellschaft.

The Supervisory Board also consulted regularly with the Management Board of the Personally Liable General Partner on the economic environment and the possible ripple effect for the EUROKAI Group. In-depth consideration was, among other things, given to

- the global impacts and possible further development of the coronavirus pandemic and its consequences, such as the considerable distortions in global logistics chains. Triggered by a worldwide change in consumer behaviour and the resulting growth in transport volumes, these have wreaked havoc with the schedules of shipping line services. This, in turn, has had and continues to have a significant operational knock-on effect for the container terminals of the EUROKAI Group.

- the uncertainties arising from political changes, especially in Germany, and from changes in the geopolitical and trade policy framework against the backdrop of intensifying nationalist tendencies,
- the impact evident for some years now of the increasing concentration on the customer side with a corresponding increase in market power resulting in particular from substantial overcapacities on the part of the transhipment companies in the North Range, which has further increased pressure on rates,
- stagnating handling volumes despite additionally increasing transhipment rates,
- the continuing trend of container shipping companies to commission the building of additional, ever larger container vessels – in the meantime with capacities of up to 24,000 TEUs – and a corresponding increase in the number of ULCVs docking at the terminals of the EUROKAI Group, of which only the Wilhelmshaven terminal has a deep-water port with the capacity to fully discharge these behemoths.
- industry-specific impacts on the handling volumes of the terminals such as
    - capacity expansions in the Baltic Sea ports/Scandinavia and a further concentration in the Mediterranean,
    - the continued intensification of activities on the new Chinese Silk Road,
    - changes in processes arising from shifts in consortium structures on the customer side,
    - price structures in the market.

The Supervisory Board continuously monitored the Management Board of the Personally Liable General Partner during the 2021 financial year and regularly offered advice on the day-to-day running of the company. It endorsed and monitored adherence to the Management Board's corporate planning, in particular to the realisation of the actions and objectives contained therein. The Supervisory Board also discussed the corporate strategy as well as its implementation and its impact on the aspects relevant to the non-financial Group report, (environmental, employee and social aspects, IT security and combating corruption and bribery). Based on written and verbal reports, the Supervisory Board discussed deviations of the course of business from the planned targets, as well as significant business transactions for the company and the Group with the Management Board of the Personally Liable General Partner. Regular consideration was given to whether business transactions required the Supervisory Board's approval in accordance with statutory provisions or the company's Articles of Association.

The reporting and information requirements of the Personally Liable General Partner vis-à-vis the Supervisory Board are accessible on the website at www.eurokai.com. As in previous years, the Management Board of the Personally Liable General Partner met its obligations to provide information in full and in a timely manner.

## MEETINGS OF THE SUPERVISORY BOARD

The Supervisory Board convened four ordinary meetings during the financial year 2021. Due to the coronavirus pandemic, all meetings were held as video/telephone conferences.

At its meeting on 7 April 2021, the Supervisory Board, in the presence of the auditor, dealt in particular with the single-entity and consolidated financial statements, as well as the management report of the company and the Group management commentary, the Dependency Report and the report of the auditor on their audit of the 2020 single-entity and consolidated financial statements. The Supervisory Board approved the financial statements and management commentaries and agreed to the proposal on the appropriation of net profit. Further key points of discussion at this meeting were the result of the audit of the non-financial (Group) report, the Report of the Supervisory Board, the Management Statement including Corporate Governance Report and the Declaration of Compliance, as well as the agenda of the General Meeting with the proposal to appoint FIDES Treuhand GmbH & Co. KG of Bremen (in the following "FIDES"), as independent auditor. In this, the Supervisory Board followed the recommendation of the Audit Committee, which had carried out an in-depth selection process in 2020 in accordance with the EU Statutory Audit Regulation and Directive. All points were approved/adopted based on the recommendations of the Audit Committee. In this context, the Supervisory Board approved the Management Board's proposal to also hold the 2021 General Meeting as a virtual event without the physical presence of shareholders or their proxies. Furthermore, at this meeting the Supervisory Board approved the assumption of guarantees in connection with a new loan taken out on behalf of EUROGATE GmbH & Co. KGaA, KG. In addition, the Management Board was authorised to approve the acquisition of treasury shares in EuroExpress HGF GmbH. The Supervisory Board also agreed to the disposal of the interest in LISCONT Operadores de Contentores S. A., Portugal, by EUROGATE International GmbH at a designated minimum price.

At its constituent meeting held on 9 June 2021 following the General Meeting, the Supervisory Board by rotation elected its Chairman and Deputy Chairman, as well as the Chairman of the Audit Committee. The meeting resolved to authorise Dr Steeger to appoint the auditor elected by the General Meeting for the 2021 single-entity financial statements of the company and the consolidated financial statements of the Group. The Supervisory Board also mandated the Management Board to approve unplanned additional costs in connection with the refurbishment of the EUROGATE administration building in Hamburg.

As part of its annual professional development, the Supervisory Board had planned to have a capital market specialist bring it up to date on the latest capital market-related trends at its meeting on 20 September 2021. However, due to the coronavirus pandemic, this further training was postponed to a time when in-person meetings are once again possible. At its meeting of 20 September 2021, the Supervisory Board authorised the Management Board to approve the unbudgeted procurement of three straddle carriers by EUROGATE Container Terminal Hamburg GmbH. In addition, the Supervisory Board approved the indirect equity interest of Contship Italia S. p. A. and EUROGATE International GmbH in Damietta Second Container Terminal, Damietta, Egypt, subject to certain conditions.

At the beginning of the meeting on 15 December 2021, the two IT security officers from CONTSHIP Italia and EUROGATE reported on the assessment of IT risks, the measures already taken, the current status and the focus of measures in the future, as well as issues relating to the insurance of IT risks. Subsequently, the multi-year operational planning for 2022–2026 of the CONTSHIP Italia Group and the EUROGATE Group was routinely presented and discussed. The Supervisory Board took note of the planning in its remarks and further defined the key areas of the audit of the 2021 single-entity and consolidated financial statements. It also approved EUROKAI's annual planning for 2022 and took note of its 3-year planning for 2022–2024. The Management Board was authorised to approve the granting by the holding company of two guarantees to EUROGATE GmbH & Co. KGaA, KG for the construction of onshore power lines in the City of Bremerhaven's overseas port by EUROGATE Technical Services GmbH. Furthermore, with the consent of the Supervisory Board, the Management Board was authorised to approve a pro rata obligation of EUROGATE Intermodal GmbH in respect of the financing of four locomotives by boxXpress.de GmbH. In addition, the Supervisory Board granted the Management Board its consent to place an order for the procurement of two additional remote-controlled container gantries for EUROGATE Container Terminal Wilhelmshaven.

In the 2021 financial year, three resolutions were passed by way of circulation. The Supervisory Board agreed to review and update its rules of procedure. In the future, minutes of Board meetings may also be filed with the company in text form. In addition, the Supervisory Board elected Christian Kleinfeldt, who was appointed to the Supervisory Board by court order on 11 March 2021, as a member of the Audit Committee and as its Chairman, and Dr Klaus-Peter Röhler as Deputy Chairman of the Supervisory Board. It also resolved to approve the timely expansion of the handling capacities in Wilhelmshaven (increase of the eight container gantry cranes already in operation there) required in connection with the forthcoming integration of Hapag-Lloyd Aktiengesellschaft. There were no further transactions in the reporting period requiring the consent of the Supervisory Board or publication.

Within the scope of its duties and based on the comprehensive reporting on the internal control system, risk management, internal auditing practices and the compliance management system, the Supervisory Board concluded that the EUROKAI Group has reliable and effective systems in place to deal with such issues in an appropriately organised manner. The same applies to the reporting of aspects relevant to the non-financial Group report (see above) and their evaluation. It satisfied itself of the legality, regularity and efficiency of the company's management.

The members of the Supervisory Board always had adequate opportunity to discuss the documentation submitted and to contribute their own suggestions.

Under the legal structure of EUROKAI, operating business is not conducted by the Management Board, but by the Managing Directors of the Personally Liable General Partner, who are appointed by its Administrative Board, which also concludes their senior executive agreements. Consequently, appointments to the Management Board in accordance with the recommendations of the Code under "B Appointments to the Management Board" are not the responsibility of EUROKAI's Supervisory Board, nor are the requirements under Section 87a of the German Stock Corporation Act (AktG), on the basis of which the Supervisory Board shall decide on a remuneration system for the Management Board and submit it to the General Meeting for approval. Further information about the specific organisational distinctions of the legal form of a KGaA is provided in the Corporate Governance Statement.

## COMPOSITION OF THE SUPERVISORY BOARD

Giving consideration to the fact that EUROKAI is a pure financial holding company whose investment holdings operate nationally and internationally almost exclusively in the field of port handling, as well as indirectly in related upstream and downstream areas of activity in the transport sector, the Supervisory Board has specified concrete objectives regarding its composition. These objectives are intended on the one hand to ensure that the Supervisory Board of EUROKAI GmbH & Co KGaA in its entirety is familiar with the sector in which the company operates within the meaning of Section 100 (5) of the German Stock Corporation Act (AktG), and at the same time they define a profile of skills and expertise that its members as a group should possess in accordance with Recommendation C.1 of the Code and describe the diversity concept pursued within the meaning of Section 289f (2) no. 6 of the German Commercial Code (HGB). These objectives do not, however, constitute binding requirements to be heeded by shareholders eligible to elect members, who remain completely free in making their decisions. Rather, election recommendations made by the Supervisory Board to the General Meeting should take these objectives into account as a basis for implementation by corresponding resolution of the General Meeting.

The diversity concept aims to comply with the recommendation of the Code under Principle 11, namely that the composition of the Supervisory Board has to ensure "that its members collectively possess the knowledge, skills and professional expertise required to properly perform their duties; furthermore, the legal gender quota must be considered". Following the resignation from office of Dr Sebastian Biedenkopf with effect from 31 December 2020, a new member with financial expertise needed to be appointed to the Supervisory Board at short notice, who, due to the relatively small size of the Board, is simultaneously required to satisfy other appointment criteria. Given the as yet unmet objectives of the Supervisory Board to appoint at least two female members, the search was initially directed towards a female candidate suitably qualified to assume office. Despite intensive efforts, this search proved unsuccessful. By contrast, the search for a male candidate was successful. In Mr Christian Kleinfeldt the Supervisory Board found a personally independent, competent and professionally qualified successor who covers many of the objectives of the Supervisory Board regarding its composition. Mr Christian Kleinfeldt was appointed as a member of the Supervisory Board by court order on 11 March 2021. The individual objectives of the Supervisory Board in connection with the defined profile of skills and expertise and the diversity concept pursued are described in the Corporate Governance Statement, which also reports on the status of their implementation. The statement is publicly accessible on the EUROKAI website at www.eurokai.com.

Members of the Supervisory Board and members of the Management Board of the Personally Liable General Partner were not involved in any conflicts of interest.

Pursuant to Section 11 of the Articles of Association, the Supervisory Board is composed of six members.

Dr Sebastian Biedenkopf resigned from his mandate due to other professional commitments with effect from 31 December 2020. At the proposal of the company, Mr Christian Kleinfeldt was appointed as his successor by court order of 11 March 2021 until the end of the next General Meeting in 2021. Mr Christian Kleinfeldt had previously been informed about the company in general and the area of finances in particular and provided with the necessary documents by the Chairman of the Supervisory Board, the Managing Director of the Personally Liable General Partner and the authorised representative responsible for finances. Mr Christian Kleinfeldt was subsequently appointed to the Supervisory Board at the General Meeting on 9 June 2021 for Dr Sebastian Biedenkopf's remaining term of office, i. e. until the end of the 2024 General Meeting. The periods of office of Dr Winfried Steeger and Mr Max M. Warburg also terminate with the end of the 2024 General Meeting, that of Ms Katja Both with the end of the 2025 General Meeting. Mr Jochen Döhle and Dr Klaus-Peter Röhler were elected until the end of the 2023 General Meeting. At the constituent meeting of the Supervisory Board regularly held following the General Meeting, Dr Winfried Steeger was re-elected on 9 June 2021 as Chairman and Dr Klaus-Peter Röhler as Deputy Chairman of the Supervisory Board. In Dr Klaus Peter Röhler and Mr Christian Kleinfeldt, the Supervisory Board has two members with profound expertise in the fields of accounting and financial reporting and auditing pursuant to Section 107 (4) of the German Stock Corporation Act (AktG).

The following table shows the length of office of the individual members of the Supervisory Board in 2021:

| Supervisory Board members | Member since |
|---|---|
| Dr Winfried Steeger, Chairman | 15 June 2011 |
| Dr Klaus-Peter Röhler, Deputy Chairman (since 15 March 2021) | 27 May 2019 |
| Katja Both | 10 June 2015 |
| Jochen Döhle | 25 August 1999 |
| Christian Kleinfeldt | 11 March 2021 |
| Max Warburg | 30 March 2000 |

## ATTENDANCE AND REMUNERATION OF MEMBERS OF THE SUPERVISORY BOARD IN 2021

The remuneration of the Supervisory Board is regulated by Section 13 of the Articles of Association of EUROKAI. Detailed information is provided in the Corporate Governance Statement. The total remuneration of the Supervisory Board is also presented in No. 31 of the Notes to the consolidated financial statements.

| Member | Attendance | in % | Attendance fee | Supervisory Board compensation | Attendance Audit Committee | in % | Audit Committee compensation | Total |
|---|---|---|---|---|---|---|---|---|
| | | | EUR | EUR | | | EUR | EUR |
| Dr Winfried Steeger (Chairman) | 4/4 | 100 | 2,000 | 45,000 | 2/2 | 100 | 2,000 | 49,000 |
| Dr Klaus-Peter Röhler[1] (Deputy Chairman) | 4/4 | 100 | 2,000 | 21,250 | | | | 23,250 |
| Katja Both | 4/4 | 100 | 2,000 | 15,000 | 2/2 | 100 | 2,000 | 19,000 |
| Jochen Döhle | 4/4 | 100 | 2,000 | 15,000 | | | | 17,000 |
| Christian Kleinfeldt | 4/4 | 100 | 2,000 | 12,500 | 2/2 | 100 | 3,333 | 17,833 |
| Max M. Warburg | 4/4 | 100 | 2,000 | 15,000 | | | | 17,000 |
| **Total** | | | **12,000** | **123,750** | | | **7,333** | **143,083** |

[1]Dr Klaus-Peter Röhler has been Deputay Chairman of the Supervisory Board since 15 March 2021

Attendance at the meetings of the Supervisory Board was 100 %, and at the meetings of the Audit Committee likewise 100 %. Both members of the Management Board of the Personally Liable General Partner attended all Supervisory Board meetings. A meeting of the Supervisory Board without the members of the Management Board of the Personally Liable General Partner was not required to be convened in 2021. Furthermore, the Chairman of the Supervisory Board remained in regular contact with the Management Board of the Personally Liable General Partner and was regularly briefed between official meetings on the current business situation and development, as well as on significant business transactions and important pending decisions, and consulted on issues relating to strategy, risk exposure and risk management, as well as compliance. This applied in particular to the negotiations being conducted between EUROGATE and Hamburger Hafen und Logistik Aktiengesellschaft on a merger of both entities' container terminal activities in Germany.

## FORMATION OF COMMITTEES

In order to efficiently perform its duties as well as prepare topics and decisions, the Supervisory Board has set up an Audit Committee, which has three members. Following the resignation of Dr Sebastian Biedenkopf with effect from 31 December 2020, Mr Christian Kleinfeldt was elected by circular resolution as Chairman of the Audit Committee on 15 March 2021. His election was reconfirmed at the constituent meeting of the Supervisory Board on 9 June 2021. Mr Christian Kleinfeldt meets the requirements of an accounting and financial reporting and auditing expert pursuant to Sections 100 (5), 107 (4) of the German Stock Corporation Act (AktG). Consistent with the provisions of the Code, he is independent. As Chairman of the Supervisory Board, Dr Winfried Steeger is also a member of the Audit Committee, along with Ms Katja Both.

The Audit Committee convened its ordinary meetings during the 2021 financial year on 31 March 2021 and 15 December 2021, which were attended by all members. The Audit Committee dealt in particular with the audit of the company's financial accounting and monitoring of the financial reporting process, including the review of the documents relating to the single-entity financial statements and the consolidated financial statements, the management commentaries of the company and the Group and the Dependency Report. The committee also devoted time to the preparation of the decision on the approval of the single-entity and the consolidated financial statements, the proposal on the appropriation of the net retained profits, and the audit, in particular the selection and independence of the auditor and the services additionally provided by the auditor, as well as the fee agreement with the auditor. It also assessed the effectiveness of the internal control system, auditing system and risk management system, including compliance. Furthermore, the Audit Committee gave consideration to the EUROGATE yearly reports of the data protection officer, the compliance officer and the IT security officer. The Audit Committee discussed the 2021 half-yearly financial report with the Management Board of the Personally Liable General Partner. Furthermore, the Audit Committee considered the key points of the audit as defined by the ESMA (European Securities and Markets Authority), as well as the internal audit plan for 2022. At its meeting of 5 April 2022, the Audit Committee also appraised the quality of the audit performed by the new auditor FIDES.

## AUDIT OF THE SINGLE-ENTITY AND CONSOLIDATED FINANCIAL STATEMENTS

Following extensive deliberations by the Audit Committee, the Supervisory Board, in granting the audit mandate, also agreed the audit fees with the auditor, obtained the necessary statement of independence and defined the key points of the audit of the 2021 consolidated financial statements and single-entity financial statements.

The financial statements and the management report of the company for the 2021 financial year were drawn up in accordance with the requirements of the German Commercial Code (HGB) and the consolidated financial statements and Group management commentary were prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the EU, in conjunction with the supplementary requirements pursuant to the provisions of Section 315a of the German Commercial Code (HGB). The Articles of Association do not stipulate any supplementary provisions for Group financial reporting. The auditing criteria for the Group management commentary were Sections 315 and 315a of the German Commercial Code (HGB). The single-entity financial statements and management report of the company, including the accounts for the financial year 2021 on which they are based, and the consolidated financial statements and management commentary of the EUROKAI Group, have been reviewed by the auditor, FIDES, in accordance with Section 317 of the German Commercial Code (HGB) and the EU Regulation on specific requirements regarding statutory audits of public-interest entities (APrVO), taking into account German auditing regulations and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer IDW), and have each been issued an unqualified audit opinion.

The auditor also confirmed that the Management Board of the Personally Liable General Partner has put in place an appropriate monitoring system as required pursuant to Section 91 (2) of the German Stock Corporation Act (AktG), which is suitable in its design to identify at an early stage developments which could jeopardise the continued existence of the EUROKAI Group. The auditor additionally determined the effectiveness of the internal control system for financial reporting.

The auditor has issued the following unqualified opinion for the report on relationships with affiliated companies (Dependency Report) in accordance with Section 312 of the German Stock Corporation Act (AktG):

"Having duly examined and assessed this report, we confirm that

1. the factual statements contained in the report are correct,
2. the company's consideration with respect to all legal transactions stated in the report was not inappropriately high."

The single-entity financial statements and the management report of the company, the consolidated financial statements and Group management commentary, the proposal on the appropriation of net retained profits, the report on relationships with affiliated companies and the auditor's reports were distributed to all members of the Supervisory Board in a timely manner immediately after their preparation.

Following a detailed preliminary assessment by the Audit Committee, which focused in particular on the key audit matters addressed in the Auditor's Report on the consolidated financial statements and the Group management commentary, the Supervisory Board at its meeting of 5 April 2022 in the presence of the auditor and the Management Board of the Personally Liable General Partner reviewed the single-entity financial statements of the company and the consolidated financial statements of the Group as at 31 December 2021, as well as the management report/Group management commentary, the proposal on the appropriation of net profit, the report on relationships with affiliated companies for the financial year 2021 and the findings of the audits of the single-entity/consolidated financial statements, the management commentaries and the report on relationships with affiliated companies by the auditor. At this meeting, the above documents were discussed in detail with the Management Board of the Personally Liable General Partner in the presence of the auditor. Prior to the meeting, the Supervisory Board had resolved that the Management Board of the Personally Liable General Partner should attend the meeting in the presence of the auditor, as the Supervisory Board deemed their attendance necessary for reasons of efficiency and to answer questions.

FIDES reported to the Supervisory Board on the course of its audits and on the main findings, with a particular focus on the key audit matters and the performed audit activities. Following this report, all the Supervisory Board's questions were answered in full by the Management Board of the Personally Liable General Partner and the auditor.

Based on the final results of the comprehensive reviews by the Audit Committee and the Supervisory Board, the Supervisory Board concurred with the single-entity financial statements and management report of the company, the consolidated financial statements and Group management commentary prepared by the company, the proposal on the appropriation of net profit, the report on relationships with affiliated companies, including the closing remarks of the Management Board of the Personally Liable General Partner contained therein, as well as the auditor's findings and reports. It approved the financial statements of EUROKAI and of the Group drawn up by the Management Board as at 31 December 2021. The Supervisory Board approved the proposal on the appropriation of net profit.

In line with the recommendation of the Audit Committee, the Supervisory Board proposes that FIDES Treuhand GmbH & Co. KG, Bremen, be granted the audit mandate for the 2022 financial year and as a precautionary measure also be appointed to review the half-yearly financial report for the 2022 financial year. For this purpose, a statement of independence was obtained from the auditor.

The Supervisory Board, jointly with the Management Board of the Personally Liable General Partner, resolved upon the wording and submission of the Corporate Governance Statement required under Sections 289f and 315d of the German Commercial Code (HGB), including the Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG), for the 2021 financial year.

The Remuneration Report in accordance with Section 162 AktG was reviewed by the Supervisory Board and no objections were raised.

EUROKAI was required to produce a separate non-financial report in accordance with Sections 289b and 315b of the German Commercial Code (HGB) for the 2021 financial year. The non-financial reports for EUROKAI and for the EUROKAI Group were combined in a single report. The Supervisory Board commissioned FIDES to conduct an assurance engagement on the non-financial Group report to obtain limited assurance in accordance with ISAE 3000 (revised). The non-financial Group report of EUROKAI comprises the CONTSHIP Italia and EUROGATE segments. All members of the Supervisory Board received in a timely manner the combined separate non-financial report and the independent auditor's report of FIDES on the assurance engagement to obtain limited assurance. The responsible auditor also attended the meeting of the Supervisory Board and presented the audit findings. Due time and attention was devoted to the non-financial Group report. No objections were raised on the basis of the Supervisory Board's own review and the non-financial report/non-financial Group report was approved.

The Supervisory Board would like to thank the Management Board of the Personally Liable General Partner and all employees in the affiliated companies of EUROKAI in Germany and abroad for their extraordinary achievements and commitment in the 2021 financial year.

Hamburg, Germany, 5 April 2022

The Chairman of the Supervisory Board

W. Steeger

Dr Winfried Steeger


Tanger Alliance Terminal in Morocco.
In the background EUROGATE Tanger.


Hamburg Süd's "CAP SAN AUGUSTIN" at
EUROGATE Tanger Terminal in Morocco.

# Corporate Governance Statement

Artist's impression of Container Terminal Damietta Alliance, Egypt.





The following joint Corporate Governance Statement made by the Personally Liable General Partner and the Supervisory Board of EUROKAI GmbH & Co. KGaA (in the following "EUROKAI") pursuant to Sections 289 f and 315 d of the German Commercial Code (HGB) is the central element of corporate governance reporting in accordance with Principle 22 of the German Corporate Governance Code in the current version of 16 December 2019 published by the German Federal Ministry of Justice in the official section of the Federal Gazette on 20 March 2020 (in the following "Code"). It also includes the Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) and is made publicly accessible on the EUROKAI website. The address is www.eurokai.com/Investor-Relations/Corporate-Governance.

As a company listed on the German stock exchange and having its head office in Germany, the general corporate governance framework for EUROKAI is governed by the applicable laws, the Articles of Association and the Code. Apart from justified exceptions, EUROKAI complies with the recommendations of the German Corporate Governance Code.

EUROKAI is a partnership limited by shares and as such is an independent legal entity pursuant to Section 278 (1) of the German Stock Corporation Act (AktG), in which at least one partner is generally liable with the entirety of its assets vis-à-vis the company's creditors (Personally Liable General Partner) and the other partners have a stake in the authorised capital, which is divided into shares, without being personally liable for the company's liabilities (limited liability shareholders).

The personally liable managing partner of a KGaA (partnership limited by shares) can in many respects be compared to the management board of a stock corporation (AG). Section 283 AktG therefore rules that a number of provisions governing the management board of a stock corporation shall apply analogously to the personally liable general partner of a KGaA. There is, however, one significant difference. The personally liable general partner of a KGaA – contrary to the management board of an AG pursuant to Section 84 AktG – is not appointed and dismissed by its supervisory board; rather, it is a shareholder. Thus the supervisory board of a KGaA does not have the power to make personnel appointments or dismissals.

Furthermore, special provisions apply if the personally liable general partner is not a natural person but a company, such as in the case of EUROKAI a private limited company (GmbH). In this case, the internal regulations of the GmbH apply with respect to the appointment and dismissal of the managing directors of the GmbH and to the terms of their employment contracts.

Personally Liable General Partner of EUROKAI is Kurt F. W. A. Eckelmann GmbH, Hamburg. Its Managing Directors are appointed and dismissed by its Administrative Board. The latter also concludes the senior executive agreements with the Managing Directors. Currently appointed as Managing Directors are Mr Thomas H. Eckelmann (Chairman) and Ms Cecilia Eckelmann-Battistello.

Furthermore, the duty of the supervisory boards of listed companies to set target quotas for the proportion of women on their executive board, as required under Section 111 (5) AktG, therefore cannot apply to the appointment of the Management Board of Kurt F. W. A. Eckelmann GmbH, because this responsibility does not lie with the Supervisory Board. If, regarding the composition of the governing body entitled to represent the company – pertaining here to Kurt F. W. A. Eckelmann GmbH – Section 289 f (2) no. 6 HGB requires a description of the pursued diversity concept, this is not possible for the same reasons; this is a decision taken not by the Supervisory Board of EUROKAI, but autonomously by the Administrative Board of Kurt F. W. A. Eckelmann GmbH. For the same reasons, long-term succession planning as recommended in B.2 of the Code cannot be carried out by the Supervisory Board, nor can the other recommendations set out in Section B of the Code regarding Appointments to the Management Board.

EUROKAI has no employees of its own. Tasks not related to the management structure of EUROKAI, such as finances, financial control and accounting are handled by EUROGATE GmbH & Co. KGaA, KG, Bremen (in the following "EUROGATE") within the scope of a service agreement.

EUROKAI is a financial holding company. Its principal ownership interests are the 66.6% holding in Contship Italia S. p. A., Melzo/Milan, Italy, as well as the 50% interest in EUROGATE, the holding company of the EUROGATE Group, in which BLG Logistics Group AG & Co. KG, Bremen, a company owned by the Free Hanseatic City of Bremen (municipality), also holds 50%. The EUROGATE Group, in turn, has a 33.4% stake in Contship Italia S. p. A. Thus EUROKAI effectively holds a total 83.3% interest in the CONTSHIP Italia Group. Ms Cecilia Eckelmann-Battistello is President of Contship Italia S. p. A. and Mr Thomas H. Eckelmann is Chairman of the Group Management Board of EUROGATE, as well as a member of the Board of Directors of Contship Italia S. p. A.

## SHAREHOLDERS AND GENERAL MEETING

The shareholders of EUROKAI exercise their rights at the General Meeting. The ordinary General Meeting held once a year decides on all matters determined by law and the Articles of Association. Contrary to a stock corporation, in which pursuant to Section 172 German Stock Corporation Act (AktG) the Supervisory Board is generally responsible for approving the annual financial statements (for exceptions see Section 173 AktG), in a KGaA, pursuant to Section 286 (1) AktG, the General Meeting resolves upon the approval of the annual financial statements. This ruling requires the consent of the Personally Liable General Partner. Under the provisions of Section 285 (2) AktG, resolutions of the General Meeting also require the consent of the Personally Liable General Partner.

A nominal value of EUR 1.00 for each voting share entitles its holder to one vote.

All shareholders who have registered in due time and who duly prove their entitlement to participate in the General Meeting are entitled to participate in the (virtual) General Meeting. Shareholders entitled to vote may exercise their voting rights in person at the General Meeting or assign their voting rights by proxy to a chosen representative (for example a bank, a shareholders' association or a proxy appointed by the company acting on their instructions) to vote on their behalf. Voting instructions may be given to the respective proxy before and during the General Meeting up until the end of the general debate. Following 2020, the 2021 General Meeting was again held as a virtual General Meeting due to the special circumstances arising from the COVID-19 pandemic and on the basis of the legal framework created for this purpose. Shareholders' rights could be exercised before and during the General Meeting via an online General Meeting portal.

The convening of the General Meeting, as well as the reports and information required for the passing of resolutions and any shareholder countermotions or candidate proposals that the company is obliged to make accessible are published in compliance with the requirements under stock corporation law and made available on the EUROKAI website at www.eurokai.com/Investor-Relations/General-meeting.

### PERSONALLY LIABLE GENERAL PARTNER

The Management Board of the Personally Liable General Partner is composed of two Managing Directors, Ms Cecilia Eckelmann-Battistello and Mr Thomas H. Eckelmann. Mr Thomas H. Eckelmann is Chairman of the Management Board. Under the rules of procedure for the Management Board, he is responsible for coordinating the activities of the Management Board, representing the company in the public domain, overseeing business communications with the Administrative Board constituted in this company and with the shareholders. Notwithstanding the fact that the Managing Directors are jointly responsible for the management, they carry out independently the duties assigned to them in the schedule of responsibilities. Mr Thomas H. Eckelmann is specifically responsible for EUROGATE, of which he is Chairman of the Group Management Board, and Ms Cecilia Eckelmann-Battistello is specifically responsible for the CONTSHIP Italia Group, of which she is President. Under the rules of procedure, the authorisation to independently conduct the tasks assigned to them reaches its limits where, for example, both areas of responsibility or transactions of material importance are affected, or in the case of measures requiring the consent of the Administrative Board. These and other cases set forth in the rules of procedure require a joint resolution to be adopted by both Managing Directors. Under the provisions set out in the rules of procedure the Managing Directors reach their decisions in meetings that – based on the needs of this pure financial holding company – are held regularly at least twice per month and additionally on a case-by-case basis as required. These are chaired by the Chairman of the Management Board. Use is made of the possibilities to adopt resolutions outside meetings in written or electronic form. Should the Managing Directors not be able to come to an agreement, the Chairman of the Administrative Board shall be responsible for arbitration.

#### Remuneration of the Personally Liable General Partner, Remuneration Report

The Remuneration Report on the compensation of the Managing Directors of the Personally Liable General Partner and the auditor's report are available at www.eurokai.com/Investor-Relations/Corporate-Governance. On account of the special features of a GmbH & Co. KGaA described above and due to the fact that the Managing Directors of the Personally Liable General Partner of EUROKAI receive no remuneration either from EUROKAI itself or from Kurt F. W. A. Eckelmann GmbH, neither a description of the remuneration system, nor the approval of the remuneration system at the General Meeting of EUROKAI are provided for in the Remuneration Report. It should also be taken into account that the regulations relating to the remuneration system for the management board of an AG according to Sections 87a, 120a (1-3) AktG do not apply to EUROKAI in its legal form as a GmbH & Co. KGaA, although no statutory decision has yet been taken on this issue and it is legally controversial.

### SUPERVISORY BOARD

#### Composition, objectives, diversity concept and profile of skills and expertise

Pursuant to Section 11 of the Articles of Association, the Supervisory Board of EUROKAI is composed of six members, who are elected by the shareholders. They are appointed for a term of four years. In compliance with the recommendations of the German Corporate Governance Code, Supervisory Board members are elected individually.

Giving consideration to the fact that EUROKAI is a pure financial holding company whose investment holdings operate nationally and internationally almost exclusively in the field of port handling, as well as indirectly in related upstream and downstream areas of activity in the transport sector, the Supervisory Board has specified concrete objectives regarding its composition. These objectives are intended on the one hand to ensure that the Supervisory Board of EUROKAI GmbH & Co KGaA in its entirety is familiar with the sector in which the company operates within the meaning of Section 100 (5) of the German Stock Corporation Act (AktG), and at the same time they define a profile of skills and expertise that its members as a group should possess in accordance with Recommendation C.1 of the Code and describe the diversity concept pursued within the meaning of Section 289f (2) no. 6 of the German Commercial Code (HGB). These objectives do not, however, constitute binding requirements to be heeded by shareholders eligible to elect members, who remain completely free in making their decisions. Rather, election recommendations made by the Supervisory Board to the General Meeting should take these objectives into account as a basis for implementation by corresponding resolution of the General Meeting. The current composition of the Supervisory Board and its Audit Committee can be found in the Report of the Supervisory Board.

The diversity concept aims to comply with the recommendation of the Code under Principle 11, namely that the composition of the Supervisory Board has to ensure "that its members collectively possess the knowledge, skills and professional expertise required to properly perform their duties".

The Supervisory Board has specified the following concrete objectives:

1. Irrespective of the gender of the respective person concerned, professional qualifications and personal independence and expertise, as well as discretion, integrity and sufficient available time are the most important prerequisites for appointments to seats on the Supervisory Board. When proposing Supervisory Board candidates for election, irrespective of their gender, the Supervisory Board will always give top priority to these prerequisites, which are essential for fulfilling its legal duties.
2. Overall, the Supervisory Board's objective is to be able to optimally meet its monitoring and advisory duties by having a diversity of members. Diversity covers many aspects, which may be weighted differently from time to time. This may, for example, be the case if the profile of the EUROKAI, EUROGATE and/or CONTSHIP Italia Group or that of the respective markets changes, making it necessary to evaluate these aspects at regular intervals. Obviously, not all Supervisory Board members need to satisfy all of these aspects; however, the Board as a whole should do so as far as possible. Within the company-specific situation of EUROKAI, these aspects shall reflect internationality, knowledge of the respective product and geographical markets, basic financial expertise (particularly in the areas of accounting and financial reporting), expertise concerning the sustainability issues relevant to EUROKAI, capability to understand and critically scrutinise business decisions and experience in commercial law gained from practice. To ensure the composition of the Supervisory Board fulfils the overall profile of required skills and expertise, consideration shall be given generally to age, gender, general educational and professional background, as well as the ability to work in a team, integrity, professionalism and motivation. It goes without saying that each Supervisory Board member must ensure that they have sufficient time available to discharge their duties. Lastly, care shall be taken to ensure that there are no potential conflicts of interest and that the Supervisory Board includes an appropriate number of independent members within the meaning of C II of the Code. In the following, a number of concrete objectives are identified.
3. At least two members of the Supervisory Board shall have international business experience; they do not necessarily have to be foreigners themselves and do not necessarily need to have acquired the relevant experience abroad.
4. At least one Supervisory Board member shall have experience and expertise in the business segments that are significant for the company.
5. As defined by Section 100 (5) of the German Stock Corporation Act (AktG), at least one member of the Supervisory Board shall possess expertise in the field of accounting and financial reporting and one member in the field of auditing. This shall also apply to the Audit Committee.
6. The Supervisory Board shall include at least one legal expert with experience in commercial law gained through practice.
7. The members as a group shall be familiar with the business sector in which the company operates.
8. As long as EUROKAI by virtue of its shareholder structure – as is currently the case – can be considered to be a family-owned company, the Supervisory Board shall have at least (i) one family member and (ii) one member who has experience in managing a medium-sized or large family-owned company. The family member shall, if possible, be a member of the Audit Committee.
9. The Supervisory Board shall include what it considers an adequate number of independent members, as defined by C II of the Code. This recommendation further implies that any other activities and functions exercised by the members of the Supervisory Board shall be such that they are not likely to cause a substantial – and not merely temporary – conflict of interest. Given that by virtue of its shareholder structure the company can currently be considered to be a family-owned company, the Supervisory Board considers it desirable that at least two of its members are independent, whereby these members shall be independent from both EUROKAI and the family.
10. No one shall be proposed for election to the Supervisory Board who simultaneously serves on a body of or advises a major competitor of the company, or provides consultancy services thereto.
11. The Supervisory Board considers it generally desirable to integrate women into the work of the company, as is currently and has for many years been the case regarding the work of the Management Board of the Personally Liable General Partner, and consequently also the tasks of the Supervisory Board. The Supervisory Board has determined a target to integrate at least one (1) female member into the governing body in the short term, and over the medium term, at the latest by the end of the ordinary General Meeting 2021, two (2) female members, bringing the proportion of seats reserved for women to 1/3.
12. As a general rule, an age limit of 75 shall apply for members of the Supervisory Board. Exceptions are permitted in isolated cases, in the knowledge that age in itself is not a criterion for

qualifications and expertise and that the many years of experience accumulated by members of the Supervisory Board constitute a valuable asset to the company.

13. The Supervisory Board reviews these objectives on a regular basis. It publishes its objectives and the status of their implementation annually in the Corporate Governance Statement.

The Supervisory Board is of the opinion that all of the above objectives were satisfied in the 2021 financial year; except for no. 11. above:

- This applies with respect to nos. 3 and 4 at any rate to Dr Klaus-Peter Röhler and Messrs Jochen Döhle and Max Warburg.
- With respect to no. 5 at any rate to Dr Klaus-Peter Röhler and Mr Christian Kleinfeldt. They are experts in the fields of both financial accounting and auditing. The Act to Strengthen Financial Market Integrity (FISG) amended the German Stock Corporation Act to the effect that the Audit Committee should also include at least one member who has expertise in the field of financial accounting and one other member who has expertise in the field of auditing. After the end of the transition period, this requirement will be met.
- With respect to no. 6 to Dr Winfried Steeger and Dr Klaus-Peter Röhler.
- No. 7 is satisfied.
- With respect to no. 8 to Ms Katja Both, who is the daughter of the Chairman of the Management Board of the Personally Liable General Partner, Mr Thomas H. Eckelmann, and additionally a co-partner in the Eckelmann family holding company, which indirectly holds a majority interest in EUROKAI. She has been a member of the Audit Committee since 4 April 2018. Moreover, Dr Winfried Steeger and Mr Christian Kleinfeldt have extensive experience in mentoring and managing family-owned companies.
- With respect to no. 9 in particular to Dr Winfried Steeger, Dr Klaus-Peter Röhler and Mr Christian Kleinfeldt; in the assessment of the Supervisory Board also to Messrs Jochen Dohle and Max Warburg, who although members of the Supervisory Board for longer than 12 years, are nevertheless to be regarded as completely independent. This is borne out by the discussions at the meetings and telephone/video conferences of the Supervisory Board, in which both gentlemen have repeatedly demonstrated their independence through objective criticism and questions. The terms of office of the individual members of the Supervisory Board are also detailed in the Report of the Supervisory Board.
- Nos. 10 and 12 are satisfied.
- This does not apply with effect from 11 March 2021, the day on which Mr Christian Kleinfeldt was appointed to the Supervisory Board by the court, to the objective stated in no. 11 to integrate two women into the work of the Supervisory Board. Despite intensive efforts to the contrary, it was not possible to find a suitably qualified female successor to Dr Sebastian Biedenkopf, who had resigned his mandate with effect from 31 December 2020, with sufficient expertise in the fields of financial accounting and auditing as defined by Section 100 (5) of the German Stock Corporation Act (AktG) and who would therefore have been able to take over as Chair of the Audit Committee in Dr Biedenkopf's place as required. There will be no election of Supervisory Board members at the 2022 General Meeting, so that the objective stated in no. 11 will not be satisfied in 2022 either.

Former Managing Directors of the Personally Liable General Partner of EUROKAI whose appointed term ended less than two years ago are not represented on the Supervisory Board.

The objectives defined by the Supervisory Board for its composition are also published on the website at www.eurokai.com/Investor-Relations/Corporate-Governance and were decided on anew at the meeting of 5 April 2022.

**Committees of the Supervisory Board**

The Supervisory Board of EUROKAI has set up an Audit Committee, which is composed of three members of the Supervisory Board. Where appropriate, the Committee prepares decisions that are deliberated at the meetings of the Supervisory Board and complements the work of the Supervisory Board. In as far as the law and the Articles of Association permit, the Supervisory Board may form additional advisory and decision-making committees as and where necessary.

The principal tasks of the Audit Committee are to discuss the half-yearly financial report with the Management Board of the Personally Liable General Partner, to audit the disclosures included in the single-entity annual financial statements and consolidated financial statements, management report and commentary including CSR reporting, Dependency Report and – in consultation with the auditor – the auditor's findings and reports; additionally to prepare the decision of the Supervisory Board on the approval of the single-entity financial statements and the consolidated financial statements, the appointment of the auditor, as well as the proposal of the Personally Liable General Partner for the appropriation of net retained profits. Furthermore, the Audit Committee monitors the financial accounting, the financial reporting process, the effectiveness of the internal control and risk management system including compliance, the internal auditing system and the annual audit, and in particular the selection and independence of the auditor, including preparation of the resolution recommendation to the General Meeting and any services additionally provided by the auditor, determination of the focus points of the audit and fee agreements with the auditor as well as the quality of the audit.

Under the rules of procedure, the Chairman of the Supervisory Board is "automatically" a member of the Audit Committee; however, in line with the recommendation under No. D.4 of the German Corporate Governance Code, he is not Chairman of the Audit Committee. The Chairman of the Audit Committee in 2021, Mr Christian Kleinfeldt, is independent and has gained extensive professional know-how and experience in the application of accounting and financial reporting principles, internal control procedures and auditing. On the proposal of the company, Mr Christian Kleinfeldt was appointed by court order of 11 March 2021 as the designated successor to Dr Sebastian Biedenkopf on the Supervisory Board and, on account of his requisite expertise (financial expert) pursuant to Section 100 (5) AktG, also elected by the members of the Supervisory Board as Chairman of the Audit Committee. Dr Biedenkopf had resigned from his mandate on the Supervisory Board and on the Audit Committee due to other professional commitments with effect from 31 December 2020. The other members of the Audit Committee are Ms Katja Both and Dr Winfried Steeger.

The Audit Committee usually convenes twice a year.

The Supervisory Board did not form a Human Resources Committee since, due to its function as a pure holding company, EUROKAI has no employees of its own and the appointment and dismissal of the Managing Directors of the Personally Liable General Partner are the responsibility of its Administrative Board.

**Working procedures of the Supervisory Board**

The working procedures of the six-member Supervisory Board are based on the Supervisory Board's rules of procedure. These were completely revised in the preceding financial year and can be found on the EUROKAI website at www.eurokai.com/The-Company/Supervisory-board under the menu point Downloads. The Supervisory Board usually convenes four ordinary meetings during the year, the dates of which are determined annually in advance. These meetings are regularly also attended by the Management Board of the Personally Liable General Partner; however, where necessary or in cases where the auditor is consulted as an expert (Section 109 (1) sentence 3 AktG), the Supervisory Board will decide whether it will also conduct its meetings without the presence of the Management Board. In addition, the Supervisory Board where necessary adopts resolutions outside meetings using modern means of communication, so that resolutions in written or electronic form are sufficient. The Supervisory Board has a Chairman, currently Dr Winfried Steeger, who invites members to the meetings, chairs meetings and is responsible for adoption of the resolutions passed. As provided for by law, resolutions require a simple majority and may only be passed on items of the agenda announced beforehand in due form in the convention documents, unless all members of the Supervisory Board consent to the passing of a resolution. The work of the Supervisory Board in the meetings is intensive and characterised by the specialist expertise of its members.

The Chairman of the Supervisory Board maintains regular contact with the Management Board in order to be informed on an ongoing basis about the course of business. The Supervisory Board is also kept regularly informed by the Management Board about the development of the company through legally stipulated reports and special reports, as and when required.

The Supervisory Board regularly conducts an efficiency audit of its own work and that of its Committee; the next efficiency audit is planned for early 2022.

**Remuneration of the Supervisory Board**

The presently valid remuneration of the Supervisory Board is specified in Section 13 (1) of the Articles of Association, which was revised at the 2019 ordinary General Meeting and has the following wording:

"In addition to reimbursement of all necessary expenses and an attendance fee of EUR 500.00 for each meeting attended, each member of the Supervisory Board shall receive annual remuneration in the amount of EUR 15,000.00. The Deputy Chairman of the Supervisory Board shall receive one-and-a-half times this amount, the Chairman of the Supervisory Board shall receive three times the amount. Each member of the Audit Committee shall additionally receive annual remuneration of EUR 2,000.00. The Chairman of the Audit Committee shall receive twice this amount."

The remuneration of the Supervisory Board is thus fixed and does not include any performance-based components. EUROKAI thus follows the recommendation of the Code under No. G.18.

The General Meeting of 9 June 2021 confirmed the remuneration and remuneration system for the members of the Supervisory Board in a resolution. The Remuneration Report and the description of the remuneration system for the Supervisory Board are available at www.eurokai.com/Investor-Relations/Corporate-Governance.

For information regarding the remuneration of the governing bodies of the company, we refer to No. 31 of the notes to the consolidated financial statements as well as to the Report of the Supervisory Board.

**Cooperation between Personally Liable General Partner and Supervisory Board**

The Personally Liable General Partner and the Supervisory Board of EUROKAI give high priority to responsible and transparent management committed to corporate responsibility and geared towards long-term success, as well as to the appropriate management of risks. The Personally Liable General Partner informs the Supervisory Board in a regular, timely and comprehensive manner on all matters relevant to the company and the Group, as well as the joint ventures included in the consolidated financial statements, relating to the corporate strategy, business policy, corporate planning (in particular financial, investment and personnel planning including liquidity and refinancing planning). It also reports on the development of business, especially the revenue performance, the financial position of the company, the cash flows and financial performance, and profitability, and explains any deviations – stating reasons – from projections, risk exposure, especially transactions having a possible material impact on the company's profitability or liquidity, as well as risk management, the internal control system and auditing practices, including compliance. Furthermore, it ensures compliance with legal requirements, in particular the measures stipulated in Section 91 (2) of the German Stock Corporation Act (AktG), and uses its influence to ensure their compliance within the Group companies.

The Supervisory Board advises and supervises the Personally Liable General Partner in the running of the company. In the case of exceptional business transactions, the Personally Liable General Partner must obtain the prior approval of the Supervisory Board pursuant to Section 7 of the Articles of Association. Furthermore, it must submit a budget estimate/income statement as well as an annual investment and financial plan to the Supervisory Board for approval and report on their implementation on a three-monthly basis. The Supervisory Board reviews and approves the single-entity financial statements and the management report of the company as well as the consolidated financial statements and Group management commentary, the report on relations with affiliated companies, the non-financial report and non-financial Group report, and the management's proposal on the appropriation of net retained profits. The Supervisory Board, together with the Management Board of the Personally Liable General Partner, is responsible for the preparation of the Remuneration Report.

The Chairman of the Supervisory Board coordinates work performed by the Board, chairs its meetings and represents the Board's interests vis-à-vis third parties. Between meetings he regularly consults with the Management Board of the Personally Liable General Partner.

The Supervisory Board has more precisely defined the reporting and information requirements of the Personally Liable General Partner and made them available on the website at www.eurokai.com.

For more information we refer to the Report of the Supervisory Board on page 34 of our Annual Report. The Annual Report is also published on our website at www.eurokai.com/Investor-Relations/Financial-Reports.

#### INFORMATION ON CORPORATE GOVERNANCE PRACTICES

#### Transparency

EUROKAI informs the general public in a regular and timely manner on the economic situation of the Group. The Annual Report and the half-yearly financial report are published within the statutory periods (www.eurokai.com under Investor-Relations/Financial-Reports). First- and third-quarterly interim statements are also published on a voluntary basis. Newsworthy events and new developments are reported in press releases and, where necessary, ad-hoc announcements, which are subsequently published on the EUROKAI website (www.eurokai.com/Investor-Relations under Ad-hoc Announcement and Further Publications). The legally stipulated reports, documents and information required for the General Meeting are available on the website together with the agenda of the General Meeting and any countermotions or nominations on the part of the shareholders that the company is obliged to make accessible to the public.

The planned dates for the main recurring events and publications – such as General Meeting, Annual Report, half-yearly financial report and interim statements – are listed in a financial calendar which is published sufficiently in advance and made permanently available on the EUROKAI website (www.eurokai.com/Investor-Relations/Financial-calendar).

#### Risk management

EUROKAI regards the responsible management of business risks as an important principle of good and sustainable corporate governance. Early identification of risks and minimisation of risk positions form an integral part of this. To ensure this, EUROKAI employs an internal control and risk management system, including compliance, and an internal auditing system, which identify, assess and control risks. Continuous adaptation of the systems – in particular of the manuals pertaining to the early risk identification system of the CONTSHIP Italia and the EUROGATE Group – to changed general conditions, as well as monitoring their effectiveness, is a permanent task for the Personally Liable General Partner and the Supervisory Board, with the support of the auditor.

The Personally Liable General Partner informs the Supervisory Board regularly and promptly of existing risks and their development.

For further details, we refer to the report on expected developments, opportunities and risks under No. 7 of the Group management commentary.

#### Compliance management system

Within EUROKAI, the umbrella term "compliance" relates to the adherence to legal norms and internal guidelines and working towards their observance in the EUROKAI Group companies.

This goal is pursued through the establishment, coordination and ongoing development of a Group-wide compliance management system designed as far as possible to prevent compliance violations and avoid damage to EUROKAI's good reputation, liability claims or other legal prejudice to the EUROKAI Group, its employees and governing bodies.

A further objective and at the same time a central task of the compliance management system is to identify and continuously assess significant compliance risks, while implementing appropriate measures and processes to minimise such risks.

Moreover, the compliance management system seeks to raise awareness amongst the employees of the EUROKAI Group of the need to observe the relevant legal regulations and internal guidelines which apply to their work and thus create awareness amongst the workforce of possible compliance risks and strategies for managing such risks.

For the EUROKAI Group companies, the following applies:

Since EUROKAI is a pure financial holding company with, in terms of personnel, only two Managing Directors of the Personally Liable General Partner and two authorised representatives, it has not been deemed necessary to set up a specific compliance management system.

The CONTSHIP Italia Group established a code of conduct in 2012, which was further developed as part of a Group-wide revision of the regulatory system in 2018, and states that all activities of the CONTSHIP Italia Group shall be in compliance with the legislative framework, the principles of fair competition, honesty, integrity, fairness, good faith, and respect for the legitimate interests of its customers, staff, shareholders, business and financial partners. Principles are also established in particular in respect of compliance-relevant issues such as conflicts of interest, money laundering and the giving or accepting of undue advantage. Internal company policies define additional principles for dealing with compliance issues. The CONTSHIP Italia Group implemented an anonymous whistleblower system in 2019, which is supervised by an external ombudsman. No confirmed cases of corruption were reported through the whistleblower system in 2021.

Responsibility for compliance with compliance-relevant issues rests with the Management Board of Contship Italia S. p. A., the holding company of the CONTSHIP Italia Group, and the management boards of the respective companies within the CONTSHIP Italia Group. Internal audits support the identification of improvement potential with regard to compliance with the Group's guidelines. On the basis of the audit results, each company develops an action plan should significant discrepancies have been identified. The compliance supervisory bodies introduced in 2018 are responsible for monitoring compliance with the guidelines.

The compliance management system for the EUROGATE Group companies is laid down in the compliance policy that came into force on 1 January 2017, which is permanently available to employees of the EUROGATE Group for download on the intranet. EUROGATE has also implemented an anti-corruption policy and a code of conduct, which are accessible on the intranet and on the EUROGATE website at http://www1.eurogate.de/en/SERVICE/Downloads under the point Compliance. They also contain the contact details of the compliance officer and the external ombudsman to whom employees and third parties can turn, anonymously if they so wish (whistleblower hotline). The compliance policy describes in detail the relevant duties and responsibilities within the Group. The duties are performed interdisciplinarily by various bodies, with the compliance officer being involved in each case. Additionally, the responsibilities of the governing bodies, relating in particular to the Supervisory Board and the Group Management Board, on each of which a central contact is named, and of the compliance officer are defined. In order to guarantee the independence and objectivity of the compliance officer, his or her appointment may only be countermanded for cause through application of Section 626 of the German Civil Code (BGB). Once a year, the compliance officer submits an internal report to the Group Management Board and the supervisory bodies. This contains, among other things, an inventory of the main compliance risks as well as proposals for new measures or changes.

Technical responsibility for the compliance management system lies with the legal department in Hamburg. There were no cases of compliance breaches in the 2021 reporting year.

#### Financial accounting and reporting and audit of the annual and consolidated financial statements

EUROKAI prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The single-entity annual financial statements are prepared according to the requirements of the German Commercial Code (HGB). They are audited by the auditor as well as by the Audit Committee and the Supervisory Board. The half-yearly financial report is reviewed by the Audit Committee together with the Personally Liable General Partner prior to being published.

The consolidated financial statements and single entity financial statements of EUROKAI were audited and each issued an unconditional audit certificate by the auditor FIDES TREUHAND GmbH & Co. KG, Bremen ("FIDES"), which was appointed by the 2021 General Meeting. FIDES was first proposed to the 2021 General Meeting by the Supervisory Board in line with the recommendation of its Audit Committee. To this end, the Audit Committee had conducted an in-depth audit tender process in 2020 in accordance with the EU Statutory Audit Regulation, after Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, was not allowed to be proposed again due to the rotation rules specified in the EU Statutory Audit Regulation. At the General Meeting 2022, in line with the recommendation of the Audit Committee, the Supervisory Board will propose that FIDES Treuhand GmbH & Co. KG, Bremen, be granted the audit mandate for the single-entity financial statements and the consolidated financial statements for the 2022 financial year and, as a precautionary measure, also be appointed to review the half-yearly financial report for the 2022 financial year.

## DECLARATION OF COMPLIANCE OF EUROKAI GMBH & CO. KGAA WITH THE GERMAN CORPORATE GOVERNANCE CODE IN ACCORDANCE WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the Management Board of Kurt F. W. A. Eckelmann GmbH, Hamburg, as Personally Liable General Partner, and the Supervisory Board of EUROKAI GmbH & Co. KGaA, Hamburg (hereinafter "EUROKAI"), taking into account the specific organisational distinctions of the legal form of a partnership limited by shares (KGaA) as set out in the following (cf. Section I), and the structuring of this legal form through EUROKAI's Articles of Association, declare that, with the exception of the deviations set out in the following (cf. Section II), in the period since the last Declaration of Compliance of March 2021, EUROKAI has complied with and will continue to comply with the recommendations of the "Government Commission German Corporate Governance Code" in the version dated 16 December 2019 and published in the Federal Gazette on 20 March 2020 (hereinafter the "Code").

### I. SPECIFIC ORGANISATIONAL DISTINCTIONS OF THE LEGAL FORM OF A PARTNERSHIP LIMITED BY SHARES (KGAA)

- EUROKAI is a Kommanditgesellschaft auf Aktien – ("KGaA" – partnership limited by shares). In a KGaA, the duties of the management board of a stock corporation ("AG") are the responsibility of the personally liable general partner. The sole Personally Liable General Partner of EUROKAI is Kurt F. W. A. Eckelmann GmbH, Hamburg, whose Management Board is thus responsible for conducting the business of EUROKAI. EUROKAI does not hold an interest in the Personally Liable General Partner. The sole shareholder of the Personally Liable General Partner is Familie Thomas Eckelmann GmbH & Co. KG, Hamburg, which is controlled entirely by the family of Mr Thomas H. Eckelmann.
- In comparison with the supervisory board of a German stock corporation, the role of a supervisory board of a KGaA is limited. In particular, the Supervisory Board of EUROKAI is not responsible for appointing general partners or for regulating the terms and conditions of their contracts. For this reason, the Supervisory Board is not able to fulfil the recommendations in Sections B and G.I of the Code regarding Appointments to the Management Board and Remuneration of the Management Board. Similarly it is not within the competence of the Supervisory Board to issue rules of procedure for the Management Board or determine business transactions requiring approval. For this reason, Section 7 of EUROKAI's Articles of Association requires that the Personally Liable General Partner obtain the prior approval of the Supervisory Board for all extraordinary transactions. To this end, Section 7 of the Articles of Association contains a catalogue of business transactions requiring approval. The duty of the management board of a stock corporation to report to and inform the supervisory board, as governed by Section 90 AktG, applies analogously to EUROKAI as a KGaA. EUROKAI has also separately regulated the information and reporting duties of the Personally Liable General Partner. These can be found on the company's website under www.eurokai.com/Investor-Relations/Corporate-Governance.
- The general meeting of a KGaA fundamentally has the same rights as the general meeting of an AG; it additionally resolves on the adoption of EUROKAI's annual financial statements. However, many of the resolutions made by the General Meeting require the consent of the Personally Liable General Partner; particularly the adoption of EUROKAI's annual financial statements.
- Although the concrete wording of the recommendations of the Code does not in all instances take into account the specific organisational distinctions of the legal form of a KGaA, the Personally Liable General Partner, Kurt F. W. A. Eckelmann GmbH, and the Supervisory Board have agreed to currently and in future comply with the recommendations of the Code as far as possible. The deviations from the recommendations of the Code are presented in Section II below.

### II. DEVIATIONS FROM THE RECOMMENDATIONS OF THE CODE

The following are the only provisions of the Code that were not applied and will not be applied in the future:

#### II. 1 No. C.2 – Specification of an age limit for Supervisory Board members

Both the Personally Liable General Partner and the Supervisory Board believe that setting a fixed age limit is detrimental due to its lack of flexibility. They consider a standard limit to be sufficient.

#### II. 2 No. D.5 – Nomination Committee

Pursuant to Recommendation D.5 of the Code, the Supervisory Board shall form a nomination committee, composed exclusively of shareholder representatives, which names suitable candidates to the Supervisory Board for its proposals to the General Meeting.

The Personally Liable General Partner and the Supervisory Board are of the opinion that a nomination committee is not required since the Supervisory Board is composed of only six representatives of the shareholders and is therefore in a position to directly and efficiently make election recommendations to the General Meeting.

#### II. 3 No. D.7 – The Supervisory Board shall also meet on a regular basis without the Management Board

Where necessary or in cases where the auditor is consulted as an expert (Section 109 (1) sentence 3 AktG), the Supervisory Board will decide whether it will also conduct its meetings without the presence of the Management Board. The Supervisory Board believes regular meetings at fixed intervals are not required.

#### II. 4 No. F.2 – Financial Reporting

Pursuant to Recommendation F.2 of the Code, the consolidated financial statements and the group management report shall be made publicly accessible within 90 days from the end of the financial year, while mandatory interim financial information shall be made publicly accessible within 45 days from the end of the reporting period.

EUROKAI does not apply this provision, and practically is not in a position to do so. EUROKAI is a pure financial holding company and therefore relies on the figures provided by its investment holdings, which it regularly does not receive in time to comply with the recommendation. The consolidated financial statements are published pursuant to the requirements of Section 325 (4) of the German Commercial Code (HGB) and the half-yearly report pursuant to the requirements under Section 115 of the German Securities Trading Act (WpHG).

Hamburg, April 2022

Personally Liable General Partner
Kurt F. W. A. Eckelmann GmbH, Hamburg

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

Supervisory Board
Dr Winfried Steeger

# Consolidated Financial Statements in accordance with IFRSs


boxXpress locomotives run on environmentally friendly green electricity.





## Consolidated Income Statement

| | 2021 | 2020 |
|---|---|---|
| | EUR '000 | EUR '000 |
| Revenue | 233,399 | 197,209 |
| Other operating income | 14,087 | 14,122 |
| Cost of materials | –81,339 | –71,589 |
| Personnel expenses | –64,383 | –58,420 |
| Depreciation, amortisation and impairment | –18,828 | –19,054 |
| Other operating expenses | –22,115 | –18,904 |
| **Profit before income from investments, interest and taxes (EBIT)** | **60,821** | **43,364** |
| Interest and similar income | 5,716 | 5,656 |
| Finance costs | –9,347 | –9,575 |
| Profit/loss from equity investments accounted for using the equity method | 64,574 | –59,965 |
| Other finance costs (income) | 1,448 | 107 |
| **Earnings before taxes (EBT)** | **123,212** | **–20,413** |
| Income tax expense | –28,211 | –10,165 |
| **Consolidated profit for the year (2020: consolidated loss)** | **95,001** | **–30,578** |
| Attributable to: | | |
| Equity holders of the parent | 73,802 | –44,869 |
| Non-controlling interests | 21,199 | 14,291 |
| | **95,001** | **–30,578** |
| **Diluted and basic earnings per share (in EUR)** | **5.34** | **–3.51** |

The determination of earnings per share was adjusted. An explanation can be found in the notes of the full version under Earnings per share. The previous year's figures were adjusted accordingly.

# Consolidated Statement of Comprehensive Income

| | 2021 | 2020 |
|---|---|---|
| | EUR '000 | EUR '000 |
| **Consolidated profit for the year (2020: consolidated loss)** | **95,001** | **–30,578** |
| **Other comprehensive income** | | |
| **Items that will not be reclassified subsequently to profit or loss** | | |
| Remeasurement of financial instruments | 315 | –99 |
| Deferred taxes on remeasurement of financial instruments | –87 | 27 |
| Actuarial gains/losses from defined benefit pension plans from joint ventures | 1,052 | 670 |
| Actuarial gains/losses from defined benefit pension plans | –66 | –131 |
| Deferred taxes on actuarial gains/losses | –317 | –176 |
| | **897** | **291** |
| **Items that are or may be reclassified subsequently to profit or loss** | | |
| Remeasurement of financial instruments from joint ventures | 154 | 126 |
| Deferred taxes on remeasurement of financial instruments | –50 | –41 |
| Exchange differences arising on translation of joint ventures | 2,627 | –2,711 |
| Exchange differences arising on translation of foreign operations | –143 | –310 |
| | **2,588** | **–2,936** |
| **Other comprehensive income (after tax)** | **3,485** | **–2,645** |
| **Total comprehensive income** | **98,486** | **–33,223** |
| Attributable to: | | |
| Equity holders of the parent | 77,207 | –47,470 |
| Non-controlling interests | 21,279 | 14,247 |
| | **98,486** | **–33,223** |

Luxury cars awaiting loading into containers at EUROGATE Container Terminal Bremerhaven.

# Consolidated Balance Sheet

| Assets | 2021 | 2020 |
|---|---|---|
| | EUR '000 | EUR '000 |
| **Non-current assets** | | |
| Intangible assets | | |
| Other intangible assets | 72,444 | 75,314 |
| Property, plant and equipment | | |
| Land, land rights and buildings including buildings on third-party land | 57,633 | 62,184 |
| Plant and machinery | 50,966 | 53,848 |
| Other equipment, fixtures and fittings | 4,736 | 5,270 |
| Prepayments and assets under construction | 6,427 | 1,645 |
| | **119,762** | **122,947** |
| Financial assets | | |
| Equity investments accounted for using the equity method | 169,692 | 106,911 |
| Other equity investments | 1,297 | 1,067 |
| | **170,989** | **107,978** |
| Deferred tax assets | 17,965 | 21,224 |
| Other non-current financial assets | 150,124 | 155,505 |
| Other non-current non-financial assets | 694 | 893 |
| **Total non-current assets** | **531,978** | **483,861** |
| **Current assets** | | |
| Inventories | 5,339 | 5,905 |
| Trade receivables | 54,644 | 44,752 |
| Other current financial assets | 7,520 | 27,034 |
| Other current non-financial assets | 13,008 | 12,305 |
| Current tax receivables | 3,320 | 3,856 |
| Cash and cash equivalents | 183,596 | 150,052 |
| **Total current assets** | **267,427** | **243,904** |
| **Total assets** | **799,405** | **727,765** |

| Equity and liabilities | 2021 | 2020 |
|---|---|---|
| | EUR '000 | EUR '000 |
| **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 the fair value measurement of financial derivatives | 0 | 0 |
| Reserve from other changes in equity of associates | –25,726 | –29,033 |
| Foreign currency reserves | 0 | 119 |
| Retained earnings | 142,022 | 134,436 |
| Net retained profit | 252,148 | 202,072 |
| **Equity attributable to equity holders of the parent** | **384,007** | **323,157** |
| Equity attributable to non-controlling interests | 87,842 | 79,857 |
| **Total equity and reserves** | **471,849** | **403,014** |
| **Liabilities and provisions** | | |
| Non-current liabilities and provisions | | |
| Non-current financial liabilities, net of current portion | 16,313 | 14,512 |
| Government grants | 2,398 | 2,547 |
| Other non-current financial liabilities | 209,128 | 214,099 |
| Other non-current non-financial liabilities | 1,825 | 49 |
| Deferred tax liabilities | 8,890 | 9,511 |
| Provisions | | |
| Provisions for pensions and other post-employment benefits | 7,171 | 7,360 |
| Other current provisions | 11,418 | 10,171 |
| | **257,143** | **258,249** |
| Current liabilities and provisions | | |
| Current portion of non-current financial liabilities | 6,265 | 7,824 |
| Trade payables | 32,164 | 30,459 |
| Government grants | 301 | 267 |
| Other current financial liabilities | 18,252 | 18,061 |
| Other current non-financial liabilities | 6,075 | 5,171 |
| Current tax payables | 5,493 | 2,788 |
| Provisions | | |
| Provisions for pensions and other post-employment benefits | 659 | 800 |
| Other current provisions | 1,204 | 1,132 |
| | **70,413** | **66,502** |
| **Total liabilities and provisions** | **327,556** | **324,751** |
| **Total equity and liabilities** | **799,405** | **727,765** |

# Consolidated Cash Flow Statement

| | 2021 | 2020 |
|---|---|---|
| | EUR '000 | EUR '000 |
| **1. Cash flows from operating activities** | | |
| Earnings before income tax | 123,212 | –20,413 |
| Depreciation, amortisation and impairment of non-current assets | 18,828 | 19,054 |
| Gain/loss on disposals of intangible assets and property, plant and equipment | –494 | –113 |
| Foreign exchange losses/gains | –3 | 36 |
| Non-cash change in investments in entities accounted for using the equity method | –64,574 | 47,406 |
| Result from equity investments and other financial assets | –210 | 0 |
| Interest income/loss | 3,631 | 3,919 |
| **Operating profit/loss before change in net working capital** | **80,390** | **49,889** |
| Change in trade receivables | –9,892 | 10,291 |
| Net change in other financial and non-financial assets | 3,006 | 7,169 |
| Change in inventories | 566 | 287 |
| Income from the release of government grants | –115 | –84 |
| Change in provisions (excluding accrued interest and additions from capitalised demolition costs) recognised in profit or loss | 879 | –3,492 |
| Change in trade payables including other financial liabilities and non-financial liabilities | –400 | –6,024 |
| **Cash inflows from change in net working capital** | **–5,956** | **8,147** |
| Interest received | 4,000 | 5,154 |
| Interest paid | –7,622 | –9,063 |
| Cash receipts from repayments of finance lease receivables | 7,423 | 5,546 |
| Cash inflow from income tax refunds | 0 | 646 |
| Taxes on income and earnings paid | –22,147 | –15,018 |
| **Interest and income taxes paid** | **–18,346** | **–12,735** |
| **Net cash inflow from operating activities** | **56,088** | **45,301** |
| | | |
| **2. Cash flows from investing activities** | | |
| Proceeds from disposal of property, plant and equipment and intangible assets | 3,626 | 1,512 |
| Cash payments to acquire property, plant and equipment and intangible assets | –11,529 | –7,770 |
| Proceeds from the disposal of equity investments and other long-term financial assets | 3,204 | 0 |
| Cash receipts from the repayment of loans granted | 21,386 | 0 |
| Cash payments for loans granted to associates | 0 | –17,917 |
| Cash payments to acquire/cash receipts from disposal of equity investments and other long-term financial assets | –206 | 0 |
| Dividends received | 7,197 | 24,068 |
| **Cash inflows from investing activities** | **23,678** | **–107** |

| | 2021 | 2020 |
|---|---|---|
| | EUR '000 | EUR '000 |
| **3. Cash flows from financing activities** | | |
| Dividends paid to equity holders | –15,839 | –24,385 |
| Proceeds from borrowings | 8,000 | 0 |
| Repayments of borrowings | –7,546 | –22,587 |
| Repayments of finance lease liabilities | –16,678 | –14,968 |
| Dividends paid to non-controlling interests | –14,159 | –13,616 |
| **Net cash used in financing activities** | **–46,222** | **–75,556** |
| | | |
| Net change in cash and cash equivalents (subtotal of 1 to 3) | 33,544 | –30,362 |
| Cash and cash equivalents at 1 January | 150,052 | 180,414 |
| **Cash and cash equivalents at end of period** | **183,596** | **150,052** |
| | | |
| Composition of cash and cash equivalents | | |
| Cash and cash equivalents | 183,596 | 150,052 |
| **Cash and cash equivalents at end of period** | **183,596** | **150,052** |

# Segment Reporting

For purposes of corporate management, the Group continues to be organised into business units according to services and geographical segments and has the following three business segments that are subject to segment reporting:

- The "EUROKAI" Segment includes the EUROKAI business entity, whose focus is on the leasing of operating areas and quay walls in Germany.
- The "CONTSHIP Italia" Segment comprises the business entities of the Italian CONTSHIP Italia Group.
- The "EUROGATE" Segment comprises the proportionate shareholding (50%) in the EUROGATE Group, which generates its revenue in Germany.

The operating result of the business units is monitored separately by the management to enable it to take decisions relating to the distribution of resources and determine the profitability of the units. Profitability of the segments is assessed on the basis of the operating result. Inter-segment transfers are accounted for on an arm's length basis.

Segment assets and liabilities include all operating assets and liabilities that are used by or result from a segment's operating activities and whose positive or negative balance determines the operating profit or loss, respectively. Segment assets include principally intangible assets, property, plant and equipment and investments in companies accounted for using the equity method, as well as trade and other receivables and inventories. Segment liabilities principally consist of liabilities to banks, government grants, trade and other payables as well as provisions. Segment capital expenditure comprises additions to intangible assets and property, plant and equipment.

Inter-segment transactions are eliminated in the Consolidation/reconciliation column.

Inter-segment revenues are recognised at prices corresponding to fair market prices.

In segment reporting, the EUROGATE GmbH & Co. KGaA, KG joint venture is proportionately consolidated as the EUROGATE Segment in line with the 50% equity interest held, and not included using the equity method of accounting as in the consolidated financial statements.

At 31 December 2021 the segments were broken down as follows:

| 31 December 2021 | EUROKAI | CONTSHIP Italia | EUROGATE | Subtotal | Consolidation and reconciliation to IFRS 11 | Total |
|---|---|---|---|---|---|---|
| | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 |
| Revenue | 0 | 233,399 | 305,955 | **539,354** | –305,955 | **233,399** |
| of which external revenue | 0 | 233,399 | 305,955 | **539,354** | –305,955 | **233,399** |
| Interest revenue | 5,455 | 261 | 601 | **6,317** | –601 | **5,716** |
| Interest expense | –5,399 | –3,948 | –10,969 | **–20,316** | 10,969 | **–9,347** |
| Profit/loss of entities accounted for using the equity method | 2,527 | 5,487 | 7,929 | **15,943** | 48,631 | **64,574** |
| Dividends from other segments | 18,182 | 0 | 0 | **18,182** | –18,182 | **0** |
| EBT | 19,217 | 64,382 | 64,504 | **148,103** | –24,891 | **123,212** |
| Segment assets | 165,764 | 290,667 | 492,954 | **954,385** | –369,860 | **579,525** |
| Segment liabilities | 158,065 | 155,106 | 546,553 | **859,724** | –546,551 | **313,173** |
| Depreciation, amortisation and impairment losses | –11 | –18,817 | –34,968 | **–53,796** | 34,968 | **–18,828** |
| Capital expenditure | 44 | 11,529 | 13,418 | **24,764** | –13,418 | **11,573** |

At 31 December 2020 the segments were broken down as follows:

| 31 December 2020 | EUROKAI | CONTSHIP Italia | EUROGATE | Subtotal | Consolidation and reconciliation to IFRS 11 | Total |
|---|---|---|---|---|---|---|
| | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 |
| Revenue | 0 | 197,209 | 263,523 | **460,732** | –263,523 | **197,209** |
| of which external revenue | 0 | 197,209 | 263,523 | **460,732** | –263,523 | **197,209** |
| Interest revenue | 5,195 | 461 | 950 | **6,606** | –950 | **5,656** |
| Interest expense | –5,238 | –4,337 | –9,604 | **–19,179** | 9,604 | **–9,575** |
| Profit/loss of entities accounted for using the equity method | –2,147 | 5,480 | –8,291 | **–4,958** | –55,007 | **–59,965** |
| Dividends from other segments | 16,017 | 0 | 0 | **16,017** | –16,017 | **0** |
| EBT | 12,846 | 42,411 | –69,831 | **–14,574** | –5,839 | **–20,413** |
| Segment assets | 169,941 | 308,626 | 504,534 | **983,101** | –444,732 | **538,369** |
| Segment liabilities | 162,978 | 149,474 | 539,361 | **851,813** | –539,361 | **312,452** |
| Depreciation, amortisation and impairment losses | 0 | –19,054 | –33,369 | **–52,423** | 33,369 | **–19,054** |
| Capital expenditure | 0 | 7,770 | 23,593 | **31,363** | –23,593 | **7,770** |

# Consolidated Statement of Changes in Equity

| | Issued capital | Equity attributable to Personally Liable General Partner | Capital reserves | Reserve from the fair value measurement of financial derivatives | Foreign currency reserve | Reserve from other equity transactions of equity-accounted entities | Generated equity: Retained earnings | Generated equity: Net retained profit | Equity attributable to equity holders of the parent | Equity attributable to non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 |
| **Balance at 1 January 2020** | **13,468** | **294** | **1,801** | **–9** | **377** | **–26,918** | **127,044** | **279,157** | **395,214** | **79,342** | **474,556** |
| **Changes in 2020 financial year** | | | | | | | | | | | |
| Remeasurement of derivative financial instruments | | – | – | 9 | – | 86 | – | –12 | 83 | 2 | 85 |
| Remeasurement of equity investments to fair value | | – | – | – | – | – | –43 | – | –43 | –29 | –72 |
| Remeasurement of pension obligations | | – | – | – | – | 456 | –76 | – | 380 | –17 | 363 |
| Currency translation | | – | – | – | –310 | –2,711 | – | – | –3,021 | – | –3,021 |
| Other comprehensive income | | – | – | 9 | –310 | –2,169 | –119 | –12 | –2,601 | –44 | –2,645 |
| Consolidated profit/loss for the year | | – | – | – | – | – | – | –44,869 | –44,869 | 14,291 | –30,578 |
| **Net profit/loss for the period** | | **–** | **–** | **9** | **–310** | **–2,169** | **–119** | **–44,881** | **–47,470** | **14,247** | **–33,223** |
| Dividends paid to equity holders | | – | – | – | – | – | – | –24,385 | –24,385 | – | –24,385 |
| Dividends paid to non-controlling interests | | – | – | – | – | – | – | – | – | –13,616 | –13,616 |
| Appropriations to retained earnings | | – | – | – | – | – | 7,500 | –7,500 | – | – | – |
| Capital share of non-controlling interests | | – | – | – | 52 | 54 | 11 | – | 117 | –116 | 1 |
| Other | | – | – | – | – | – | – | –319 | –319 | – | –319 |
| **Balance at 31 December 2020** | **13,468** | **294** | **1,801** | **0** | **119** | **–29,033** | **134,436** | **202,072** | **323,157** | **79,857** | **403,014** |

# Consolidated Statement of Changes in Equity

| | Issued capital | Equity attributable to Personally Liable General Partner | Capital reserves | Reserve from the fair value measurement of financial derivatives | Foreign currency reserve | Reserve from other equity transactions of equity-accounted entities | Generated equity | | Equity attributable to equity holders of the parent | Equity attributable to non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Retained earnings | Net retained profit | | | |
| | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 |
| **Balance at 1 January 2021** | **13,468** | **294** | **1,801** | **0** | **119** | **–29,033** | **134,436** | **202,072** | **323,157** | **79,857** | **403,014** |
| **Changes in 2021 financial year** | | | | | | | | | | | |
| Remeasurement of derivative financial instruments | – | – | – | – | – | 104 | – | 0 | 104 | – | 104 |
| Remeasurement of equity investments to fair value | – | – | – | – | – | 0 | 137 | – | 137 | 91 | 228 |
| Remeasurement of pension obligations | – | – | – | – | – | 709 | –29 | – | 680 | –11 | 669 |
| Currency translation | – | – | – | – | –143 | 2,627 | – | – | 2,484 | – | 2,484 |
| Other comprehensive income | – | – | – | – | –143 | 3,440 | 108 | 0 | 3,405 | 80 | 3,485 |
| Consolidated loss for the year | – | – | – | – | – | – | – | 73,802 | 73,802 | 21,199 | 95,001 |
| **Net profit/loss for the period** | **–** | **–** | **–** | **–** | **–143** | **3,440** | **108** | **73,802** | **77,207** | **21,279** | **98,486** |
| Dividends paid to equity holders | – | – | – | – | – | – | – | –15,839 | –15,839 | – | –15,839 |
| Dividends paid to non-controlling interests | – | – | – | – | – | – | – | – | – | –14,159 | –14,159 |
| Appropriations to retained earnings | – | – | – | – | – | – | 7,500 | –7,500 | – | – | – |
| Capital share of non-controlling interests | – | – | – | – | 24 | –97 | –22 | – | –95 | 95 | – |
| Other | – | – | – | – | – | –36 | – | –387 | –423 | – | –423 |
| Additions of shares of non-controlling interests due to changes in the basis of consolidation | – | – | – | – | – | – | – | – | – | 770 | 770 |
| **Balance at 31 December 2021** | **13,468** | **294** | **1,801** | **0** | **0** | **–25,726** | **142,022** | **252,148** | **384,007** | **87,842** | **471,849** |

# Consolidated Statement of Changes in Non-current Assets

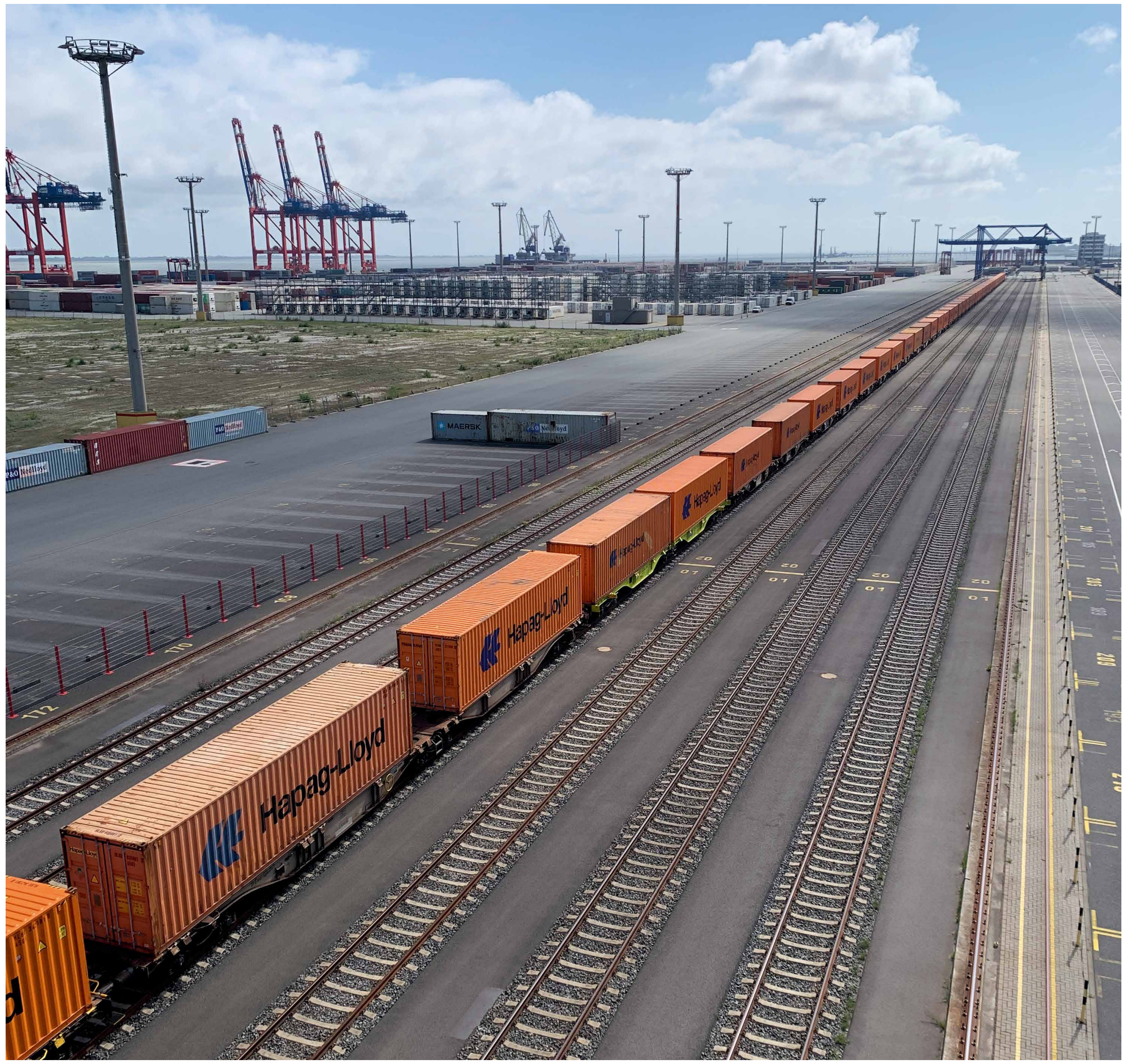
| | Historical cost | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1.1. 2021 | Additions IFRS 16 | Addi- tions | Modi- fications | Disposals | Change in reporting entity | Reclassifi- cations | Other changes in invest- ments in associates | 31.12. 2021 |
| | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 |
| **Intangible assets** | | | | | | | | | |
| Concessions, software, rights and prepayments (own) | 115,454 | 0 | 686 | 0 | −2,032 | −724 | 62 | 0 | 113,446 |
| Concessions, software, rights and prepayments (leased) | 41,907 | 0 | 0 | 794 | −810 | 97 | 0 | 0 | 41,988 |
| **Property, plant and equipment** | | | | | | | | | |
| Land, land rights and buildings (own) | 117,749 | 0 | 0 | 0 | −7 | −602 | 1,044 | 0 | 118,184 |
| Land, land rights and buildings (leased) | 21,391 | 0 | 210 | −634 | −826 | 0 | 0 | 0 | 20,141 |
| Machinery (own) | 189,133 | 0 | 0 | 0 | −4,189 | −10,784 | 4,030 | 0 | 178,190 |
| Machinery (leased) | 14,131 | 0 | 3,612 | 604 | −1,473 | 0 | 0 | 0 | 16,874 |
| Other equipment, furniture and fixtures (own) | 41,791 | 0 | 85 | 0 | −267 | −4,970 | 885 | 0 | 37,524 |
| Other equipment, furniture and fixtures (leased) | 1,336 | 0 | 555 | 91 | −482 | 0 | 0 | 0 | 1,500 |
| Prepayments and assets under construction | 1,645 | 0 | 10,803 | 0 | 0 | 0 | −6,021 | 0 | 6,427 |
| | **387,176** | **0** | **15,265** | **61** | **−7,244** | **−16,356** | **−62** | **0** | **378,840** |
| **Financial assets** | | | | | | | | | |
| Investments in associates | 106,967 | 0 | 0 | 0 | 0 | 0 | 0 | 62,781 | 169,748 |
| Equity investments | 1,098 | 0 | 0 | 0 | 230 | 0 | 0 | 0 | 1,328 |
| Other financial assets | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **108,065** | **0** | **0** | **0** | **230** | **0** | **0** | **62,781** | **171,076** |
| **Total non-current assets** | **610,695** | **0** | **15,951** | **61** | **−9,046** | **−17,080** | **0** | **62,781** | **663,362** |

| | Accumulated amortisation/depreciation and impairment losses | | | | | Carrying amounts | |
|---|---|---|---|---|---|---|---|
| | 1.1.2021 | Additions | Disposals/ Reclassifications | Change in reporting entity | 31.12.2021 | 31.12.2021 | 31.12.2020 |
| | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 | EUR '000 |
| **Intangible assets** | | | | | | | |
| Concessions, software, rights and prepayments (own) | −80,094 | −1,477 | 0 | 724 | −80,847 | 32,599 | 35,360 |
| Concessions, software, rights and prepayments (leased) | −1,953 | −913 | 723 | 0 | −2,143 | 39,845 | 39,954 |
| **Property, plant and equipment** | | | | | | | |
| Land, land rights and buildings (own) | −73,955 | −3,137 | 0 | 603 | −76,489 | 41,695 | 43,794 |
| Land, land rights and buildings (leased) | −3,001 | −1,269 | 67 | 0 | −4,203 | 15,938 | 18,390 |
| Machinery (own) | −141,963 | −5,961 | 3,324 | 10,784 | −133,816 | 44,374 | 47,170 |
| Machinery (leased) | −7,453 | −4,302 | 1,473 | 0 | −10,282 | 6,592 | 6,678 |
| Other equipment, furniture and fixtures (own) | −37,019 | −1,378 | −194 | 5,035 | −33,556 | 3,968 | 4,772 |
| Other equipment, furniture and fixtures (leased) | −838 | −391 | 497 | 0 | −732 | 768 | 498 |
| Prepayments and assets under construction | 0 | 0 | 0 | 0 | 0 | 6,427 | 1,645 |
| | **−264,229** | **−16,438** | **5,167** | **16,422** | **−259,078** | **119,762** | **122,947** |
| **Financial assets** | | | | | | | |
| Investments in associates | −56 | 0 | 0 | 0 | −56 | 169,692 | 106,911 |
| Equity investments | −31 | 0 | 0 | 0 | −31 | 1,297 | 1,067 |
| Other financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **−87** | **0** | **0** | **0** | **−87** | **170,989** | **107,978** |
| **Total non-current assets** | **−344,410** | **−17,915** | **5,167** | **17,146** | **−340,012** | **363,195** | **306,239** |

NTB, CTB and MSC Gate container terminals in Bremerhaven.

# Financial Statements

## EUROKAI GmbH & Co. KGaA, Hamburg (shortened) in accordance with the German Commercial Code (HGB)




Hapag-Lloyd container block train of our new partner at EUROGATE Container Terminal Wilhelmshaven.

The following disclosures are based on the single-entity financial statements of EUROKAI GmbH & Co. KGaA (in the following referred to as EUROKAI), which have been prepared according to the requirements of the German Commercial Code (HGB).

The detailed financial statements as at 31 December 2021, for which FIDES GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft issued an unqualified audit report, and the management report of EUROKAI for 2021 are published in the electronic version of the Federal Gazette (Bundesanzeiger) and deposited in the Commercial Register.

| Income statement | 2021 | | 2020 | |
|---|---|---|---|---|
| | EUR '000 | % | EUR '000 | % |
| Sales | 11,172 | | 11,240 | |
| Other operating income | 6 | | 46 | |
| **Gross operating revenue** | **11,178** | **100** | **11,286** | **100** |
| Cost of materials | –10,949 | –98 | –10,999 | –98 |
| Personnel expenses | –146 | –1 | –97 | –1 |
| Amortisation, deprecation and write-downs | –11 | 0 | 0 | 0 |
| Other operating expenses | –1,583 | –14 | –1,176 | –10 |
| Other taxes | –106 | –1 | –88 | –1 |
| **Operating expenses** | **–12,795** | **–114** | **–12,360** | **–110** |
| **Operating result** | **–1,617** | **–14** | **–1,074** | **–10** |
| Financial result | 42 | | –63 | |
| Net investment income | 19,517 | | 17,153 | |
| Taxes on income | –5,710 | | –210 | |
| **Net income for the period** | **12,232** | | **15,806** | |

| Balance sheet | 2021 | | 2020 | |
|---|---|---|---|---|
| | EUR '000 | % | EUR '000 | % |
| **Assets** | | | | |
| Fixed assets | 241,519 | 72 | 244,690 | 72 |
| Other assets, prepaid expenses and liquid funds | 91,818 | 28 | 93,132 | 28 |
| | **333,337** | | **337,822** | |
| **Equity and liabilities** | | | | |
| Equity | 330,708 | 99 | 334,315 | 99 |
| Provisions | 1,840 | 1 | 1,474 | 0 |
| Other liabilities | 789 | 0 | 2,033 | 1 |
| | **333,337** | | **337,822** | |

## FINANCIAL PERFORMANCE

EUROKAI is a financial holding company and, as such, no longer carries out any operating activities. Its business operations are restricted to the administration of its financial investments and to the subletting of quay walls and properties leased from the Free and Hanseatic City of Hamburg/Hamburg Port Authority to the companies of the EUROGATE Group.

This subletting brings rental income from quay walls, operating areas and other inter-company charges of EUR 11.2 million (2020: EUR 11.2 million). Sales revenues for 2021 are set against leasing expenses in a comparable amount.

For the 2021 financial year, investment income of EUR 19.5 million (2020: EUR 17.2 million) was recognised. EUROKAI also recognised dividend income from Contship Italia S. p. A., Melzo/Milan, Italy, in the amount of EUR 18.2 million (2020: EUR 16.0 million), from Medgate FeederXpress Ltd., Monrovia, Liberia, in the amount of EUR 0.3 million (2020: EUR 1.0 million) and from J. F. Müller & Sohn AG, Hamburg, in the amount of EUR 1.0 million (2020: EUR 0.1 million). The net income for the year of EUROGATE GmbH & Co. KGaA, KG in 2021 was allocated in full to the special loss accounts of the shareholders and therefore does not result in investment income in the EUROKAI 2021 annual financial statements.

Other operating expenses primarily cover the profit share of the Personally Liable General Partner, administrative costs, legal and consulting fees, as well as remuneration of the Supervisory Board and Administrative Board.

Tax expenses increased by EUR 5.5 million to EUR 5.7 million mainly due to the positive taxable profit attributable to EUROGATE GmbH & Co. KGaA, KG.

For the 2021 financial year, net income of EUR 12.2 million (2020: EUR 15.8 million) was recognised.

## CASH FLOWS

Based on the result achieved in the 2021 financial year of EUR 12.2 million (2020: EUR 15.8 million), cash flows from continuing operations were generated of EUR –12.8 million (2020: EUR –1.6 million).

## FINANCIAL POSITION

The decline in fixed assets of EUR 3.2 million was attributable to the disposal of the 66.6% interest in Medgate FeederXpress Ltd., Monrovia, Liberia. The company was wound up on 3 December 2021 on the basis of the shareholder resolution of 19 November 2021.

Other assets, liquid funds and prepaid expenses primarily included income tax receivables of EUR 2.7 million (2020: EUR 3.1 million), a short-term time deposit with an insurance company in the amount of EUR 5.0 million (2020: EUR 0.0 million), as well as call accounts and fixed-term deposits with credit institutions and bank balances amounting to EUR 84.1 million (2020: EUR 90.0 million).

The company's equity ratio at the end of the 2021 financial year remained unchanged at 99% (2020: 99%).

## PROPOSAL ON THE APPROPRIATION OF NET PROFIT

The Management Board of the Personally Liable General Partner and the Supervisory Board will propose that for 2021 the General Meeting approve a dividend payment of 100% (2020: 100%) on the nominal value of ordinary and non-voting preference shares from the net retained profits of EUR 158.625 million and the allocation of an amount of EUR 7.5 million to revenue reserves.

Flying of flags to mark the birth of Lioba Alicia Both (7th generation of the Eckelmann family) on 24 September 2021.

# Other Disclosures

**SUPERVISORY BOARD**

The following persons were members of the Supervisory Board during the financial year 2021:

**Dr Winfried Steeger, Hamburg, Germany**
**Chairman**
- Lawyer

**Christian Kleinfeldt, Hamburg, Germany (since 11 March 2021)**
- CFO of Jahr Holding GmbH, Hamburg, Germany

**Katja Gabriela Both (née Eckelmann), Hamburg, Germany**
- Commercial employee EUROGATE GmbH & Co. KGaA, KG, Bremen, Germany

**Jochen Döhle, Hamburg, Germany**
- Personally Liable General Partner Peter Döhle Schiffahrts KG, Hamburg, Germany

**Max M. Warburg, Hamburg, Germany**
- Banker

**Dr Klaus-Peter Röhler, Munich, Germany**
**Deputy Chairman (since 15 March 2021)**
- Chairman of the Board of Management of Allianz Deutschland AG, Munich, Germany
- Member of the Board of Management of Allianz SE, Munich, Germany

The members of the Personally Liable General Partner's Management Board and the Supervisory Board are also members of the following governing bodies:

**Thomas H. Eckelmann**
- Contship Italia S. p. A., Melzo/Milan, Italy, Member of the Board of Directors
- Sogemar S. p. A., Melzo/Milan, Italy, Chairman of the Board of Directors
- La Spezia Container Terminal S. p. A., La Spezia, Italy, Chairman of the Board of Directors
- EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven, Germany, Member of the Supervisory Board
- EUROGATE Container Terminal Hamburg GmbH, Hamburg, Germany, Member of the Supervisory Board
- EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven, Germany, Member of the Advisory Board
- EUROGATE Technical Services GmbH, Hamburg, Germany, Member of the Supervisory Board
- boxXpress.de GmbH, Hamburg, Germany, Chairman of the Advisory Board
- Tanger Alliance S. A., Tangier, Morocco, Chairman of the Supervisory Board
- EUROGATE Tanger S. A., Tangier, Morocco, Member of the Supervisory Board
- EUROGATE Container Terminal Limassol Ltd., Limassol, Cyprus, Chairman of the Board of Directors

**Cecilia E. M. Eckelmann-Battistello**
- Contship Italia S. p. A., Melzo/Milan, Italy, Chairwoman of the Board of Directors
- La Spezia Container Terminal S. p. A., La Spezia, Italy, Deputy Chairwoman of the Board of Directors
- Sogemar S. p. A., Melzo/Milan, Italy, Deputy Chairwoman of the Board of Directors
- CICT Porto Industriale Cagliari S. p. A., Cagliari (in liquidation), Italy, Chairwoman of the Board of Directors
- Terminal Container Ravenna S. p. A., Ravenna, Italy, Deputy Chairwoman of the Board of Directors
- Tanger Alliance S. A., Tangier, Morocco, Member of the Supervisory Board
- EUROGATE Tanger S. A., Tangier, Morocco, Deputy Chairwoman of the Supervisory Board

**Dr Winfried Steeger**
- Verwaltungsgesellschaft Otto mbH (co-determined GmbH of the Otto Group), Hamburg, Germany, Member of the Supervisory Board
- August Prien Verwaltung GmbH, Hamburg, Germany, Chairman of the Supervisory Board
- EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Member of the Supervisory Board
- Kurt F. W. A. Eckelmann GmbH, Hamburg, Germany, Deputy Chairman of the Administrative Board
- Familie Thomas Eckelmann GmbH & Co. KG, Hamburg, Germany, Deputy Chairman of the Administrative Board
- Familie Thomas Eckelmann Verwaltungsgesellschaft mbH, Hamburg, Germany, Deputy Chairman of the Administrative Board
- Blue Elephant Energy AG, Hamburg, Germany, Member of the Supervisory Board
- HMNC Holding GmbH, Munich, Germany, Member of the Supervisory Board (until 18 January 2021)

**Jochen Döhle**
- Ernst Russ AG, Hamburg, Germany, Member of the Supervisory Board
- EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Member of the Supervisory Board
- Familie Thomas Eckelmann Verwaltungsgesellschaft mbH, Hamburg, Germany, Member of the Administrative Board
- Familie Thomas Eckelmann GmbH & Co. KG, Hamburg, Germany, Member of the Administrative Board
- Kurt F. W. A. Eckelmann GmbH, Hamburg, Germany, Member of the Administrative Board

**Katja Gabriela Both (née Eckelmann)**
- Contship Italia S. p. A., Melzo/Milan, Italy, Member of the Board of Directors (non-executive)

**Max M. Warburg**
- EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Second Deputy Chairman of the Supervisory Board
- Familie Thomas Eckelmann Verwaltungsgesellschaft mbH, Hamburg, Germany, Chairman of the Administrative Board
- Familie Thomas Eckelmann GmbH & Co. KG, Hamburg, Germany, Chairman of the Administrative Board
- Kurt F. W. A. Eckelmann GmbH, Hamburg, Germany, Chairman of the Administrative Board

**Dr Klaus-Peter Röhler**
- Kurt F. W. A. Eckelmann GmbH, Hamburg, Germany, Member of the Administrative Board
- Familie Thomas Eckelmann Verwaltungsgesellschaft mbH, Hamburg, Germany, Member of the Administrative Board
- Familie Thomas Eckelmann GmbH & Co. KG, Hamburg, Germany, Member of the Administrative Board
- Allianz Lebensversicherungs-AG, Stuttgart, Germany, Chairman of the Supervisory Board
- Allianz Versicherungs-AG, Munich, Germany, Chairman of the Supervisory Board
- Allianz Private Krankenversicherungs-AG, Munich, Germany, Chairman of the Supervisory Board
- Allianz Beratungs- und Vertriebs-AG, Munich, Germany, Chairman of the Supervisory Board
- Allianz Suisse Versicherungs-Gesellschaft AG, Wallisellen, Switzerland, Member of the Administrative Board
- Allianz Suisse Lebensversicherungs-Gesellschaft AG, Wallisellen, Switzerland, Member of the Administrative Board

**Christian Kleinfeldt**
- EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Member of the Supervisory Board (since 17 February 2021)

Supervisory Board remuneration amounted to EUR 143,083.33 in financial year 2021. Dr Steeger received EUR 49,000.00 thereof, Mr Kleinfeldt EUR 17,833.33, Mr Warburg EUR 17,000.00, Ms Both EUR 19,000.00, Mr Döhle EUR 17,000.00 and Dr Röhler EUR 23,250.00.

There were no payments to former members of the Supervisory Board or their surviving dependents.

There were also no termination settlements, share-based payments, advances or loans, or other long-term benefits.

**PERSONALLY LIABLE GENERAL PARTNER**

Personally Liable General Partner of EUROKAI is Kurt F. W. A. Eckelmann GmbH, Hamburg, Germany, with a share capital of EUR 100,000.00. Managing Directors of the Personally Liable General Partner are:

**Thomas H. Eckelmann, Hamburg, Germany**
**Chairman**

**Cecilia E. M. Eckelmann-Battistello, Limassol, Cyprus**

The Management Board of the Personally Liable General Partner receives no remuneration for its services, either from EUROKAI or from the Personally Liable General Partner.

**AUDIT AND CONSULTING FEES**

The Group auditor's fees, which are recognised as an expense, amounted to EUR 60,000 (2020: EUR 108,000), for other assurance services EUR 4,000 (2020: EUR 0.00), EUR 0.00 for tax consulting services (2020: EUR 11,000) and EUR 0.00 (2020: EUR 26,000) for other services.

**CORPORATE GOVERNANCE**

The Declaration of Compliance with the recommendations of the "Government Commission on the German Corporate Governance Code" as required pursuant to Section 161 of the German Stock Corporation Act (AktG) was issued by the Management Board and the Supervisory Board of the Personally Liable General Partner and made permanently accessible to the shareholders in the electronic version of the Federal Gazette (Bundesanzeiger) and on EUROKAI's website (www.eurokai.com).

Hamburg, Germany, 30 March 2022

Personally Liable General Partner
Kurt F. W. A. Eckelmann GmbH, Hamburg, Germany

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


Flags flying at half-mast in January 2022 to mark the passing of Dr Hans-Joachim Röhler, Chairman of the EUROKAI Supervisory Board 1981–2012, Honorary Chairman until his passing.

# Responsibility Statement (Group)

We hereby affirm that, to the best of our knowledge, and in accordance with the applicable financial reporting principles, the consolidated financial statements present a true and fair view of the assets, liabilities and financial position of the Group, and of its financial performance, and that the Group management commentary presents a true and fair view of the business development, the result of operations and the overall position of the Group, and describes the material opportunities and risks associated with the expected development of the Group.

Hamburg, Germany, 30 March 2022

Personally Liable General Partner
Kurt F. W. A. Eckelmann GmbH, Hamburg

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

# Contact

This Annual Report contains a shortened version of the Consolidated Financial Statements. All references to the Notes to the Consolidated Financial Statements relate to the full version. The full version can be obtained – in German – from:

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